

# Economic Development Partnership Board Meeting

## Agenda

Thursday 13<sup>th</sup> January 2010, 12.30-14.00  
 Hackney Community College, Falkirk Street, N1 6HQ  
 Co Chairs: Cllr Guy Nicholson and Ian Ashman

1.	12:30	<b>Welcome, introductions and apologies</b>	<b>Chair: Ian Ashman</b>
2.	12:35	<b>Minutes, updates and actions</b> Notes, actions and matters arising from the previous meeting  <b>Papers:</b> 2. Minutes of the last meeting held on 14 September 2010	<b>Chair</b>
3.	12:40	<b>Strategic Commissioning and the Single Work Programme – forward planning</b>  <b>Context:</b> The EDP Board set up a task group to review and take forward the actions required to forward plan for the end of the ABG-funded interventions, including the current contract for the Ways into Work Programme.  <b>Role of Board:</b> <ul style="list-style-type: none"> <li>• To consider the implications of developments in relation to the Single Work Programme and the wider welfare reform agenda and agree what action EDP needs to take to ensure Hackney is in the best position to benefit from future opportunities</li> <li>• To note the lessons learnt from the commissioned programme to date and their implications for forward planning</li> <li>• To agree the recommendations of the EDP task group in relation to the current commissioned interventions, and consider future proposals relating to the Ways into Work Programme</li> </ul> <b>Paper(s):</b> <ul style="list-style-type: none"> <li>3.1 Single Work Programme: update (Derek Harvey)</li> <li>3.2 EDP Task Group minutes and actions (Sonia Khan)</li> <li>3.3 Position statement on local need and lessons learnt for EDP (Shawnee Keck)</li> <li>3.4 Update from the EDN on the December network event and VCS providers' list (Bisi Ojuri / Avril McIntyre)</li> <li>3.5 Report and proposals for the future of the Sustainable Employment for the Charedi Community project (Sonia Khan)</li> <li>3.6 Ways into Work Impact Assessment: update on process and key findings (Sonia Khan)</li> <li>3.7 Proposals for the future of Ways into Work (Juniper-Hope Strong)</li> </ul>	<b>Chair</b>

		<b>Background paper(s):</b> 3.8 Findings from the mid-year review of the disability pilot (Sonia Khan) TO FOLLOW 3.9 Cross-cutting review of worklessness – final report (Shawnee Keck) 3.10 Local Economic Assessment (Shawnee Keck)	
4.	13:20	<b>Quarterly Performance</b> <b>Context:</b> Regular performance update and discussion <b>Role of Board:</b> To discuss and challenge performance of LAA indicators and ABG interventions, within the wider economic context <b>Paper(s):</b> 4.1 EDP interventions performance report 4.2 EDP quarterly LAA performance indicators report	<b>Chair</b>
5.	13:30	<b>Enterprise</b> <b>Context:</b> To update the Board on the development of an enterprise vision and action plan for Hackney <b>Role of the Board:</b> To consider and agree the scope of the Enterprise vision and action plan and the timetable for its development. <b>Paper(s):</b> 5.1 Scope for enterprise vision and action plan TO FOLLOW <b>Background paper(s):</b> 5.2 Business Survey: interim findings and lessons learnt (Shawnee Keck) TO FOLLOW	<b>Richard Abbott and Matthew Thomson</b>
6.	13:50	<b>Any other business</b>	<b>Chair</b>

Please note the dates of future meetings:

<b>Date</b>	<b>Time and Venue</b>
8 March 2011	3-5pm Hackney Community College
7 June 2011	3-5pm Hackney Community College

For further information, or to suggest items for future meetings, please contact:  
Lin Cotterrell, 020 8356 2167 / [lin.cotterrell@hackney.gov.uk](mailto:lin.cotterrell@hackney.gov.uk)

## Economic Development Partnership Board Meeting

14 September 2010, 9:30 – 11:30

Hackney Community College, Falkirk Street, N1 6HQ

### Attendees

Role	Name	Organisation	Present	Apology
Co-Chair	Ian Ashman	Principal, Hackney Community College	✓	
Co-Chair	Guy Nicholson	Cabinet Member, Regeneration and the Olympics	✓	
Member	Richard Abbott	Hackney Enterprise Network Representative		✓
	Janet Bywater	Partnership Director, Learning and Skills Council	✓	
	Steve Douglas	Interim Corporate Director N&R, Hackney Council		✓
	Derek Harvey	External Relations Manager, Job Centre Plus	✓	
	Rosie Holcroft	Senior Regeneration Manager, LDA		✓
	Avril McIntyre	Community Empowerment Network Representative		✓
	Lesley Mountford	Joint Director of Public Health, NHS City & Hackney and London Borough of Hackney	✓	
	Louise Muller	Programme Manager,		✓
	Bisi Ojuri	Community Empowerment Network Representative	✓	
	Yvonne Servante	Deputy Director (Secondary), Learning Trust	✓	
	Matthew Thomson	Social Enterprise Representative		✓
Guest/ Presenter	Juniper-Hope Strong	Head of Service - Partnership and Investment, Hackney Council	✓	
	Julie Hutchinson	ELBA	✓	
	Shawnee Keck	Policy Advisor--Economic Affairs, Hackney Council	✓	
	Sonia Khan	Head Of Strategic Commissioning	✓	
	Helen McNulty	The Learning Trust	✓	
	Andrew Munk	Economic Research & Policy Officer, Hackney Council	✓	
	Madeleine Williams	GLE	✓	
Advisers	Andrea Cronin	Thematic Partnerships Manager	✓	
	Lin Cotterrell	Partnerships Advisor, Hackney Council	✓	
	Seth Anyetei	Partnership Support Officer, Hackney Council	✓	
Observers	Vonley Joseph		✓	
	Jed Keenan		✓	
	Fred Omo-Osagie		✓	

## Action List

No.	ACTION	Actioned by whom	Actioned by when
2.1	A formal update on the enterprise vision and action plan	Richard Abbott / Matthew Thomson	Nov 2010
2.2	Final report of the cross-cutting review on worklessness to be circulated to the Board	Shawnee Keck	Sep 2010
2.3	Work and Skills Plan to be incorporated into the Economic Development Strategy	Juniper-Hope Strong	Nov 2010
2.4	Findings from the mid-year review of the disability pilot	Sonia Khan	Nov 2010
2.5	Report on the Charedi project	Sonia Khan	Nov 2010
3.1	Madeleine to let EDP know about any opportunities for Hackney partners to engage with the GLE proposal	Madeleine Williams	Nov 2010
3.2	Update on the Single Work Programme and welfare reform	Derek Harvey	Nov 2010
3.3	Final reports on the commissioned contracts	Sonia Khan	Mar 2011
3.4	Draft paper setting out EDP's collective position, lessons learnt and offer to be prepared for discussion	EDP Task Group	Nov 2010
3.5	EDP Task Group to meeting to take forward the actions below: <ol style="list-style-type: none"> <li>1. Identifying and understanding the key risks if interventions ended, including outcomes, targets and interdependencies</li> <li>2. Identifying potential funding opportunities for leveraging in funding to the borough and horizon scanning national policy developments in order to plan collective and coordinated responses from EDP</li> <li>3. Understanding lessons learnt to date and their implications for forward planning, including the findings from impact assessments, evaluations, monitoring/performance data, and relevant reviews and strategies</li> <li>4. Contributing to future thinking about the allocation of resources in furtherance of targets overseen by EDP</li> <li>5. Considering the potential for mainstreaming activities</li> <li>6. Consider the capacity of the Single Work Programme and new employment and welfare regime to address the needs which the commissioned programme had been designed to address</li> <li>7. Consider the opportunities for collectively working with work programme providers and the prime contractor</li> </ol>	Sonia Khan / Lin Cotterrell	Nov 2010
5.1	Members to feed in to the response to the government's consultation on the health white paper via Lesley Mountford.	All	Sep 2010

	Discussion and Decision	Actioned by whom	Actioned by when
1.	<p><b>Welcome and apologies</b></p> <p>The Chair welcomed Madeleine Williams from GLE as a guest presenter.</p> <p>Apologies were received from Richard Abbott, Steve Douglas, Rosie Holcroft, Avril McIntyre, Louise Muller.</p>		
2.	<p><b>Minutes, updates and actions</b></p> <p><u>Enterprise vision and action plan</u> The Chair requested that a formal update on this item be provided to the next meeting.</p> <p><u>Cross-cutting review on tackling worklessness</u> The Board heard that the report had been updated to reflect the new policy environment and the changes affecting worklessness and benefits. The report was now in its final week of editing and would be finalised imminently and circulated to the Board.</p> <p><u>Hackney's work and skills plan</u> It was reported that the requirements for a Work and Skills Plan had been revoked and that the Council's Economic Development Strategy would now fulfil this role.</p> <p><u>Commissioned interventions</u> It was agreed that the findings from the mid-year review of the disability pilot and the report on the Charedi project would be brought to the next meeting.</p> <p><u>Strategic commissioning forward planning</u> A task group had met on 25<sup>th</sup> August. The report and recommendations from the task group, plus a project brief for the planned impact assessment of the Ways into Work programme, had been provided under item 3 of the agenda.</p>	<p><b>Richard Abbott / Matthew Thomson</b></p> <p><b>Shawnee Keck</b></p> <p><b>Juniper-Hope Strong</b></p> <p><b>Sonia Khan</b></p>	<p><b>Nov 2010</b></p> <p><b>Sep 2010</b></p> <p><b>Nov 2010</b></p> <p><b>Nov 2010</b></p>
3.	<p><b>Strategic Commissioning – forward planning</b></p> <p>The Chair outlined the context for this item, including the ending of the Area Based Grant commissioned interventions from March 2011 and the need to consider the future of these programmes in the context of wider changes and policy developments. The Chair welcomed Madeleine Williams from GLE and thanked her for making the time to come to the meeting and provide an insight into GLE's plans in relation to the Single Work Programme.</p>		

	<p><b>GLE Presentation (Madeleine Williams)</b></p> <p>The Board received a presentation on GLE's plans in relation to the Single Work Programme in the context changes in the wider economic and policy context.</p> <p>It was suggested that the current economic and policy context was characterised by a high degree of uncertainty, particularly in advance of the Comprehensive Spending Review in October, and of change. Regional Development Agencies were now on the way out (except in London), as were Regional Business Links, regional structures and specialist employment and employability programmes. On the way in were Local Enterprise Partnerships and the Single Work Programme.</p> <p>The Board heard that Lord David Freud was leading on the welfare reform agenda. A key aspect of this agenda was the DEL-AME switch (moving away from Departmental Expenditure Limits towards making savings in the Annual Managed Expenditure with which to fund employment services). The welfare reform plans would result in a complete transformation of the welfare industry. Welfare was currently a huge industry with many providers. Under the new regime, the size of contracts was set to increase dramatically to between £10 million and £50 million per annum. Contractors would be expected to make the initial outlay on the basis of future returns to their investment. The capital requirements were therefore huge, meaning that only very large companies who could afford to meet these would be able to become prime contractors. However, the rewards were also likely to be great, with profits potentially as high as 40%.</p> <p>It was reported that GLE was interested in becoming a prime contractor, and had submitted an Expression of Interest (along with thirteen Registered Social Landlords, NHF and EDS) to the Department for Work and Pensions. The deadline for the Framework Invitation to Tender to be submitted was 27<sup>th</sup> September. GLE were now at the stage of firming up their partnership, agreeing who would accept risk and raising capital.</p> <p>The Board heard that the GLE was owned by the 33 London Boroughs and their model was a social model of contract management in which all profits would be reinvested into the business. A new Single Purpose Vehicle (SPV) would be used for future joint working, building on what already worked, and on local and regional government support and contacts. GLE would aim to ensure that local authorities' knowledge of local need drove service provision and innovative methods of delivery. GLE also had a commitment to working with and fairly reimbursing Third Sector providers.</p> <p>The Board heard that GLE already worked with a large number of Registered Social Landlords and that this model had RSLs as both owners and investors of the Company, as well as deliverers. The</p>		
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	<p>SPV Board would include the RSLs, Local Authorities as non-executive members, and some third sector providers, also as non-executive members. The Board would set strategy, provide oversight and manage investment and risk. GLE would be responsible for managing the contracts and the supply chain.</p> <p>In the discussion that followed, the following points and questions were raised:</p> <ul style="list-style-type: none"> <li>• How did the GLE's proposal fit with the potential Five Borough tender being developed? The Board heard that local authorities could not be on the Framework as they were. They would need to set up another vehicle and have a minimum of £20 million in capital.</li> <li>• What engagement were GLE making with training providers or colleges? The contract value for London was likely to be between £300million and £3 billion a year. These were going to be very high risk contracts, so the SPV would look at each provider's track record of delivery before contracting with them, and would be guided by what was known to work at the borough level.</li> <li>• Was there still any opportunity to register concerns or feed into the government's thinking around the Single Work Programme? The Board heard that there was very little time allowed for people to work up their tenders or analyse risks, and whilst it was possible to comment, the machinery of the Programme was already rolling forward very quickly.</li> <li>• What space was there for innovation? It was suggested that the scale of the contracts narrowed the market place, but that the Black Box approach to commissioning meant the space for innovation would come in the details of delivery and the methods providers used to achieve their targets, which would not be prescribed by the government. It was also mentioned that the Mayor had asked to be part of the process for selecting the London contractors, which could provide another opportunity for influence.</li> <li>• What was the best means of engaging the voluntary sector and would GLE consider having some kind of sub-board to involve the voluntary sector? In response, it was acknowledged that working with third sector providers would be important for any prime contractor, but that it would be a difficult contract to manage as large organisations would be able to share more risk than smaller organisations. Advisory groups would be a possibility, especially where local authorities have some actual control rather than influence.</li> <li>• It was also suggested that quality and quantity needed to go hand in hand if those furthest from the labour market were to be reached.</li> </ul> <p><b>ACTION:</b> Madeleine to let EDP know about any opportunities for Hackney partners to engage with the GLE proposal</p>	<p><b>Madeleine Williams</b></p>	<p><b>Nov 2010</b></p>
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	<p><b>Single Work Programme update (Derek Harvey)</b></p> <p>The Board received an update on the Single Work Programme. It was reported that the design specification would be released in early December. It was likely to include some mandatory elements, including 18-24 year olds who have been unemployed for more than 6 months and those aged 25 and over after 12 months of unemployment. There would be some support for ESA and IB claimants but it was as yet unclear whether this would be the same as Pathways or something different.</p> <p>IB claimants migrating to ESA would have their benefit rates maintained. However, those moved onto JSA would experience a change in their benefit entitlement. These customers would receive additional support through the Single Work Programme and there was likely to be early entry for customers migrating from IB to JSA. It was expected some support would be available for childcare to ensure that lone parents were better off in work.</p> <p>The pricing structure was likely to be weighted according to how difficult a customer was held to be to place into employment. It was possible that providers would be allowed to work with a customer for up to two years before getting any return on investment.</p> <p>The Board heard that more information on work clubs and some of the other elements (including work experience, 'work for yourself' and 'work together') was due in October. It was possible that some funding might be available to help neighbourhoods who did not have anything already to set them up, but this was uncertain. These elements were part of the Big Society, and it was likely there would be very little funding linked to them beyond some initial start-up support.</p> <p><b>ACTION:</b> A further update on the Single Work Programme and welfare reform would be provided at the next meeting.</p> <p><b>Regional commissioning and funding issues (Juniper-Hope Strong)</b></p> <p>The Board received an overview of the proposals relating to Local Enterprise Partnerships. It was reported that several Expressions of Interest in Local Enterprise Partnerships (LEPs) had been submitted across London. Outside London, it was expected that LEPs would be the primary bidder for the Regional Growth Fund. However, in London this was less clear, as it could be channelled through the GLA or LDA. The primary goal of the LEPs was to deliver private sector growth and they were expected to comprise at least 50% private sector representation.</p> <p>The Board was told that three options were currently being considered for Hackney: the proposals as put forward by Thames Gateway London Partnership plus Gateway to London are a Host</p>	<p><b>Derek Harvey</b></p>	<p><b>Nov 2010</b></p>
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	<p>Borough LEP; a ten borough TLGP/Gateway to London LEP; a North London LEP.</p> <p>The Chair reported that agreement had now been reached to bring forward the ten-borough partnership, and that the Mayor of London and the Minister for the Thames Gateway had endorsed this. Councillor Michael White, Leader of Havering Council, was the lead for the submission. Politically it was felt that the ten-borough partnership was an appropriate partnership to bring about and that it had strong advantages in bringing employment opportunities across this wider area. It was important that Hackney was part of this relationship across East and Southeast London. There were also some significant private sector players who were likely to want to contribute to this model, which could be very valuable. It was noted that there would be questions about governance and resources moving forwards.</p> <p><b>14-19 Reforms and post-16 commissioning (Helen McNulty)</b></p> <p>The Board received an update on the changes to 14-19 Reforms and post-16 commissioning. It was expected that there would be an increased emphasis on apprenticeships, a reduced emphasis on diplomas and a clearer distinction between academic and vocational qualifications. In future, functional skills were to be embedded in GCSEs and would only be required in the Diploma and Foundation Learning frameworks. Funding had been dramatically reduced for the new academic year and a robust partnership approach for 14-19s was now more essential than ever.</p> <p>In terms of post-16 commissioning, it was reported that the local authority's responsibilities remained but there were to be fewer tools with which to fulfil them. Funding for places was to be dependent on an annual data return based on the number of places in the previous October.</p> <p>It was suggested that possibilities for developing the market needed to be considered in light of these changes to the funding model, and that this was a discussion which the 14-19 Partnership would be having over the coming months.</p> <p>The raise in the participation age to 19 meant that providers would increasingly be expected to fill that gap. Parents were already choosing to send their children to schools that covered the full age range up to 19.</p> <p>The Board heard that Helen McNulty was on the Expert Group advising the Ministerial Group. The next meeting was on the 23<sup>rd</sup> September and more information had been promised.</p> <p>It was agreed that a huge amount of change was underway both nationally and in Hackney, and that the Board needed to take all of this into account in considering the commissioned programme.</p>		
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	<p><b>Strategic Commissioning Forward Planning: report and recommendations from the EDP Task Group (Sonia Khan)</b></p> <p>The Board received a report setting out the actions proposed by the EDP Task Group to plan for exit strategies from the current commissioned programme and determine a way forward.</p> <p>It was noted that forward planning needed to be considered in the context of the wider policy and institutional changes already discussed. The high level of uncertainty around future provision of employment support and welfare meant that understanding the risks around investment was a much bigger piece of work.</p> <p>The Task Group had agreed that the focus of forward planning should be on the Ways into Work Programme, noting that exit strategies had been built into the smaller contracts within the commissioned programme and the task group had reviewed these and were satisfied with the plans in place.</p> <p><b>ACTION:</b> Reports on the commissioned projects to be brought back to future meetings.</p> <p>The Board also received a background paper providing a summary of key findings from the longitudinal study of the Team Hackney Worklessness Model and a project brief for the planned impact assessment of the Ways into Work programme. The longitudinal study findings questioned the success of the first round of commissioned interventions in engaging and targeting beneficiaries, particularly in terms of reaching those furthest from the labour market, and the robustness of providers' engagement principles. The findings from these and other reviews and evaluations were intended to inform future programmes, resource priorities and local strategies relating to worklessness.</p> <p>In the discussion that followed, a number of points and issues were raised:</p> <ul style="list-style-type: none"> <li>- What options were there for a consortium approach to the Single Work Programme? How should we canvas opinion on the various options?</li> <li>- It was suggested that all EDP partners could expect to be approached by providers, and that partners interested in being deliverers should use the website and begin having these conversations, if they had not already. The list of providers on the Framework would be announced by the end of November and a bid would then need to be submitted by January.</li> <li>- It was emphasised that the question for the Board was what role we would want the provider to take in relation to EDP as a Partnership. Did EDP want to be a deliverer of the Single Work Programme or to play a strategic role? It was important to note the conflict of interest between the two roles, and this was something that the Department for Work and Pensions was keen to avoid.</li> <li>- It was suggested a clear distinction needed to be made between</li> </ul>	Sonia Khan	Nov 2010
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	<p>the strategic role of EDP and the role of individual partners as sub-contractors and deliverers. The benefit of the Partnership was that it allowed partners to engage politically through the Partnership whilst continuing to deliver their respective services.</p> <ul style="list-style-type: none"> <li>- It was suggested that EDP should pull together the learning from our commissioned programme to inform the delivery design and decision-making of the prime contractors, the Mayor of London, and any other avenues for influencing the shape of the Single Work Programme locally.</li> <li>- It was suggested that EDP should also pull together a list of current providers and programmes in the borough.</li> <li>- It was suggested that a Five Borough approach could carry even more leverage.</li> <li>- It was agreed that it would be important to keep other funding opportunities (including European funding) in mind.</li> </ul> <p>In conclusion, it was noted that there was a broad consensus around the table about the importance of maintaining a strong Economic Development Partnership going forwards and about the value of a partnership approach in responding to all the changes and developments discussed. There was also a clear picture emerging of the direction we wanted to go locally in relation to Local Enterprise Partnerships.</p> <p><b>ACTIONS:</b></p> <ul style="list-style-type: none"> <li>• A draft paper setting out EDP's collective position, lessons learnt and offer to be prepared for discussion at the next meeting.</li> <li>• The Task Group would meet again to take forward the above action and the actions identified in the paper in advance of the next EDP meeting.</li> </ul> <p>These were:</p> <ol style="list-style-type: none"> <li>1. Identifying and understanding the key risks if interventions ended, including outcomes, targets and interdependencies</li> <li>2. Identifying potential funding opportunities for leveraging in funding to the borough and horizon scanning national policy developments in order to plan collective and coordinated responses from EDP</li> <li>3. Understanding lessons learnt to date and their implications for forward planning, including the findings from impact assessments, evaluations, monitoring/performance data, and relevant reviews and strategies</li> <li>4. Contributing to future thinking about the allocation of resources in furtherance of targets overseen by EDP</li> <li>5. Considering the potential for mainstreaming activities</li> <li>6. Consider the capacity of the Single Work Programme and new employment and welfare regime to address the needs which the commissioned programme had been designed to address</li> <li>7. Consider the opportunities for collectively working with work programme providers and the prime contractor</li> </ol>	<p><b>EDP Task Group</b></p> <p><b>Sonia Khan / Lin Cotterrell</b></p>	<p><b>Nov 2010</b></p> <p><b>Nov 2010</b></p>
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4.	<p><b>Quarterly Performance</b></p> <p>The Board received the quarterly performance report on the EDP commissioned interventions and a progress update on the Ways into Work Programme. It was noted that no interventions were red. Ways into Work were addressing some data collection issues and the new specialist provider contracted to work with parents was expected to bring up the number of parents and lone parents to above target. The Volunteering and Employability contract was under review and would be monitored closely to see if sufficient progress could be made now that a new project manager had been recruited.</p> <p>The Board also received a quarterly report on the LAA national indicators and the regular analysis of key labour market trends.</p>		
5.	<p><b>Information items</b></p> <p><u>EDS update</u> Cllr Nicholson reported that the development of the EDS was an iterative process which was still underway.</p> <p><u>Hackney Partnership Agreement – Local Area Agreement</u> The Board received an outline of the process and timescales for developing a new partnership agreement from April 2012.</p> <p><u>Health Inequalities National Support Team Feedback</u> The Board received a summary of the feedback from the Health Inequalities National Support Team in relation to economic development. The Board also heard that a recent report from the NAO had found Hackney was on track in terms of addressing health inequalities.</p> <p>The Board was given an update on some of the key changes affecting health commissioning. A response to the consultation on the health White Paper was currently being prepared</p> <p><b>ACTION:</b> Members were invited to feed into the consultation response via Lesley Mountford.</p>	ALL	Sep 2010
6.	<b>Any other business</b>		

Please note the dates of future meetings:

Date	Time and Venue
23 November 2010	3-5pm Hackney Community College
8 March 2011	3-5pm Hackney Community College

For further information, or to suggest items for future meetings, please contact:

Lin Cotterrell

[xxx.xxxxxxxxxx@xxxxxxxx.xxx](mailto:xxx.xxxxxxxxxx@xxxxxxxx.xxx) 020 8356 2167

## **Briefing for EDP Task Group: 13 January 2011. Jobcentre Plus**

Please find below an update on developments within DWP/JCP that is known at the time of writing.

### **Key welfare to work policy changes**

- New Work programme will replace existing programmes – for introduction summer 2011.
- Future Jobs Fund will continue until existing 'granted' profiles completed (end March 11) but no new bids/applications will be signed
- Recruitment Subsidy ceased 30 June 2010
- In Work Credit for couples ceased July 2010.
- Volunteering under Six Month Offer ceased 16/11/10
- counting of results obtained via Local Employer Partnerships ceased May 10, though the principle continues
- work experience and non graduate internships ceased 30/11/10

### **On going changes:**

#### **Lone Parents**

Since 25 October 2010 – LPs with a youngest child aged 7 and over making new or repeat claim to IS were no longer be entitled. There are plans to extend this to age 5 which is thought to be early 2012. Existing LPs entitlement to IS will cease between November 2010 and April 2011.

### **Incapacity Benefit/Income Support (Reassessment)**

Commenced October 2010 in pilot areas Burnley and Aberdeen

The majority of the IB/IS load will start migration in Feb 2011 (Medical referrals and WCA) and April 2011 (assess and award onwards) - completing by April 2014.

The principle behind reassessment is the same as that behind ESA – that it will focus on what people can do – not on what they cannot do and the belief that appropriate work is good for most people's physical and mental health and well-being.

Treating existing incapacity benefit customers in the same way as new claimants is both fairer and simpler for everyone concerned.

Those assessed fully capable of work can make a claim to Jobseekers Allowance and those who cannot work or have limited capability to work will move to Employment and Support Allowance

In Hackney there are 10,670 people to undertake reassessment , 5140 of which have mental and behavioural disorders, 1560 have diseases of the musculoskeletal system and connective tissue, 480 have diseases of the nervous system and 420 have diseases of the circulatory system.

Recent announcement concerning Conts based ESA was that it will be means tested after one year.

### **Framework**

*Contract Package Areas:* London Region will have two Contract Package Areas (CPA), East and West with 3 providers per CPA. Bidders can apply for as many lots as they wish. Customers will be allocated to providers on an equitable basis.

The 16 providers successfully included in the Framework are as follows

A4e	Prospects Services
Atos Origin with Pinnacle and Shaw Trust	Eaga
Balfour Beatty Workplace Remploy SPV	Reed in Partnership
Sarina Russo Job Access	CDG
Seetec	Exemplas Ltd
Serco	Skills Training UK
G4S Care & Justice Services	Ingeus SPV
Maximus Employment UK	Working Links

### **The CPAs cover the following areas**

East: CPA4

Hackney, Newham, Tower Hamlets, Barking & Dagenham, Redbridge, Havering, Waltham Forest, City of London, Croydon, Bexley, Lambeth, Bromley, Greenwich, Lewisham, Southwark, Merton, Sutton

West : CPA3

Ealing, Hammersmith & Fulham, Brent, Harrow, Hillingdon, Hounslow, Richmond Upon Thames, Kingston Upon Thames, Wandsworth, Enfield, Kensington & Chelsea, Barnet, Camden, Westminster, Islington, Haringey

Bids from providers successful for the Framework will be invited to tender for the Work Programme from 1/12/10, Full ITT issued 22/12 with a closing date of 14/2/11.

### **Work Programme**

Aims to:

- increase off flow rates for WP customer groups (more people into work);
- decrease average time on benefit for WP customer groups (people into work sooner);
- increase average time in employment for WP customer groups (longer sustained jobs);
- narrow the gap between off flow/time in employment rates for disadvantaged groups and everyone else; and
- contribute to a decrease in numbers of workless households.

Is 'black box' provision ie whatever is needed to get the individual back to work. Covers ESA and JSA. Customers will be randomly allocated to a provider.

Customer eligibility and payment structure for Work Programme is as follows.

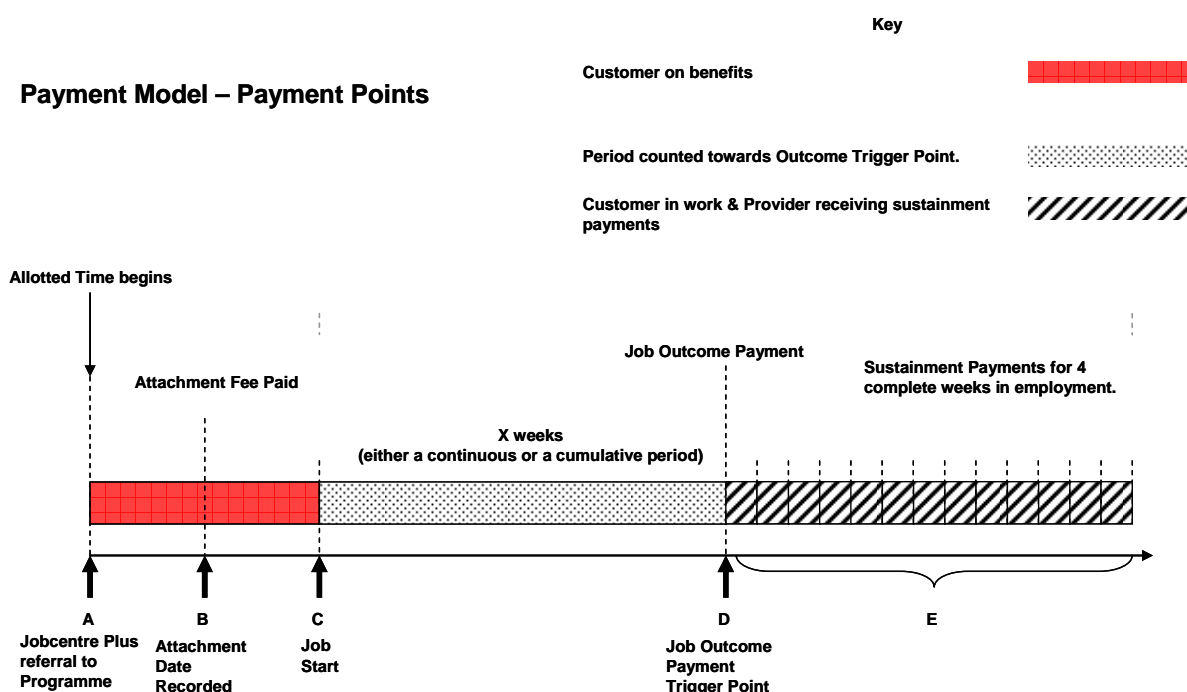
Customer Group	Time of Referral	Basis for referral
JSA customers aged 25+	From 12 months	Mandatory
JSA customers aged 18-24	From 9 months	Mandatory
JSA customers who have recently moved from Incapacity Benefit	From 3 months	Mandatory
JSA customers facing significant disadvantage (early entry mandatory)  - JSA customers aged 18 who have not been in employment, education or training (NEET) in the previous six months;  - JSA customers returning to JSA who have previously received benefit for 22 out of the last 24 months, 'Repeaters';  - JSA customers who have moved onto JSA from incapacity benefits following re-assessment.	From 3 months	Mandatory
JSA customers facing significant disadvantage (early entry voluntary – see list below)	From 3 months	Voluntary
All ESA customers	At any time	Voluntary
ESA (income related) customers who are placed in the Work Related Activity Group	When customers are expected to be fit for work within 3 months	Mandatory

Early entry - most disadvantaged - from 13 weeks are:

- An ex-offender;
- A disabled person;
- A person with mild to moderate mental health issues;
- A care-leaver;
- A carer on JSA;
- An ex-carer;
- A homeless person;
- A former member of HM Armed Forces personnel;
- A partner of current or former HM Armed Forces personnel; or
- A person with either current or previous substance dependency problems that present a significant barrier to employment.

## Payment structure

- **an attachment fee** - giving providers a payment at the point of engagement to help cash-flow; Yr 1 = 100%
- Yr 2 = 75% of the original amount
- Yr 3 = 50% of the original amount
- Yr 4/5 = 0%
- **a Job Outcome payment** - paid when a customer has been in work for either a continuous or a cumulative period;
- **Sustainment Outcome payments** - paid to the provider whilst they keep a customer in work up to a maximum number of weeks; and
- **Incentive payments** – paid to providers who have high performance for the JSA 18 to 24 and 25+ client groups.



National implementation due by next summer as soon as each provider is ready – no big bang. Contracts will be for 5 years with a possible extension to 7 years.

Support can be up to 104 weeks. This is the allotted time. Should a customer enter the programme then leave ie start work and then fall out of work during that time they will return to the programme for the balance of time unless they are deemed to have completed the programme.

A completer is someone:

- who has reached the end of the Allotted Time from the date of referral; or
- for whom the Provider has claimed the final eligible outcome payment; or

- who has had a decision made by JCP that it is appropriate for them to be referred to Work choice; or
- who has died.

Current provision, Employment Zones and New Deals, has been extended and will now remain until June 2011 with last referrals being made by end March 11. Pathways to Work provision will still end on April 2011 to be folded into the Work Programme. Those not referred to existing provision ie after the end of March until the Work Programme starts, will be referred to the Work programme within 3 months of the WP go live date.

### **Get Britain Working**

Get Britain Working is an umbrella title to cover all aspects of a range of additional support options to help customers off benefits and into work. Work Together and Work Clubs initiatives has been announced.

### **Work Together**

Work Together is a Great Britain wide initiative that was introduced on 4 October 2010, Its aim is to encourage and promote the take up of volunteering opportunities to JSA, IS and ESA customers before they are mandated to the Work Programme or other provision.

- Normal rules benefit rules apply which should not normally preclude volunteering
- Work Together entitlement/involvement will cease once the customer becomes eligible for the work programme
- JCP has been engaging with voluntary organisations to signpost customers to volunteering options
- Organisations will NOT be contracted to JCP

There are 7 organisations offering support under Work together across the District, three covering Hackney the latest being Inspire.

### **Work Club**

Work Clubs can come in all shapes and sizes, but they essentially provide unemployed people with a place to meet, exchange skills, share experiences, find opportunities, make contacts and get support to them in their return to work. Work Clubs can be set up, or supported by any suitable group, including voluntary sector organisations, local authorities, community groups, and both local and national employers amongst others. Introduced on 4 October 2010

- JCP has been engaging with organisations offer services that could be considered Work Clubs to signpost customers
- JCP are working with organisations or individuals who are looking to set up workclubs, offering support and guidance which is also available under the Directgov website
- Organisations will NOT be contracted to JCP

(Latest: Lifeline is the first organisation to provide Work Club in Hackney)

**Work Experience** To ensure that young people have support to develop the skills they need to secure sustainable jobs by offering a period of work experience. Details are still being worked through, in consultation with

relevant organisations and stakeholders however it is felt it will feature placements of at least 2 weeks, but preferably up to 8 weeks for young people aged 18 – 21 with no or limited experience of work.

JCP will:

- source placements.
- develop a selection process to match claimants to placements.
- Advisers will recommend the scheme to eligible benefit claimants.
- encourage employers as good practice to assist with and enable YP the time to search and apply for vacancies
- contact the participant on a fortnightly basis to check progress

Participants will continue to be paid at their benefit rate and conditionality will apply. Expected to go live 24 January 2011

### **Work for Yourself**

This will encourage people to see self –employment as a viable route off benefits and into financial independence. Work for Yourself will promote self-employment as a route off benefits and into financial independence. The help provided will include advice and financial support coupled with mentoring. The process for delivering Work for Yourself is being worked through jointly between DWP and the Department for Business Innovation and Skills.

JCP will:

- identify and engage mentors / business advisers locally through Local Authority links; and also micro-finance institutions e.g. credit unions.
- Promote and encourage benefit recipients to consider self employment / setting up their own business
- Bring together relevant and interested customers and mentoring
- Provide customers with literature on Work for Yourself e.g. a factsheet
- Payment of expenses to mentors, a small grant payable to each mentor recruited

Work For Yourself will be available to customers over 25 years or age who have been receiving JSA for over 6 months

Details are being worked through with a New Enterprise Allowance emerging as a source of financial support both a weekly allowance and access to loans. This financial support will be available in targeted areas only in which London does not feature. The current Self Employment advice option will remain until this new programme is introduced

### **Service Academies**

Are to provide training and work experience for unemployed people of all ages. The emphasis will be on local colleges, employers and Jobcentre Plus working together to offer training and work experience appropriate for the local labour market and employment sector, leading to a guaranteed interview. It is proposed that Service Academies will go live from April 2011. JCP will broker and match individuals into Service Academies and to support joint working between providers and employers and facilitate broking and matching for individuals who are not successful in finding employment with their host. Service Academies will be available in England only, for people on out of work benefits i.e. JSA, ESA and IS.

## **Work Choice**

Work Choice replaced Work Step, Work Prep and Job Introduction Scheme. It's for those customers that by reason of significant disability cannot be helped into employment by JCP mainstream programmes.

The contract is being delivered by Ellingham and Newco on behalf of Working Links. The programme commenced 25 October 2010. Remploy will also participate in the delivery of this programme

The contract will be 5yrs with option to extend for further 2 years. It's aimed at people with mental health and learning difficulties but not exclusively. It's offered to all benefit recipients at any stage of their claim

There are four stages 1) Assessment by provider within 10 days of application/referral 2) Work Entry Support (individually tailored) for up to 6 months 3) Short to Medium Term In Work Support for up to 24 months (with extensive employer engagement 4) Longer Term In Work Support (supported and un supported job outcomes).

Access to Work Choice is via DEA or approved specialist organisations

**On-line services** – Encouraging more people to claim benefits and find jobs online, promoting access to digital technology for all our customers.

- **Benefit Enquiry Service** – go live 25th October. Providing answers to common customer enquiries for JSA, DLA/AA, IS, ESA, IB, and CA. The second phase of this change will allow customers to track payments and claims on line. This is due to go live in autumn 2011.
- **Change of Circumstances On Line** – Changes of circumstance incrementally enabled for Working Age customers
- **JSA Online (Income Based)** - Due to launch on 16 August 2010. The service enables JSA C&IB applications to be made online via the JSA Online service on Directgov

## **JCP Network:**

In response to the CSR10, DWP/JCP is reducing resources by 26% with the majority of reduction being experienced by corporate and support services. A review of the office network will be undertaken with decisions already taken regarding the number of Regions (reducing from 11-7) and Districts (reducing from 48-37).

For London there will be four Districts from April 11 with Waltham Forest, Barking and Dagenham, Redbridge and Havering joining Newham, Hackney Tower Hamlets and City of London to become East London. The region will be expanded from London to become 'Greater London and Home Counties' which will also feature the Districts of Essex, Kent and Bedfordshire and Hertfordshire. Structures and staff allocation processes are to take place between now and March 11.

## Economic Development Partnership Task Group Meeting

19 November 2010, 10:00 – 11:30  
Hackney Community College, Falkirk Street, N1 6HQ

Name	Organisation	Present	Apology
Ian Ashman	Principal, Hackney Community College	✓	
Guy Nicholson	Cabinet Member, Regeneration and the Olympics	✓	
David Blagbrough	CEN representative (EDN Chair)	✓	
Lin Cotterrell	Partnerships Advisor, Hackney Council	✓	
Chris Dransfield	Programme Manager, LBH	✓	
Derek Harvey	External Relations Manager, Job Centre Plus	✓	
Shawnee Keck	Policy Advisor--Economic Affairs, LBH	✓	
Spencer Kendall	Deputy Director Employment & Skills, ELBA	✓	
Sonia Khan	Head of Strategic Commissioning	✓	
Dominic Luscombe	Better Homes Partnership Adviser, LBH	✓	
Avril McIntyre	CEN representative (Lifeline)	✓	
Andrew McPhee	2012 Unit, LBH	✓	
Lesley Mountford	Director of Public Health, City & Hackney PCT	✓	
Anabel Palmer	Director of Social and Economic Regeneration, Southern Housing Group	✓	
Yvonne Servante	Deputy Director (Secondary), Learning Trust		✓
Juniper-Hope Strong	Head of Service - Partnership and Investment, LBH		✓

		Actioned by whom	Actioned by when
1.	<p><b>Overview and Action Plan: Responding to the changing policy and funding environment</b></p> <p>The Task Group received a paper from Sonia Khan, Head of Strategic Commissioning, setting out the discussions, rationale and actions agreed at the last EDP Board meeting in September 2010 to plan for the future of EDP's commissioned interventions and the Partnership's approach to the changing policy and funding environment.</p> <p>The Task Group was asked to review, discuss and take forward the task group actions outlined in section 4 of the paper (attached at Appendix 1), with reference to the papers and updates provided by relevant officers.</p>		

2.	<p><b>Briefing from Jobcentre Plus on developments within DWP/JCP</b></p> <p>The Task Group received a briefing from Derek Harvey, Jobcentre Plus, setting out the key welfare to work policy changes and an update on developments from within DWP/JCP since the last EDP meeting, including:</p> <ul style="list-style-type: none"> <li>• The following programmes were being ceased: Future Jobs Fund, Recruitment Subsidy, In-Work Credit, Volunteering under Six Month Offer, work experience and non-graduate internships</li> <li>• Lone parents with a child aged 7 or over no longer entitled to income support.</li> <li>• Migration of Incapacity Benefit claimants onto ESA was due to start in February 2011 in the East London District, affecting 10,670 Hackney residents who would be reassessed at a rate of around 300 per month.</li> <li>• JCP's social fund for crisis loans and the community care grant would move across to local authorities, and the Housing Benefit and Working Tax Credit components would move over to DWP.</li> <li>• DWP/JCP resources were to be reduced by 26%, with spending on corporate and support services</li> </ul> <p><u>Single Work Programme</u></p> <ul style="list-style-type: none"> <li>• London was likely to be divided into East and West sub-regions, with three prime contractors for each contract area covering all 17 boroughs, to ensure competition in the system (customers would be able to choose which provider they wanted to work with). Each London contract was likely to be worth between £10-50 million.</li> <li>• The list of organisations on the framework for the London contracts was due to be released at the end of November, together with the invitation to tender and the pricing structure.</li> <li>• ESF funding through the DWP was likely to be put through the framework organisations, so the partnership's discussions with Primes should consider both funding streams.</li> <li>• The prime contractors would be expected to demonstrate how well they were linked in with local providers. London Councils were putting together an engagement event for this purpose, and there were also plans at the host borough level to promote engagement. Smaller organisations would need guidance in terms of their engagement and what to expect of the Primes.</li> </ul> <p>In the discussion that followed, it was noted that there was an Economic Development Network event on the 1<sup>st</sup> December, where this could be discussed with voluntary sector providers. The VCS would be pulling together a list of voluntary sector providers locally as one outcome of the EDN event.</p> <p>It was suggested that the VCS needed to understand what the opportunities were under the new SWP, but also the risks. There was some concern that the VCS and other local providers would be</p>		
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	<p>forced to carry too great a share of risk, or squeezed too tightly on costs. It was noted that the Merlin Standard, a code of conduct for the Primes in terms of managing and distributing risks, was available on the Directgov website. Host boroughs had also pulled together information around needs and opportunities for work placements and jobs across the host boroughs.</p> <p><b>ACTION:</b></p> <ul style="list-style-type: none"> <li>• Update on the EDN event and VCS providers' list to be provided at the next Board meeting</li> <li>• Update on Single Work Programme and the framework organisations to be provided at the next Board</li> </ul> <p><u>Work Together, Work Clubs, Work Experience and Work for Yourself</u></p> <p>It was reported that Work Together had not been met with a high level of enthusiasm so far. There was unlikely to be any funding behind the Work Experience and Work for Yourself elements.</p> <p>Three Work Clubs had been established in the East London district so far. Work Clubs could be very small (for example, at the level of individual children's centres), or borough-wide. JCP would be able to offer advice to any organisations interested in setting up a Work Club, and signpost clients to any Work Clubs in the area, but not to refer.</p> <p>In discussion it was mentioned that the Lifeline office currently operated as a local hub for employment support services and was contracted up to 2012, so this might be an avenue worth exploring.</p> <p><b>AGREED:</b> to discuss Work for Yourself under the Enterprise item at the next EDP Board meeting.</p> <p><u>Education and Training</u></p> <p>It was noted that the government had announced that people on active benefits would no longer be eligible for fee remission on courses other than skills for life courses at colleges. They would now be expected to fund this through loans. It was suggested that the Partnership might want to consider this as an issue for collective campaigning, particularly given the high proportion of College students currently on this benefit – which could be as high as 50%.</p>	<p><b>AM / BO</b></p> <p><b>DH</b></p> <p><b>DH / RA / MT</b></p>	<p><b>Jan 2011</b></p> <p><b>Jan 2011</b></p> <p><b>Jan 2010</b></p>
3.	<p><b>Local needs and lessons learnt (Action 1b)</b></p> <p><u>Local needs</u></p> <p>The task group received a presentation and background paper from Shawnee Keck, Economic Policy Adviser, on local needs and lessons learnt from Hackney's commissioned programme to inform partners' conversations with Prime Contractors. The background paper analysed the population groups at greatest risk from welfare</p>		

	<p>and housing benefit reforms, identifying IB claimants in the 35-44 age group with mental health issues as the highest risk category.</p> <p>A diagram of the IB employment journey was presented showing the common factors limiting people's ability to find and sustain work and the complex package of services and interventions required to support them into work. The complexity of the journey and the intensity of the support required meant that increased funding pressures across services such as mental health, community sports programmes, libraries and leisure carried significant risks.</p> <p><u>Understanding what works</u></p> <p>The Task Group received an overview of some of the findings from commissioned projects such as Moving On, and a list of recommendations for future programming. It was reported that conditionality was the most effective means of moving people off benefit but it would not necessarily move them into work. Effective employment support depended on three basic principles, it needed to be: intensive, extensive and expensive.</p> <p>It was suggested that referrals needed to be joined up across all of Hackney, and that Hackney needed to be proactive in securing job opportunities across East London. Newham was currently ring-fencing its job opportunities for Newham residents but Hackney had very little land to develop employment opportunities within the borough.</p> <p><b>ACTIONS:</b></p> <ul style="list-style-type: none"> <li>- Task group members to give forward comments on the needs assessment to <a href="mailto:xxxxxxx.xxxx@xxxxxxx.xxx.xx">xxxxxxx.xxxx@xxxxxxx.xxx.xx</a>.</li> <li>- Revised paper incorporating comments and cross-referencing the assessment of local need with the list of the services we provide locally.</li> </ul>	<p><b>ALL</b></p> <p><b>SK</b></p>	<p><b>Dec 2010</b></p> <p><b>Jan 2011</b></p>
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4.	<p><b>Discussion about existing offer (Action 1b) and engagement with the Primes (Action 1c)</b></p> <p>The task group heard that ELBA, RSLs, the VCS (including Lifeline) and LBH had all been engaging in conversations with the potential Prime Contractors.</p> <p>The Chair noted that part of the action agreed for the task group was to think about the Partnership's collective offer. This meant not just talking to first tier contractors but also second tier contractors, which many partners around the table were looking to be.</p> <p>It was suggested that the Primes were keen to engage on a borough by borough basis, and that it would therefore be possible for the local authority to take a lead on behalf of the Partnership. However, each contractor had a slightly different approach, which made it more complex to develop a single position statement. It was also possible for Primes to bypass local authorities altogether.</p> <p>It was reported that the LBH Partnerships and Investment team had been looking at ways of protecting the existing Ways into Work partnership locally, and particularly the strong relationships with housing providers. There was a general agreement that the programme needed to move away from outreach towards more tightly focused IAG provision. It was reported that Ways into Work had funding up until 2012 through the LDA, ESF and s.106 money.</p> <p>It was suggested that there was still a significant amount of ESF funding available up until 2013 which the partnership should seek to attract and use to fill the gaps in the Single Work Programme. One way to do this would be to develop collaborative bids to trial innovative pilots or programmes which could be taken forward under the umbrella of the Ways into Work Programme. The Group Training pilot with Southern and Sanctuary and the work around green jobs also provided possible models of a collaborative approach.</p> <p>It was suggested that wider providers beyond Ways into Work also needed to be engaged, and the task group should consider how best to do this. The Economic Development Network was mentioned as a key opportunity to engage the voluntary and community sector.</p> <p><b>AGREED:</b></p> <ul style="list-style-type: none"> <li>• It was agreed that the partnership needed to be able to market the existing package to the Primes and join this up with the journey being mapped for supporting people into work and with the evidence about local need.</li> <li>• EDP needed a more sophisticated analysis of what the Partnership was good at, and this needed to be developed through an iterative process, with the Council taking the lead on helping partners to structure something that brought all parties together.</li> </ul>		
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	<ul style="list-style-type: none"> <li>EDP needed to develop two distinct offers: one around employment and training and the other around the services that were a pre-requisite for their effectiveness.</li> </ul> <p>ACTION: the Council to take the lead on pulling the above together.</p>	LBH officers (SK, CD, JHS)	Jan 2011
5.	<p><b>Discussion: next steps</b></p> <p>In discussion, the important role of housing providers was recognised. The Task Group heard from Southern Housing about their approach to engaging with the new Single Work Programme. Since Southern were a pan-London organisation, Hackney residents had a route into regional and sub-regional opportunities. However, housing providers were not in a position to commit to the level of resource expected to provide IAG services just in Hackney, and would need to take a regional approach to their services, and join up with other providers, including employment support services. Southern recognised that there were likely to be gaps in the Single Work Programme, but like many other housing providers felt that not engaging through the Single Work Programme was not an option.</p> <p>It was suggested that the implications of the conditionality and sanctions that would be introduced with the universal credit were immense for local authorities, since the withholding of benefits would have a huge impact on those residents affected by the sanctions, including their families and dependents. It also had implications for employers, who in future would be referred a higher number of people who really did not want to work. Related to this, it would also be important for the Partnership to consider what the jobs market was likely to look like over the next few years/</p> <p>The Chair noted that the meeting had been helpful in taking forward a shared agenda and the actions agreed at the last Board meeting, and that it had catalysed a discussion about the possibility of a local consortium and where the partnership needed to be for this first round of discussion.</p> <p>In addition to the actions outlined above, it was agreed that EDP would:</p> <ul style="list-style-type: none"> <li>Need a fuller discussion about whether and how the partnership would continue from April next year, and consider widening out the membership of the EDP to include more representation from business and the private sector.</li> <li>Need to articulate a clear case for the partnership continuing</li> <li>Need to take a planned approach to looking at the risks, and that this would need to be discussed again at the next Board</li> <li>Need to consider alternative funding sources, including the Lottery, LEP, ESF and LDA etc.</li> <li>Coordinate discussions with the Learning Trust to ensure their involvement and ideas around work experience were properly picked up.</li> </ul>	<p>EDP</p> <p>EDP EDP</p> <p>JHS/CD CD</p>	<p>Jan 2011</p> <p>Jan 2011 Jan 2011</p> <p>Ongoing</p>

Please note the dates of future EDP Board meetings:

Date	Time and Venue	
13 January 2010	12.00-13.30	Hackney Community College
08 March 2010	15:00-17:00	Hackney Community College

For further information, or to suggest items for future meetings, please contact:

Lin Cotterrell  
020 8356 2167  
[xxx.xxxxxxxxxx@xxxxxxxx.xxx.xx](mailto:xxx.xxxxxxxxxx@xxxxxxxx.xxx.xx)

## Appendix 1 - Task Group Actions

In order to take forward the strategic actions agreed by the EDP and set out above, the following actions have been identified for the task group.

Actions	Timeline	Officer
i a) Review policy developments in terms of risks and opportunities and agree framework for EDP to address and respond to these	19/11/10	Juniper-Hope Strong Shawnee Keck
i b) Draft position paper for EDP on local needs, lessons learnt and existing offer that Prime Contractors of Single Work Programme should take into account	19/11/10	Juniper-Hope Strong Shawnee Keck
i c) Maintain an overview (as appropriate within commercial confidentiality) of the engagement to date between the Council, partners and Primes	Ongoing	Juniper-Hope Strong
ii a) Discuss the position the EDP needs to take in relation to engagement with Primes and advise the next EDP on whether the EDP should be (a) championing or co-ordinating a dialogue between local providers and prospective prime contractors or (b) Catalysing the development of a local consortium of providers who can negotiate with prime contractors	December 2010	Juniper-Hope Strong, seeking advice from stakeholders including HCVS
ii b) Maintain watching brief on emerging guidance on : a) The additional elements of the Single Work Programme (Work Clubs, Work Experience, Work for Yourself and Work Together) b) The provision within the Single Work Programme for work related activities (for those not ready for work) and advise EDP on any actions required	November 2010– March 2011	Juniper-Hope Strong Shawnee Keck With advice from Derek Harvey, JCP
ii c) Identify synergies between Single Work Programme (including additional elements) and statutory services (e.g. adult social care, mental health) and community based provision and ensure that connections	November 2010– March 2011	Juniper-Hope Strong Shawnee Keck With advice from Derek Harvey, JCP, CEN and statutory leads
ii d) Identify key funding / investment proposals relating to worklessness (e.g. ESF, Joint Investment Plan for Ways into Work) which are being developed locally and ensure that they are informed by the EDP	Ongoing	Shawnee Keck Lin Cotterrell
iii a) Consider local needs against evidence base (from impact assessments and policy reviews) in order to influence the Single Work Programme and any new locally developed programmes	November – March 2011	Shawnee Keck
iii b) Update position paper on local requirements from Prime contractors of Single Work Programme to take account of findings and to inform the development of other local programmes	November – March 2011	Juniper-Hope Strong Shawnee Keck

## **Overview**

This document outlines key evidence relating to worklessness in Hackney, developed through research and evaluation of interventions, to support Hackney's partner discussions with the Prime Contractors as the policy and roll out of the Single Work Programme develops.

## **Introduction**

The proposed changes to welfare policy will affect all 32,760 benefit claimants in Hackney. Importantly, not all of the reforms will affect everyone in the same way or at the same level of severity. Some populations in the borough are more acutely at risk than others for major disruptions to their lives. At the same time as these changes are underway, due to the front loading of Local Government cuts, Hackney Council will need to find between £50 - 60 million in savings just for 2011/2012. After that, reductions to local funding are expected to average 7%.

Hackney's ability to respond directly to the worklessness agenda through delivery will seriously diminish rapidly. Therefore, our capacity to directly influence the delivery bodies, such as the SWP prime contractors, must increase proportionally and will have to be precise and effective.

We have a substantial evidence base, which we can use to support our capacity to influence delivery, and a joined up approach will increase our potential to impact the shape of the programme in Hackney. The report outlines the conditions of Hackney benefit claimants, details the primary public services they rely on and provides a retrospective analysis of the last four years of worklessness interventions to help plan our responses going forward.

## ***Welfare Reforms as of November 2010***

- Introduction of Universal Credit replacing Working Tax Credit, Child Tax Credit, Housing Benefit, Income Support, Jobseeker's Allowance and Employment Support Allowance
- Reassessment of all Incapacity Benefit claimants for migration to Employment Support Allowance (ESA) or Job Seekers Allowance (JSA)
- Contributory ESA claims will be means-tested after one year
- £26,000 cap on total benefits for families
- Reduction of 10% the level of Housing Benefit (HB) payable to those who have been claiming JSA for 12 months or more
- Housing Benefit: increase age limit for shared room rate from 25 to 35

## Hackney's Workless: Descriptions, Demographics and Needs

Hackney's highest levels of benefit claimants are sorted as follows

- ESA and Incapacity Benefit: 13,360
- Job Seeker's Allowance: 9,550
- Lone Parents: 5,700

By far the most pressing issue for Hackney are those residents currently in receipt of Incapacity Benefit. We are also concerned that as the changes to Housing Benefit are implemented, the reduction for long term JSA claimants will quickly (10% after one year out of work) will create another area of high need.

The segmentation of Hackney's claimants is necessary information for determining the highest need and designing appropriate support projects and programmes. The following fast facts help break down the client groups on each benefit.

### **Job Seekers Allowance**

- 70% male
- 18-25 and 45-54 are consistently the most common ages on JSA and highest recent increases in the 45-54 age group
- White British, Black Caribbean, Black African are the most common ethnicities on JSA
- Less than 2/3 of JSA recipients claim for 26 weeks or less

### **Job Seekers Allowance Impacts of Welfare Reform**

<b>Baseline</b>	
<b>Total Claimants</b>	<b>9,550</b>
<b>Conditionality Changes</b>	
JSA at risk for £500 benefit cap	773
JSA at risk for reduction of Housing Benefit by 10% after claiming for 12 months	1,053
New JSA claimants from IB between Apr 2011-Apr 2013	1,472
<b>Total Impact</b>	<b>3,298</b>

While Job Seekers Allowance has no specific conditionality changes within the benefit itself, other benefit changes will affect JSA recipients.

- Overall, JSA claimants will increase by 1,472. IB claimants will be reassessed and will change benefit to JSA, bringing the JSA population in Hackney to 11,022 between April 2011-April 2013
- 1,053 Housing Benefit recipients will be impacted by the 10% reduction immediately, but a further 5,683 will be in the pipeline for the same conditionality.
- 773 HB/CTB JSA and HB/CTB claimants will be at risk due to receipt of a higher weekly payment.

The Private Rented Sector in Hackney has been a major determinant of population change and growth. Roughly, 9,500 residents receive Local Housing Allowance in the

PRS. If 5-year trend holds, a reduction in public subsidy should drive landlords into higher rental markets. Low cost housing supply will reduce putting more low income households at risk.

Job Seekers Allowance is an active benefit where claimants are expected to look for work as part of their eligibility criteria. JCP reports women are easier to place, men are more selective in looking for work. This will be less of a problem as the new Universal Credit sanctions are introduced, anyone refusing a job or not attending employment related activity will have their benefits ceased – though the time scale for this is long term with implantation planned for 2013 to 2017. One issue with this group is that most of the jobs that have been created in the past year have been part-time. Data shows that the private sector may not be able to absorb the shock of an increased labour supply at such a rapid rate as a result of the new benefit conditionality; therefore, wages are expected to remain low.

The 2012 team reports that young men 18-24, have been particularly interested in the Olympics. Arts, sport and culture have documented success with the population on JSA. The data presents evidence of intergenerational benefit dependency, which is supported by interviews with local service providers. The opportunities within the Olympics could prevent later worklessness if interest in the Games were maximised through capturing the motivation to participate.

### ***Incapacity Benefit***

- 60% male
- 45-54 and 55-64 are generally the most common age groups on IB, these are not the '70s-80's mining/manufacturing refugees, they have a real service need
- 75% of claimants have been on benefit for 5 years or longer and the total numbers of claimants on have not changed in 10 years.
- Annual figures for 2009 find 5,710 or 47% of Hackney IB claimants have mental, emotional and behavioural health conditions; these claimants present at 35 are most commonly male. The 35-44 age group is highest segment on benefit within the mental health claimant group.
- Residents with physical conditions tend to be 55+
- Local providers suggest that long-term Incapacity Benefit claimants are likely to take a minimum of 18 months to 3 years to get into sustainable work.
- Intensive employment and service support typically costs a minimum of £12-14,000 per year.

## Incapacity Benefits/Employment Support Allowance Impacts of Welfare Reform

<b>Baseline</b>	
<b>Incapacity Benefit/ESA Total</b>	<b>13,360</b>
<i>ESA only</i>	2,690
<i>IB only</i>	10,670
<b>Conditionality Changes</b>	
IB to ESA Claimants from Apr 2011- April 2013	8,003
<b>Welfare Reform Impact</b>	<b>10,693</b>
<b>HB/CTB IB Impact</b>	<b>11</b>
<b>Total Impact</b>	<b>10,682</b>

As Incapacity Benefit fully becomes Employment Support Allowance after April 2011, we will see **12,165 of residents move** to a benefit where they will be expected to perform Work Related Activity; this includes those moved to JSA. Of these:

- 10,693 will be ESA claimants between April 2011-April 2013
- 750 will most likely disappear into the informal economy
- 11 receive HB/CTB

Hackney Council's Chief Executive's Directorate conducted a special review of Incapacity Benefit clients to better understand their needs and service demand. The key finding was the fact that Incapacity Benefit dependency can only be reduced through integrated service support first. Work related activity is only successful when delivered in conjunction with health and social care service support. The details of the Single Work Programme remain undefined; however, our analysis suggests that in order to comply with benefit conditions, residents will increase or intensify demand in public services.

The following list was identified as key for IB claimants, though it is not exhaustive:

- Mental health services
- Drug and alcohol rehabilitation services
- Basic skills training including ESOL, literacy, financial literacy, debt advice
- Ex-offenders support advice and guidance
- Long-term conditions peer support groups for pain management etc
- Community sports programmes/groups
- Small scale tailored cultural programmes
- Libraries – including in small satellite centres at homeless hostels

## **Next practice: Understanding Worklessness Interventions in Hackney**

Hackney's most prominent policy agenda over the past four years has been the reduction of poverty and unemployment. Since 2006, Hackney has supported eight custom programmes including our City Strategy Pathfinder programme and Ways into Work, commissioned to pilot new approaches of getting those furthest away from work, into work. The nature of the client group increases the cost, some programmes were commissioned through the Area Based Grant, and others were funded through DWP. It is estimated that a spend of £7million has placed around 1400 people into work (£5000 per person, which is inline with DWP benefit costing from the LAA negotiations).

Our evaluations of each of these interventions, some of which are still ongoing, have explored the nature of the client group that has been successful alongside how the delivery of the interventions has been managed. There is extensive learning which can influence future programmes. Given the population, we have identified as being most at risk, the learning from programmes such as Moving On and Hackney Works may be most relevant as they were concentrated on inactive residents and claimants with mental health issues.

### ***Recommendations for Future Programming***

- Emphasise an 'inactivity to activity' journey model encompassing health, care, learning and skills and employment considerations.
- Complement generalised delivery partners by with programming concentrated on specialist segments.
- Monitoring systems used by all partners are important for an informed progression of clients across providers and activities. This not only enables an analysis of the type, duration and timing of targeted interventions but can also inform providers as to the impact of these interventions.
- GP practices should be considered an important location for referrals and delivery.
- Delivery should cover a wide range of service users from different age groups, ethnic communities and degrees of condition, this information should be collected in advance and monitored as part of client tracking.
- Employer relationships are essential for work placements.

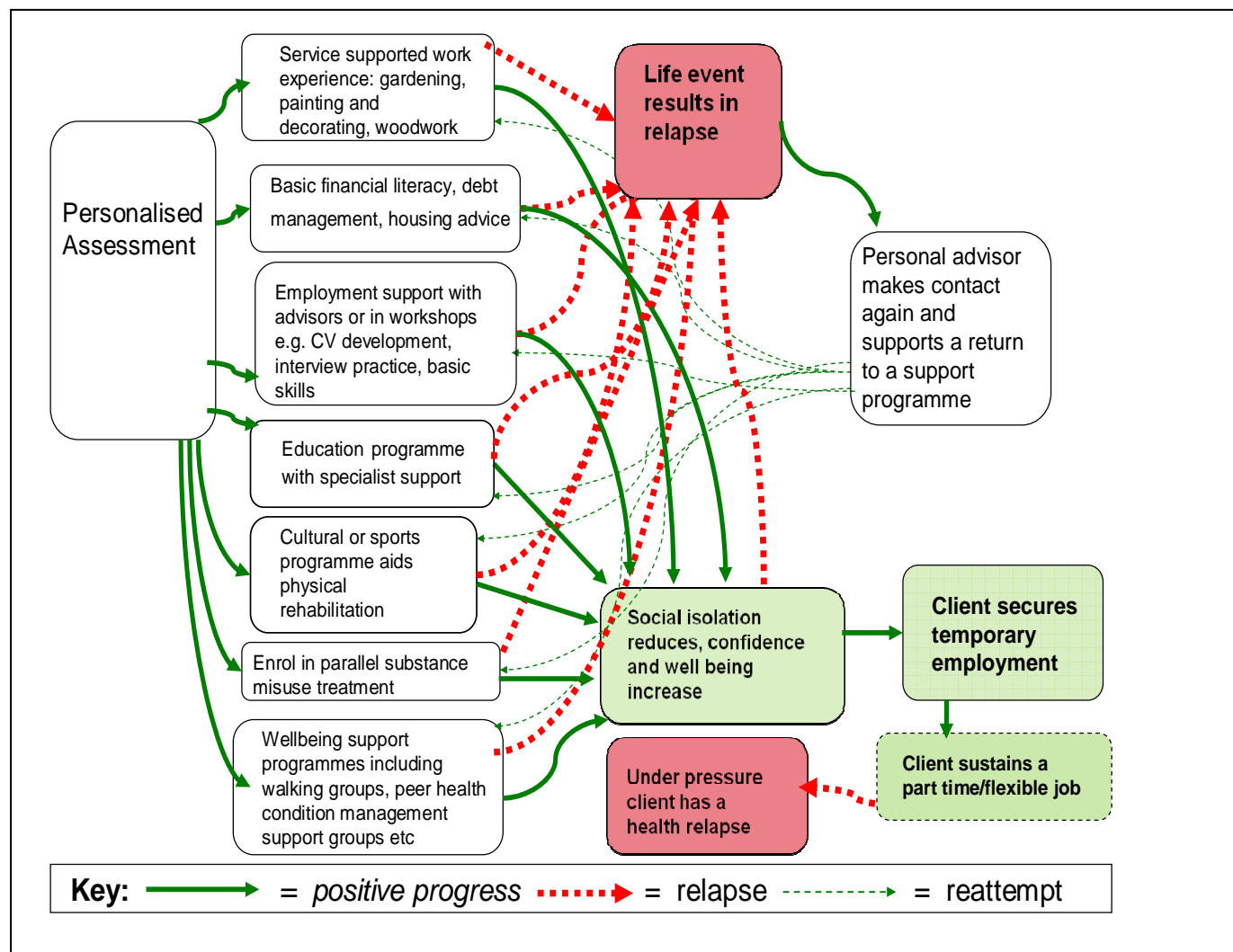
Moving On, the employment programme delivered to mental health clients held a target of 40 people into sustained work. The project delivered three work placements, one part-time position as an administrator with the East London NHS Foundation Trust, a key partner of the project, clearly the employment outputs targets agreed were overly optimistic. Never the less, the programme was continued through PCT funded, due to it successful engagement record.

The difficulty in reducing the IB client base lies in the complexity of client need. Several health and social care providers operating on the ground were consulted as part of the Chief Executive's Review of IB. They explained how the majority of clients usually have multiple health problems. These health conditions combined with isolation, fear of benefit loss and a long history of unemployment create a series of attempts and failures within the client's journey back to work. Health issues, alongside other aspects of

vulnerability, have a cumulative effect that functions as a primary barrier to work. The expectation that training, advice and guidance alone will place someone in sustainable work does not reflect the reality of the journey.

Providers described the journey below (Figure 1) instead and cautioned that budgets and programme plans should reflect this journey

**Figure 1: IB Employment Journey**



As a means of better addressing the needs of the population, providers recommended:

- Precise matching between the outreach, mentoring and delivery staff and the client base. The “who” matters as much as the “what.” Trust and legitimacy is the most important quality for staff.
- Informal learning opportunities are less intimidating than mainstream training. Painting and decorating for a fun volunteer activity is different than the setting of an NVQ class.

- Time pressure increases failure rates; these populations work slower and require more upfront investment to get them to each step.
- Intensive links between services and employment agencies are imperative. Outreach teams must hand deliver the client to employment agencies as they are not likely to go on their own.

Hackney evaluation records currently report that just six IB claimants were placed in work or volunteering positions during the four year focus on unemployment programmes. Current data indicates that the ongoing Ways into Work programme is repeating this pattern with no current records of programme participants who are long-term unemployed or Incapacity Benefit claimants, though this is being explored to ensure accuracy of data and reporting.

This is not only Hackney's experience, but also a national problem. A National Audit Office evaluation of DWP's Pathways to Work programme found intense difficulty meeting targets as well. Pathways to Work was able to improve the number of people nationally who went back to work over Job Centre Plus; however, the programme was voluntary. A client base more motivated to participate in a work programme is statistically going to have higher success rates.

Even with this higher rate of work placement, Pathways was deemed unsuccessful and low value for money by the NAO compared to the effects of Employment and Support Allowance and the medical assessment within the programme. The success of the Work Capability Assessment was stronger in moving people off the benefit, not necessarily into work but off benefit, than any of the effects specific to the Pathways programme. The medical assessments were responsible for moving 38% off Incapacity benefit and ineligible for Employment and Support Allowance.

Other forces external to the programme were found to have a major impact on success. Conditions such as the costs of transport and housing and the willingness of employers to take on Incapacity Benefit claimants had a major effect on the choice between benefits and a wage.

This background is vital information as the Single Work Programme comes forward. It demonstrates that conditionality will do more to move people off the benefit than any soft touch programme, but it will not necessarily place them into work. This could prove to be a larger problem than the claimant rate itself.

## **Future Directions: Responding to the Single Work Programme**

Due to the changing policy environment, several considerations could influence the strategic approach taken by the Borough's worklessness programme providers and the response by the Economic Development Partnership. These include:

- A possible integrated sub regional offer to the SWP Prime contractor from the six Host Boroughs
- Inter borough collaboration on local work placements and shared service provision. Hackney is especially dependant on access to entry level jobs outside the Borough. Links to other boroughs with more development activity could provide us with more potential for employment and training placements.

- The high numbers of newly active ESA claimants will necessitate coordinated service support for any Work Related Activity ranging from mental health support to drug rehabilitation. Local providers could concentrate on service support instead of employment and training to ensure a complementary package.
- RSLs have a key delivery role, health, social care and culture/sport services should also be coordinated through these referral routes.

## **Economic Development Network Event**

Wednesday December 1<sup>st</sup>, 2010

This event was both a consultation on Hackney Council's Economic Development Strategy and an opportunity for network members to learn about and respond to the Single Work Programme. It was also a chance to discuss the cuts in public spending and encourage consortia building and partnership working between groups. Organisations were encouraged to think about mergers and have a clear understanding of what services they offer. The role of the EDN was discussed throughout.

Themed workshops on various aspects of economic development enabled members to work together to address new challenges and develop innovative responses.

There were 48 people present, representing 34 locally based organisations. There was a good mix of larger and smaller providers, most connected in some ways with economic development.

**Chair:** David Blagbrough (Inspire), EDN chair

**Speakers:** Derek Harvey, JobCentre Plus  
 Juniper Hope-Strong, Head of Regeneration and Economic Development, Hackney Council  
 Ian Ashman, Principal, Hackney Community College and co-chair of EDP

**Panel:** Bisi Ojuri (Volunteer Centre Hackney), CEN rep on EDP  
 Cllr Guy Nicholson, Hackney Council cabinet lead on Economic Development and co-chair of EDP  
 Derek Harvey, JobCentre Plus

**Speaker 1:** Derek Harvey, JobCentre Plus

Derek Harvey gave a detailed outline of the Single Work Programme, its provision and payment and who it's aimed at.

**Speaker 2:** Ian Ashman, Principal HCC, co-chair EDP

Ian spoke about the role of the EDP and Hackney Community College's response to current Government policy and the implications of the cutbacks.

**Economic Development Strategy Consultation:** Juniper Hope-Strong  
 Juniper outlined the EDS and asked the network to consider whether it reflected their understanding of Hackney. The summary of feedback was:

### **1. Recommended: the strategy identifies the Voluntary and Community Sector (VCS) as a fifth growth sector**

Participants identified the VCS as a growth sector, as both providing

employment and in being in a strong position to recognise and address barriers to employment.

**2. Recommended: the strategy develops a strong theme throughout looking at tackling poverty** Participants felt the strategy did not sufficiently acknowledge the barriers to employment – and noted that many changes had taken place since the strategy was drafted, including benefit changes and funding cuts making it even more imperative that this theme from the Sustainable Community Strategy be made much more explicit in the strategy.

**3. Recommended: the strategy strengthens its commitment to sustainability and widens the scope of its picture of the local economy.** Participants from the Hackney Environment Network and sustainability organisations offered to work with council leads to develop this section.

**4. The big impacts: responses to the question “what one change would have the biggest impact on economic development in Hackney?”**

1. Formalised Pathfinder scheme – recognising the extent and diversity of the barriers to work. Scheme would allocate 1 key advisor who carries out assessment, refers to other agencies as needed, and accompanies the person throughout their journey to employment.
2. Apprenticeship schemes to tackle worklessness amongst young people
3. Support for small business and social enterprise for local people

*\*The EDN's full response to the EDS has been produced as a separate document and is available upon request\**

## **Workshops**

1. Worklessness, Skills & Training: larger organisations
2. Worklessness, Skills & Training: smaller organisations
3. Issues for NEET Young People
4. Enterprise

The workshops focused on particular issues around economic development for organisations working with different client groups. They were asked to come up with recommendations of how we can ensure the most vulnerable people in our community don't suffer with the current changes in welfare reform and Public Sector cuts.

### **1) Worklessness, Skills & Training (both workshops):**

#### Recommendations:

- The council and the EDN should support the VCS to get contracts (eg under the Single Work Programme)
- The EDN should act as a core forum where the sector can discuss issues and develop ideas
- A referral registration process is needed to regulate how VCS groups that are subcontracted by the primes are paid (to ensure that risk is not carried by VCS)
- Monitoring and transparency are key to ensure that the primes meet with the Merlin standard in their relationships with VCS groups
- Hackney Council and VCS should work together from the beginning of the contracting process, the knowledge and expertise of the VCS could be used to ensure contracts reflect local need
- Suggested that there be preferred providers so that the tendering process doesn't pit VCS groups against one another
- It would be beneficial for the primes to meet with local providers. Can the EDN host an event with primes?
- Can the council facilitate relationships with primes?
- Consortia building in the VCS should be encouraged and supported- can the EDN facilitate an expression of interest to pitch to primes?
- VCS can look at effective models eg Wise Owls is part of a London wide network that enables cross-referrals
- In order to invest in economic development efficiently and productively there needs to be a comprehensive piece of research detailing what works, otherwise the investment won't match what's needed
- Housing Associations are being funded to provide training, is this possible for the VCS?
- The EDN Directory of members can be used to support consortia building and publicise organisations to primes as well as to enable cross-referrals
- Organisations need to have a clear understanding of what services they can offer primes- when contracts come out it's important to have a clear idea of who does what (EDN Directory again useful)
- Pathfinder Project: allocate a key advisor who carries out assessment, refers to other agencies as needed, and accompanies the person throughout their journey to employment (more details in EDN response to EDS)
- Important to ensure that people want to stay in Hackney rather than become affluent and move out of the area

## 2) Issues for NEET Young People

### Recommendations

- Private Providers need more incentives to take on NEETS
- The Primes should recognise that some people can take longer to be job ready due to their circumstances at the beginning of the journey
- Soft skills should be acknowledged as an important aspect of being job ready

- Jobs with training enable NEETS to progress in the workplace
- The effects of the abolition of Education Maintenance Allowance should be researched. The VCS is in a good position to measure the effects.
- Social enterprise amongst NEET Young People should be supported and encouraged
- Could the VCS act as a broker to help NEETs into employment?

### **3) Enterprise**

#### Recommendations:

- Local authority needs to be social enterprise friendly
- Where possible ease the focus on regulation
- Support employers with a pilot apprenticeship scheme
- Businesses need initial funding to carry support
- Change definitions of economic activity so that volunteers are recognised as economically active

*The EDN steering group will meet in late January to discuss how to address the issues raised and take forward member's recommendations*

**Interim Update Report: Pathways to Sustainable Employment in the Charedi Community**  
**Sonia Khan, Head of Commissioning**  
**24<sup>th</sup> December 2010**

**Overview**

TrainE-TraidE, in partnership with Interlink, were commissioned by Team Hackney in February 2010, following a competitive tender, to research and develop viable and sustainable pathways to employment (e.g. training opportunities, apprenticeships, work placements) for men from the Charedi community.

This is an extract from an interim update report from TrainE-TraidE. The report summarises progress to date and provides an outline proposal for pathways to employment and the partners who have been identified. Proposals should ideally draw on existing mainstream resources rather than requiring ongoing additional investment. However there is a funding gap in what is proposed as no funding has been identified for information, advice and guidance and for brokerage and co-ordination. One of the reasons for this funding gap is the changing funding and policy context, including the introduction of the Single Work Programme. TrainE-TraidE will now be working up more detailed proposals showing costs, contributions, outputs and outcomes and funding options, and will be also be looking at the implications of the current funding and policy context.

**Actions required by the Economic Development Partnership**

The report has been discussed with LBH officers from Partnerships and Investment and with the Partnerships Commissioning Team and the Economic Development Partnership is recommended to:

- Discuss and endorse the report findings and the outline proposals
- Agree that detailed proposals should be further developed in conjunction with LBH officers from Partnerships and Investment
- These proposals should be integrated into any partnership wide responses to the Single Work Programme and to any partnership wide responses to external funding opportunities

By endorsing the proposals partners are not being asked to make any commitment to funding or to prioritising this specific programme for any additional funding.

**1. Background**

In autumn 2009, Team Hackney went out to tender for a one-year project 'Developing Sustainable Pathways to Employment for Charedi Males in Hackney'. The aim of the project was to address the following issues identified by Hackney's Economic Development Partnership;

- The lowest level of economic activity in Hackney is concentrated in the Northeast of the borough, and particularly in the Springfield ward. These are the neighbourhoods where the Charedi community is concentrated.

- Because of their unique culture and religious-based restrictions, Charedi people are very poor users of publicly funded services and facilities, including FE colleges, Connexions, job-centres and training courses.
- Charedi people, and particularly males, have poor level of vocational qualifications or further education, and many have literacy and numeracy difficulties.

Through the project, Team Hackney is seeking to develop a sustainable community based infrastructure to provide support to Charedi jobseekers, parallel to that which already exists for other jobseekers in Hackney.

In early 2010, TrainE-TraidE, in partnership with Interlink, was invited to deliver a project that would address the above, through the following 4 strands of activity:

- I. To create broad-based backing and a project steering group for the project from the Charedi community leadership.
  - To develop a range of pathways to employment (e.g. training courses, employment brokerage, CV writing etc). This would be done by creating partnerships with Hackney's public sector bodies, as well as capacity building existing community based services.
  - To prepare a business plan setting out what the project would offer and demonstrating sustainability over a period of 5 years.
  - To prepare a prospectus of services and training opportunities.

The end-goal is to put in place a new service offer for Charedi jobseekers by April 2011.

## 2. Complicating Factors

Since embarking on this work, we have identified 2 key complicating factors:

**Beneath the Radar.** The gateway to many support services for jobseekers is JobSeekers Allowance. A high level of support is made available to people who have been on JSA for an extended period (usually 6 months) without successfully finding work, including personalised support and free training. JobCentre Plus is also the central information point about job vacancies.

Despite a very high level of worklessness and underemployment, very few Charedi people are on JSA. This is because the system does not recognise Charedi cultural and religious constraints. People perceive that a JobCentre will move them into employment or pathways to employment that conflict with their faith and culture and therefore do not use the service. They are the 'beneath the radar' jobseekers.

We are seeking to deal with this problem by working creatively with Hackney College and JCP, as set out below, and by seeking specifically funded support from Hackney as per this proposal.

**The Benefits Trap.** Not signed on for JSA does not mean that Charedim are not on welfare benefits. On the contrary, Mayhew Associates 2008 found that being Charedi was the highest risk factor influencing the likelihood of receiving means tested benefits in Hackney. Overwhelmingly, people of working age are married and living

with their spouse, usually with children in the household. A common pattern is that one spouse is in work, poorly paid and part time. Where this is the case, they will be in receipt of working and child tax credits, and if in rented accommodation also to Housing benefits. These benefits then present a disincentive to raising the level of economic activity. The greater the number of children<sup>1</sup> and the higher their rent (if private sector), the higher and more insurmountable this disincentive becomes.

This latter problem of the benefits trap will reduce as the total benefits available per household is capped at £26,000 per annum.

### 3. Target Group

The project is targeted at Charedi males of working age because:

- There is currently no support, training or services, offered to this group, despite the very low level of economic activity.
- There are currently about 4500 people in this group<sup>2</sup>.
- The rate of growth (i.e. new labour market entrants annually) is 4.2%<sup>3</sup>
- Charedi males also have far lower levels of literacy and numeracy than females, because of different primary and secondary education patterns.
- There is no data available about the number of jobseekers in this group. Employment data was the most poorly completed section of the Holman survey of Charedi households in Stamford Hill in 2002. However, we conservatively estimate that at least 300 Charedi males are currently seeking work and that at least 100 would access the project in the first year.

While the project will target, and set up new services, for men, women can also access the project.

### 4. Progress

We have made good progress on the first two stands outlined in 2 above..

We have created a steering group that has representatives from different sections of the community and has won the backing of community rabbis and leaders. This is a critical preliminary to a successful project.

We have made excellent progress to a) develop new pathways to employment and b) build the capacity and coordinate existing community based provision. This includes:

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<sup>1</sup> Average household size is 6.1

<sup>2</sup> The total Charedi Stamford Hill population is about 20,000 (based on Holman 2002, updated by Interlink Foundation 2009). About half of this population are children and young people below working age, leaving 10,000 people. About half of these are female, leaving about 5000 people. About 500 will be above the age of 60.

<sup>3</sup> Profile of the Strictly Orthodox Community, Board of Deputies of British Jews 2009.

- Work with The Learning Trust to develop bespoke courses aimed at increasing literacy, numeracy and IT skills for Charedi men. These are in advanced state of development
- Work with Hackney College to develop apprenticeships in Business Administration, AAT and plumbing/electrics for Charedi men.
- Work with Job-Centre Plus to integrate JCP support into the project. We are looking at bringing JCP into a community based setting at specific times, allowing people to sign-on with confidence and be given support by culturally trained JCP staff who would offer support opportunities through the project.
- Work with Vista training to coordinate their training opportunities.
- Work with Agudas Israel Community Services to capacity build their employment brokerage and recruitment services and coordinate this with the project.
- Work to recruit and provide IAG training (NVQ level 3) to a Charedi male who will fill the pivotal role of providing advice to jobseekers.

## 5. What the Project will look like

A new Employment Centre run by TrainE-TraidE, will open up at 97 Stamford Hill, based at the new building of Agudas Israel. It will be co-located with Agudas Israel Community Services (including employment and welfare advice) and the Interlink Foundation, and about 100 yards from Vista Training for Employment.

It will host a male advice worker, as well as sessions with a female advice worker (currently employed by TrainE-TraidE and based in Finchley).

Jobseekers will meet the advice worker and subsequently move into one or more of the following pathways:

- Enter one of the new pathways that has been developed (e.g. Hackney college literacy course for Charedi men, apprenticeship)
- Enter another course run by TrainE-TraidE (see prospectus)
- Enter another course offered by another community or mainstream project (e.g. by Vista training, LearnDirect or Hackney college)
- Access job preparation workshops from TrainE-TraidE or other providers.
- Go straight to a jobs brokerage or recruitment service (Agudas Israel Community Services or mainstream)

Jobseekers may be able to 'sign-on' for JSA at the Employment Centre, and access culturally friendly JCP support.

## 6. The Business Model

- Most of the pathways will come at no additional cost. They will be built in to mainstream commissioning and services. This includes new courses developed by the Learning Trust and Hackney Community College and courses delivered by Vista Training.
- Any courses developed by TrainE-TraidE will have to include funding margins that contribute to the ongoing management and development of the service.
- Other support will be provided through community organisations, chiefly Agudas Israel Community Services. They will require capacity building and better funding models that allow full cost recovery to ensure sustainability. This is also demonstrated in the finance model.
- The additional unfunded project costs relate to the Advice Worker and associated costs. This post would eventually secure contractual funding based on number of people placed in work or training.
- It may be possible to part fund this post through a partnership arrangement with Haringey council, who have expressed an interest in the work.

## **Ways into Work Impact Assessment Update**

**29 December 2010**

**Sonia Khan, Head of Commissioning, Partnerships, LBH**

### **1. Summary**

This report provides an update on the internal impact assessment which has been developed by the Commissioning Team and Corporate Policy Team. The impact assessment is dependent on the analysis of detailed management information about clients supported in order to understand where the impact has been greatest (on which communities and areas), which priority groups have not been reached or not engaged and which barriers to employment have proven the most difficult to address.

It has not been possible to progress all aspects of the impact assessment, because to date detailed management information is only available for some clients supported in Quarter 1 of 2010/11. The report updates on the progress which has been made, and on how the management information issues are being resolved.

The Economic Development Partnership is asked to:

- Note progress and issues
- Ensure that the conclusions and recommendations should be integrated into any partnership wide responses to the Single Work Programme and to any partnership wide responses to external funding opportunities

### **2. Background**

The Ways into Work programme has been commissioned by Team Hackney since July 2009 to continue and develop the City Strategy Pathfinder Programme funded through the DWP from April 2008-June 2009. The current Team Hackney commissioned programme works with 1400 people, of which 60% should sustain their jobs after 13 weeks. The programme covers:

- Outreach programme –Registered Social Landlords and Hackney Homes Management Partners to undertake outreach to social housing estates across Hackney, reaching 50,000 homes
- General employment support
- Specialist employment support
- Employers Gateway – Coordination of jobs agencies involved in the Ways into Work programme to ensure effective approach with employers

The contract value is £5.37m between July 2009 and March 2011. To support a transition, Team Hackney funding was initially used as bridge funding to support the continuation of the programme delivered in 2008/9. During 2009/10, the programme was independently evaluated and reviewed and a newly configured programme, with new contractors and refreshed contracts with RSLs was established from April 2010. One of the evaluator's recommendations was that a shared management information system should be developed to be used by all programme partners to ensure that any future assessment of impact was underpinned by robust data and to ensure clients' progress was tracked.

An internal impact assessment was designed to establish the impact of the Team Hackney's investment in the Ways into Work Programme. The impact assessment focuses on the analysis of quantitative data<sup>1</sup> which would be collected systematically between April 2010

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<sup>1</sup> Data fields:

- 6 strands of equalities data monitoring (age/gender etc)
- Tenure and if relevant RSL
- Education and employment history and status
- Ward /
- Job aspiration at the beginning

and March 2011. The assessment also considers qualitative information, and originally this was intended to include:

- Anecdotal evidence from housing outreach providers, engaged systematically during the programme
- Stakeholders' perspectives
- Perspectives of organisations based in areas where Ways into Work is active
- Focus groups with clients
- Longitudinal tracking

Due to the issues with data collection, which is intended to underpin the impact assessment, qualitative data collection and analysis has been limited to evidence from housing outreach providers, as it needs to be considered within the context of the analysis of quantitative data.

### **3. Progress to date**

#### *Data collection and analysis*

To date Quarter 1 2010/11 data has been made available for analysis, and Quarter 2 data is expected. This reveals a number of interrelated issues with referrals and data collection:

- A higher number of people are being registered and receiving employability support on a quarterly basis (1036 against a target of 384 are being registered and 821 against a target of 297 are receiving employability support). The numbers entering employment are also higher (259 against a target of 175).
- Employment Support Providers are taking direct referrals, as well as taking referrals from housing providers. For Quarter 1 the proportion of clients referred from housing providers and supported represent 237 out of 821 clients supported (28%) and of these 17 have been placed in employment. 153 remain engaged and 84 have become disengaged (of which just under half have been unemployed for over 12 months)
- Detailed information is available for the 237 clients reached through housing providers. However, Employment Support Providers are maintaining their own database rather than using the shared management information system. This means that information collected about clients who are direct referrals is not consistent with that collected about clients reached through housing referrals. It is not possible to make judgements about the whole programme, although the individual data sets can be analysed and compared.

The Quarter 1 data shows that:

- The clients reached through direct referrals appear to be those who are might be more employable. Out of 139 Quarter 1 records for one Employment Support Provider 25 clients (17%) had been unemployed for over 12 months, the remainder were clients who had been unemployed for less than 12 months.
- The clients reached through housing outreach do represent those who are further from the labour market. Of the 237 who have been supported:
  - 124 have been unemployed for over 12 months (52%), of which 86 have been unemployed for over 24 months.
  - 57 are lone parents (24%)
  - 26 say they have a disability (11%)

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- Destination by job type, terms and conditions and salary level
  - Parents / lone parents
  - Information about clients should also include benefits history and family history

An analysis of job outcomes is not yet provided because this will be more meaningful when Quarter 2 data is available, as this should show outcomes for the clients supported in Quarter 1.

#### *Actions required*

- The issues with management information have been discussed with the Ways into Work team since September 2010 and they have been working with providers to ensure that the shared systems are used. Improvements are expected for Quarter 2.
- The Ways into Work team have also been asked to use contract management and claw back clauses to ensure that providers maintain their focus on support housing outreach referrals, and the Commissioning Team will review this early in the New Year.
- This discussion will also cover a discussion about what information is available about those who disengaged
- Quarter 2 data has been urgently requested so that conclusions about impact can be considered early in the New Year. Quarter 2 data will also be requested as soon as possible. This analysis should be considered by the EDP Task Group and the findings fed back to the EDP.

#### **4. Discussion with Housing Outreach Programme Managers**

As part of the impact assessment, a meeting was held on 25<sup>th</sup> November with Programme Managers from all housing provider partners, including Family Mosaic, Newlon, Peabody, Southern, L&Q, Circle and Hackney Homes. The discussion with Programme Managers provided a range of helpful learning points and observations which support the issues identified through the review and analysis of data.

#### *Contract targets and incentives*

- There needs to be a clearer understanding about how Employment Support Providers performance is measured and the basis on which they are paid
- There is insufficient formalised communication between housing providers and job brokerage and training providers (although this could be overcome by individual outreach workers and job brokers forging good working relationships as part of their delivery)
- There are delays in the system once people have been referred, and it can be a long time before they are contacted by Employment Support Providers; in some cases there is no contact
- Housing providers are referring clients to a wide range of support agencies and to support within their own organisation, not just to the three Employment Support Providers (Lifeline, Talent and TNG) because they are keen to ensure that the widest range of opportunities are offered. However, these wider referrals are not being captured in the management information, meaning that the full outcomes of the programme are not being captured.
- A referral target was introduced for housing providers six months ago. This incentivised them to refer clients to the Employment Support Providers rather than deliver employability support themselves. However Employment Support Providers seem to want clients who are job ready rather than offering the employability support. For this reason, housing providers would have liked more time to work with their residents, rather than being incentivised to refer. This also points to the lack of clarity about how contracts for Employment Support Providers are being measured described above.

#### *Information sharing and follow-up*

All the housing providers present emphasised the lack of information and follow-up once clients had been referred to Employment Support Providers. Issues raised included:

- Lack of ongoing feedback needed to inform their work, and to be able to understand and demonstrate the return on their investment. This made it impossible to calculate the cost/benefits of continued outreach rather than, for example, providing more intensive case management or IAG with a smaller number of clients. Some housing providers felt

that they could have delivered IAG within their outreach budgets if they had focused on a more targeted approach and that this would have been more beneficial. There was broad agreement that no further outreach was needed, as RSLs had signed up over 1000 people, and the challenge now was to get on with the case work.

- Lack of information about the quality of different providers and/or reassurance about quality control, and inability to hold Employment Support Providers to account
- Lack of partnership meetings. Meetings were solely about performance against targets, rather than partnership, meaning that there were insufficient opportunities for ongoing dialogue or two-way feedback.
- In order to maintain a relationship with clients, rather than making untimely or inappropriate referrals housing providers needed feedback from providers about progress and this had not been forthcoming
- Housing providers need to know whether Employment Support Providers had the capacity to take referrals so that they did not refer clients to if there was no capacity

#### *Client Gateway (management information system)*

- This is not being consistently used and there are problems with the database which have meant that the data on the system does not match housing providers' paper records.
- As mentioned above job outcomes achieved through referral routes other than those in the Ways into Work Partnership were not recorded and this success is not being captured
- Some people are not eligible for Ways into Work support (e.g. Asylum Seekers). This data should still be captured.

#### *The Ways into Work model*

- The model itself was right and very positive in terms of being an end-to-end model. However, the implementation has not been as smooth as it could have been.
- One of the positive aspects of the model has been an increased knowledge of local partners

#### *Forward planning*

- It was unclear how many of the people that housing providers had signed up would be supported through the new Single Work Programme and how many would fall outside it. It would be useful to profile this using client records, which include information about how long clients have been out of work and what benefits they are on. It should be possible to do this through the database.
- There is a need to map the costs of the early stages of supporting people and calculate which elements of this are likely to be within the framework of what the Primes will pay for. This work has been undertaken by the CESI impact assessment and is reflected in the Joint investment framework.
- There is a need to be clear about definition of intensive/extensive support and what is entailed in getting clients job-ready, and set out clearly what end-to-end case work consists of. This work has been undertaken by the CESI impact assessment and is reflected in the Joint investment framework
- Housing Providers should maintain contact with the client throughout the client journey

#### *Actions agreed:*

- Housing Providers are reminded to continue to refer to a wide range of support agencies and Employment Support Providers, as befits the needs of clients and to count and record all of the referrals.
- This includes counting people who have been supported by RSLs into employment independently of the Ways into Work Employment Support Providers
- Partnership meetings to be reinstated (this has been actions)
- Gateway clients to be profiled to determine how many will be eligible for support under the new Single Work Programme

## 5. Conclusions and recommendations from impact assessment to date

### *Conclusions*

The feedback from housing providers is consistent, and helps explain some of the issues identified through the data analysis. Key conclusions are:

- A shared management information system has not been in place, and is not being used to make judgements on impact and to track clients' progress through the client journey. There are also successes and outcomes from clients being referred outside of the Ways into Work Partnership which are not being captured on the same system.
- The interface between housing providers and Employment Support Providers is weak and this is in part due to design (housing providers are incentivised to refer clients on to employability support but are unclear how "job ready" a client should be) and also due to implementation and communication issues. For example housing providers are not receiving feedback and ongoing communication about clients. It has been agreed that any future delivery should look to housing providers providing quality IAG services rather than outreach in order to overcome what appears to be a broad interpretation of 'Job ready' by individual advisers at the moment.
- The interface is also weak because of the way Employment Support Providers seem to be approaching referrals. There needs to be greater transparency about how Employment Support Providers are being held accountable and performance managed. These providers do not always appear to have the capacity to take referrals from housing providers, and, from data for quarter 1 and are taking a higher proportion direct referrals from clients who are not as far from the labour market.
- Quarter 1 data shows that clients referred to Employment Support Providers through housing providers do represent those who are further from the labour market. However it is not yet possible to conclude whether the programme has supported such clients into employment, until data for Quarter 2 and 3 has been analysed.
- The numbers of clients being reached has exceeded targets, and there now needs to be a greater focus on case work with the clients already registered.
- Housing providers perceive their role to have been too restricted to outreach, and see a greater potential for them remaining involved in delivering employability support, offering signposting and information, advice and guidance and tracking client progress. This has been clearly acknowledged within the CESI impact Assessment Joint Investment Framework report. There is strong support amongst housing providers for continued partnership working and creation of a JIF. Three joint employment and training pathways have been agreed with RSL's, these are:
  - Built environment
  - Housing
  - Low carbon/green jobs.

### *Recommendations*

- Actions identified at (3) and (4) to improve programme in short term to be carried out
- Learning points should inform future design of programme and engagement with Single Work Programme Prime Contractors

# EDP Briefing paper: The Future of Ways into Work

January 2011

Partnerships & Investment, London Borough of Hackney

## Aims of paper

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- Outline the success of the Ways into Work programme to date
- Outline forward strategies for the 'Ways into Work' programme in the context of Work Programme

## Context and Background

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- 1.1 The Council is committed to tackling unemployment, particularly among the most hard-to-reach groups
- 1.2 The 2010 Manifesto states : *'We want to give every Hackney resident the opportunity to find sustainable employment...We will continue to target the hardest to reach to secure long-term and high quality employment'*.
- 1.3 SCS priority 1 aims to: *'Reduce poverty by supporting residents into sustainable employment, and promoting employment opportunities.*
- 1.4 Tackling unemployment is critical to achieving many related SCS outcomes e.g. improved health; reduced child poverty; lower crime levels

## Success of Ways into Work

- 2.1 1800+ long-term unemployed residents have been supported into jobs since the start of the programme in April 2008, at a competitive average unit cost price of £2726.
- 2.2 Over the past financial year (up to November), 413 out of 619 residents supported into work were 12 months+ unemployed on entering the Ways into Work programme (i.e. 67%)
- 2.3 Delivery has been achieved through the development of a strong partnership between the Council and 9 housing associations (RSLs), covering 50,000 households.
- 2.4 This partnership approach has allowed estate-based holistic pre-employment support to be offered to long-term unemployed residents, including:
  - Case work around skills and employment opportunities
  - Welfare/benefits advice
  - Childcare support
  - Apprenticeships
- 2.5 An evaluation of the social return on investment by the *Centre for Economic and Social Inclusion* has shown that Ways into Work has brought the following wider benefits:
  - Increased levels of community satisfaction
  - Reduced property crime
  - Reduced child poverty

2.6 The table below sets out the current and future funding profile for Ways into Work:

<b>Funding Stream</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
<b>WNF (CLG)</b>	2,699,259	-	-	-
<b>FJF (DWP)</b>	773,500	-	-	-
<b>ESF (EU)</b>	250,970	-	-	-
<b>ESP (LDA)</b>	408,532	1,022,374	1,137,046	385,277
<b>S106 (Council)</b>	260,000	260,000		
<b>Total</b>	<b>£4,392,261</b>	<b>£1,282,374</b>	<b>£1,137,046</b>	<b>£385,277</b>

- 2.7 The S106 funding for 11/12 has been signed off and is therefore secure. Hackney Council, as the accountable body for the Host Boroughs', is currently in discussion with the LDA concerning the performance of the Employment & Skills Programme (Ways into Work in the case of Hackney), and therefore future ESP funding arrangements.
- 2.8 Due to issues around signing the Employment & Skills programme contract with the LDA, the individual host boroughs were only able to commence delivering the programme in August 2010 – 5 months into the year. Consequently, some programme slippage has been forecast. The Chief Executive has explained this issue to the LDA, with the hope that Hackney will receive the full budget from the LDA in 11/12, as set out in the profile. However, in all likelihood the final figure that Hackney receives will be less than this amount – particularly given the current political climate.
- 2.9 The Government's new single work programme will probably not be fully operational in the Borough until Q2/3 in 2011/12. Therefore the Ways into Work programme outlined above will provide an element of continuity, and an opportunity for modelling transition options during this period.
- 2.9 From March 2011 the Ways into Work programme will continue to both deliver against the profiles outlined above and the strategic outputs as follows:
- i) Continuing to work with RSL partners to develop a joint investment framework for employment support initiatives, including drawing in funding from the EU and the Government's Work Programme and aligning existing resources..
  - ii) Developing shared activities to make better use of supply chain opportunities to create employment and training pathways.
  - iii) Shared activities to create employment and training pathways in the construction sector locally
  - iv) Scoping a Housing Apprenticeship programme, delivered in partnership with Hackney Community College.
  - v) Strengthening of the Apprenticeship group (HATCH), building on the successful delivery of the Future Jobs Fund programme.

- vi) Exploring employment, training and social enterprise opportunities in the Green/Low carbon sectors.
- vii) Continued delivery of prescribed S106 funds in a strategic and coordinated manner, including focus on 2012 Olympic job opportunities.

The above programme of work is one which RSL partners are already actively engaged in developing in partnership and will be delivered through existing staff resources within the Ways into Work team.

### **3. New 'Work Programme'**

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- 3.1 All existing government entry to work programmes are being centralised under a new single Work Programme.
- 3.2 The coalition's aim is to reduce welfare spending by £18 million per annum by 2014/15. All benefit claimants (both those actively seeking work and those who are not) will be mandatorily referred to the Work Programme
- 3.3 Responsibility for delivery will be held by 3-6 Prime Contractors in East London, to be selected by early February 2011.
- 3.4 The Prime Contractor will be:
  - responsible for managing a supply chain of providers.
  - paid based on sustainable job outcomes (i.e. individual remains in work for a year or more)
- 3.5 Hackney will be an area of particular interest for Prime Contractors due to very high claimant levels. Prime Contractors will be incentivised to support into work those same client groups which Ways into Work aims to target i.e:
  - Long-term unemployed
  - Clients claiming multiple benefits
  - Clients claiming those benefits which are most 'expensive' eg Employment Support Allowance
- 3.6 The cost of supporting people who are not working in Hackney now averages approx £7 million per week and covers almost 100,000 different claims for out of work support per week
- 3.7 Options for engaging with work programme contractors are currently being explored and analysed. This work includes detailed impact assessments and risk analysis on future strategy.

## Economy and Opportunity

### LBH Local Economic Assessment

#### Headlines

The rebalancing of the economy and reduction of the role of government in the economy will necessarily change expenditure priorities within the borough. The first brief of the LEA is designed to provide an evidence base to help decision makers prepare for mandatory savings and economic policy planning going forward.

#### 1. Demographic Change and Hackney's Labour Market

Hackney has completely shifted in the last six years. While outcomes in the social housing sector remain the same as a decade ago, demographic change has brought in a new population of active, working, young residents with disposable income. The emphasis on public services in the borough has shifted from welfare to wellbeing. Polarity still exists and is more acute, but the proportion of the population at the bottom is far smaller. Benefit conditionality will most likely further change the borough in favour of higher earning residents so this split will continue as the new population continues to grow.

##### Key Facts:

- The increase in the employment rate to 69% is due to the in-migration of 30,000 adults over 25 holding Level 4 qualifications since 2005. These residents outnumber residents with lower qualifications by 7:1 in some age groups.
- Between 2005-2009, LBH saw a 52% increase in residents who held professional, technical and managerial occupations.
- In April 2009, the average market price for a house was £329,500, higher than the London average. The price for a one-bedroom home is £175,000 and £415,000 for a four-bedroom. House prices have grown faster in Hackney over the last ten years than in London.
- Private sector rents are £200/week for one bedrooms to £380/week for four-bedroom dwellings.
- The private rented sector grew by 67% from 12,700 households in 2003 to 21,300 households in 2008. The bulk of this tenure is from households meeting their rent without any public subsidy.
- The majority of newcomers do not have families and have high levels of disposable income.

Our employment rate, qualifications and occupations levels have soared, but only within the new population. With the growth of this new population, polarity is also increasing rapidly. 47% of households live in social rented housing, this is down from 65% in 2003, but is still the highest proportion in London.

Approximately 20% of the borough lives on incomes of £15,000 or less. The average annual income for the poorest 10% of the population is £7,266, for the richest 10% it is £79,775. Benefit levels have barely changed and the rise in qualifications is indigenous in only Level 2s or A Levels. We have an estimated 14,000 residents affected by housing and welfare reforms in the next 3-5 years.

### Key Facts:

- Privately owned and rented housing tenure has an employment rate of 90%, social housing has a 40% employment rate. There has been very little turnover of families in social housing, the same people who lived there 10 years ago, live there now.
- Preliminary evidence shows a lower bound of 66% of JSA and 20% IB claimants live in social housing, 80% live elsewhere. Social housing based worklessness interventions are not necessarily reaching the same population that is claiming unemployment benefits.
- 33,000 residents, 23% of the population, are on unemployment benefits, with the majority on Incapacity Benefit. The unemployment rate, JSA and IB numbers have not changed over the past decade.
- There is no majority population segment on benefit, but Black men 18-24 and 45-54 have the highest proportions of the working age population on JSA. Incapacity Benefit claimants are primarily 35-54 year old males with mental, behavioural and emotional health problems. Nationally, this group has a less than 30% employment rate.
- Incapacity Benefit changes and ESA time limitations will affect 12,165 benefit claimants in Hackney; an estimated 5,710 suffer from mental health conditions. This will be the largest impact for Hackney coming from welfare reform.
- Team Hackney programme evaluations show that Hackney's worklessness programmes have not reduced unemployment, but have increased people's willingness to use Job Centre Plus. Job Centre Plus programmes have helped 17,843 people into work between 2006-2008 in this same period, Hackney programmes that moved 1,412 people into work based activity, 6 of these residents were on Incapacity Benefit.
- Hackney has a high rate of residents working in the public sector, 29%. Cuts to public sector employment will increase competition for midlevel occupations, which will create higher levels of underemployment in the lower occupations.
- The areas with the highest levels of income poverty are Hackney Wick, Springfield, Chatham, the area around Manor House/Woodberry Down, and Hoxton/ De Beauvoir.

Reliance on social services is going to increase dramatically for Incapacity Benefit and ESA clients. Health and Social Care, Supporting People and Disability Services will have an estimated demand of nearly 14,000 new clients needing new or intensified care packages. Embedding worklessness interventions into these services will be the most effective way to meet their needs as standalone unemployment programmes have proved ineffective for this population.

## 2. Business and Enterprise

Hackney has a very diverse microeconomy. The small but powerful business base breeds start up firms that do not hire more than 10 employees and do not need more than 3000 sqm of office space. Within this diversity, there are two distinct types of businesses in Hackney, knowledge/hi-tech and personal services.

Additionally, what used to be a visitor economy is has become a residential economy through increased housing and the development of the town centres. New residents need local businesses to shop and provide the private services they need. In Hackney, the residential economy is a key growth area made of food and beverage, retail, personal services and private housing firms. In fact, many of the new residential population own a business in Hackney and have moved here to be close to work.

### Key Facts:

- 79,000 employees work in Hackney and 41% are in the following industries
  - Education, social work activities and residential care services
  - Management consultancy
  - Building services and landscaping
  - Food, beverage and retail
- There is no sectoral emphasis within the economy, it is broad based and made of 9,500 businesses (this number undercounts self-employed and home/cafe based businesses). The top five most populous sectors only account for 38% of the business stock.
  - Retail
  - Scientific and technical activities
  - Real estate activities
  - Computer programming; consultancy and related activities
  - Creative; arts and entertainment activities
- Hackney has more hi-tech businesses than artistic creative businesses. There is a major economic difference between hi-tech design and production and jewellery making in terms of output, spill over effects and growth potential.
- High-tech and creative business do not contribute to employment growth and require Level 3 or 4 qualifications.
  - Creative, art and entertainment firms have an average of 2 employees per firm
  - Architectural and engineering companies have an average 5 employees.
  - Food and beverage service firms hire an average 7 employees per firm.
- The dominance of knowledge economy firms creates a reliance on small, cheap office and light industrial space with flexible leasing terms. After food and beverage space, the highest demand for land in Hackney is office space under 1500 sqm. All of Hackney's managed workspaces housing 25+ businesses have waiting lists.

- Small, hi-tech and creative firms rely less on government business support or financing. Local evidence and national research demonstrates they have their own trusted business networks, which are developed for venture capital investment and closed hiring between colleagues.
- Artists are increasingly demanding temporary and pop-up space moving away from shows in large galleries. This will be a useful trend for Hackney during the extended transition of locations such as the Olympic site and Woodberry Down.

### 3. Growth, Development and Opportunity

Hackney sits between two economic sub regions and embedded within one of the largest economies in the world. The business activity above is reliant upon labour markets from across London and the South East, Hackney is the 10<sup>th</sup> most popular travel to work zone in London. Economic growth is deeply linked to the rise of East London and the Thames Gateway and the expansion of the City eastward. Hackney has the 2<sup>nd</sup> largest economy in East London and the lowest share of employment and businesses in the Central Activity Zone/City Fringe.

While we only have 30% of the Olympic development, we have the best qualified labour force in the East after Tower Hamlets. Understanding the nuances of our competitive advantage is imperative as we are a unique economy with very marketable attributes that need careful consideration. Planning for growth and development has to take account of the following.

#### Key Facts:

- Inward investment is defined in Hackney by the demand for small, cheap, quality office space for start-up and micro businesses. No large companies can locate here. Hackney lost 20,000sqm of employment land to residential space over the past 5 years and we cannot compete with the office space provision in the surrounding area. 13.3m sqm of large office space will be brought forward with a mile of the borough in locations such as Stratford City, Canary Wharf, Liverpool St. and London Bridge and Aldgate.
- Hackney's businesses buy from and sell to firms all across London, the UK and worldwide. The City Fringe only purchases 1.4% of its products from Hackney. More potential opportunity can be found in business-to-business sales within the borough than external sales to City firms.
- Hackney is losing ground to Waltham Forest and Newham in the growth of young and artistic businesses because of the availability of cheap property. The low productivity of arts industries influences their property options, many share spaces with other artists and prefer cheap rents. As Hackney becomes a popular business location, rents rise and artists are less able to afford studio/office space. Higher income firms move in and take these offices.
- A hi-tech innovation quarter in Hackney Wick will need to cater to small office and light industrial space. David Cameron mentioned this in his

plan for an innovation accelerator space in the Olympic Park. Hackney has a comparative advantage in this size and quality of property.

- The comparative advantages within Hackney's economy are broadly in engineering, science, computers and technology and consultancy. These are London's economic growth engines and a quarter of our business base falls into these categories. However, to increase these firms, local economic policy intervention only need operate through quality land and public realm provision. Broadband provision, large scale investment and copyright laws are Central Government and Regional drivers that are beyond the realm of local economic policy. Planning policy is our strongest tool for business encouragement.
- With our high rate of science and engineering firms/employees, Hackney has a clear advantage to supply labour and consultancy to the Sustainable Industrial Park and Green Enterprise Zone in Barking and Dagenham. These same firms can be included in a strategic plan for future of the proposed innovation zone in the Olympic Park to create a green gateway as their needs are similar.
- The residential economy in Hackney is growing rapidly. The most commonly demanded business space in the borough is food and beverage property. Our town centres are poised to meet this demand, not for visitors, but for people who live here. Almost 2/3 of visitors to Dalston are Hackney residents and 50% of residents purchase groceries and necessities within the borough. The 20,000+ new households need somewhere to shop and these businesses create local jobs. Ignoring the potential of the residential economy will reduce the desirability of the new town centres and economic activity zones.

#### 4. Economic Policy Changes and Horizon Scanning

The major announcements coming out of the Spending Review were changes to economic policy. Benefit reductions, involvement of the private sector and an overall roll back of the state in the economy are the main items on the agenda. In the October 2010, Growth White Paper, detailing Central Government's economic policy plans, local authority sectoral encouragement was rejected for a more strategic overview taken by Local Enterprise Partnerships (LEP), guided by the private sector, third sector and Higher Education Institutions.

The role of Local Authorities will increasingly become active participants in broader sub regional economic partnerships coinciding with the true geography of labour markets, supply chains, and transport links. Economic partnership also reflects the need for coordinated strategic development of inward investment, green infrastructure and retail zones.

In London, there will be an overarching London LEP with sub regional delivery through organisations such as the Thames Gateway London Partnership or North London Strategic Alliance sitting on a partnership board with the London Chamber of Commerce, London First, the London CBI, and the Federation of Small Business.

The London Mayor and Central Government will pass economic development goals down through the LEP as is stated in the White Paper. Activities for sub

regional development zones will likely be devolved down to these units. Any London award of £1.4 bn Regional Growth Fund will be retained by the GLA and distributed through sub regional partnerships. Local Authorities will not be eligible to bid for RGF funding outside LEPs.

At the same time, the role of the local private sector will have a significantly increased profile. The Growth White Paper discusses the potential for Councils to retain local business rates through increased business start-up and firm in-migration. Government is considering a Business Increase Bonus scheme to reward Councils. If growth in business rates yield exceeds a threshold, councils will be allowed to keep the increase, up to a certain level, for a period of six years. Local business rate retention and other proposals will be reviewed through the Local Government Resource Review in January.

Hackney the highest business growth rate in East London. With smart policy that caters to our small, but powerful firms, we are poised to encourage business growth in hi-tech innovative industries.

#### Key Facts:

- Future economic development funding will be transferred to incentive based schemes encouraging local private sector growth. Legislation to encourage Tax Increment Financing (TIFs) will be considered under the Local Government Resource Review. TIFs will allow borrowing against expected increases in business rates revenue from development uplift in an area.
- The Mayor of London and GLA are centralising functions and increasing their influence over economic development. Through a London wide LEP, London will be treated as a complete economic unit rather than a collection of 32 economies. The expansion of their powers and accountability include the creation of the Mayoral Development Corporation, the dissolution of sub regional inward investment agencies, and responsibility for the London Port Authority. The London Assembly will also increase its role in strategy development. This is a double-edged sword for local authorities, as it will decrease our funding and influence, but force better cross-boundary partnership on the economy.
- The Single Work Programme will move delivery of unemployment programmes out of the local authority to 4 or 5 prime contractors in the private sector in London. Councils around the country are increasingly emphasising linking services as a means of supporting residents through welfare reform.
- Hackney is a prime location for start-ups and small business development. The residential and hi-tech components of our economy are poised to grow, but require the right property offering. Our planning department has the most important effect on the shape of Hackney's economy going forward. To be truly competitive within the area we sit, we need to respond to the reality of policy and the potential for growth in the sub regions around us. Our most important competitive advantage is the fact that people like to live and start businesses here (which does not translate into offering more live/work space.)

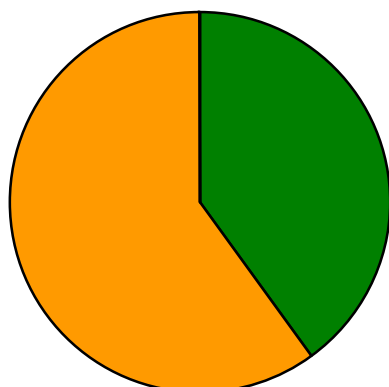
## 5. Preliminary Recommendations

Based on the initial evidence, we suggest three recommendations for economic development:

- The big idea for Hackney is small. The increasing demand for small offices by small firms is exactly what Hackney offers and does not force us to compete with emerging sub regional development. Instead, we can compliment the offer, build on our strong and growing supply chain, and ensure our local public services are business friendly. The Council's limited resources are best spent where we can make the most difference--planning and services.
- Immediate and innovative action should be taken to provide a tap into East London employment development. Employment growth in the borough will continue to be propelled through self-employment. The type of businesses Hackney's economy is made of will not the employment needs of residents. However, Hackney's is located next to the largest set of development opportunities in Europe with a possible 250,000 jobs a short train or bus ride away. We should work through sub regional partnerships to ensure we are linked into this growth. Expecting employment growth from our micro firms misunderstands how they operate and the qualifications required by them.
- Support the residential economy. New business development that caters to the needs of residents will fill a long hidden demand for basic products and services residents need to live on. Helping businesses to thrive and serve our new and existing residents is guaranteed growth and will compliment the progress we have made turning Hackney into a vibrant place where people choose to shop and do business. This includes general and speciality grocery stores, coffee shops and internet cafes, restaurants in new locations, tailors, chemists, cleaners, gyms and fitness services etc.

## Economic Development Thematic Partnership Intervention Report QTR

Spend Risk Control (QTR 2)



G - Spend is on track

A - Spend is not on track but in control

R - Spend is not in control

Q1 & Q2 Actual Spend	Q3 & Q4 Predicted Spend	Total Actual Predicted
£ -	£ -	£

## Economic Development Thematic Partnership Intervention Report QTR

Intervention	Delivery Agent	Contract Value and End Date	Q2		Q3		Q4	
			Spend	Performance	Spend	Performance	Spend	Performance

NI 151 Overall employment rate

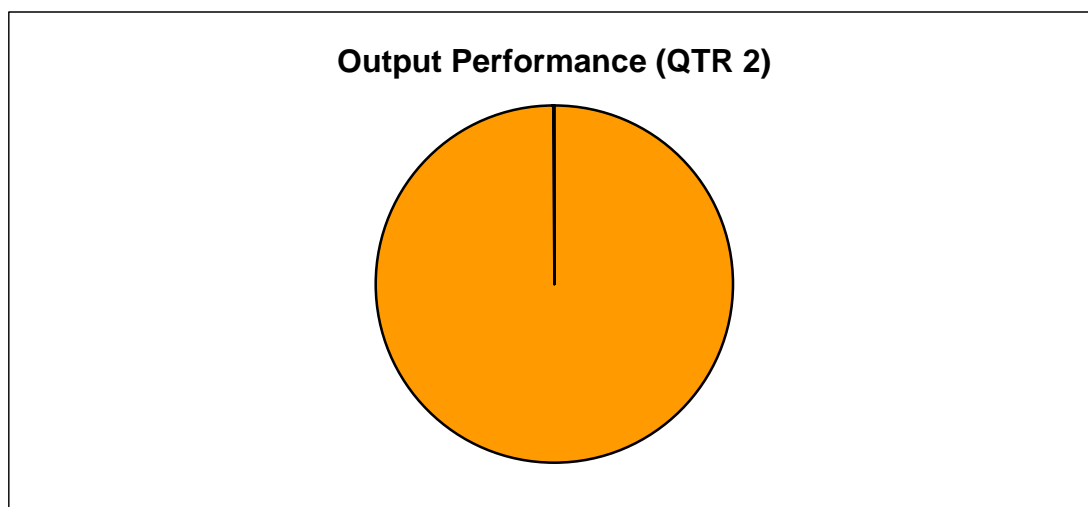
NI 153 Working age people claiming out of work benefits in the worst performing neighbourhoods

Hackney LAA Reward Indicator - lone parents and Incapacity Benefit claimants supported into sust

City Strategy Pathfinder	LBH, Neighbourhoods and Regeneration	£5,140,000 31/03/2011	A	A	A	A	G	G
Volunteering and Employability	Volunteer Centre for Hackney	£89,169.91 31/03/2011	-	-	-	-	A	-
Personal Best Enhanced Support	The Learning Trust	£18,750 31/03/2011	-	-	-	-	G	G
School Gates Employment Support Initiative	The Learning Trust	£110,220.20 31/03/2011	-	-	-	-	G	G

Worklessness - Charedi Community	Trainee - traide	£125,080 31/03/2012	-	-	-	-	-	-
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2, 2010-2011



**G** - The intervention is on track and in control

**A** - The intervention is not on track but is in control

**R** - The intervention is not on track and is not in control (no plausible action plan in place).

Actual & Predicted Spend	2010/11 Allocation	Variance between 2010/11 Allocation and Total Actual & Predicted Spend
-	£ -	£ -

2, 2010-2011

Q1	Q2	Spend Action (if Red/Amber)	Performance Action (if Red/Amber)
Spend	Spend	The reporting deadline was 15/10/10. If an intervention failed to meet this deadline and/or has provided insufficient evidence of spend details of this are highlighted in red text.	The reporting deadline was 15/10/10. If an intervention failed to meet this deadline and/or has provided insufficient evidence of spend details of this are highlighted in red text.
Performance	Performance		




Sustainable employment




A	A	A	A	<p><b>Q1 - Monitoring return received late on 26/07.</b> £397,252.03 (70%) underspend due to late invoices and time taken to get invoices processed for payment. Also, reduced capacity for delivery of specialist provision for parents due to transition to new contract. Full spend reprofiled to Q2. <b>Q2 - Underspend of £733,561 (66%) due to late invoicing - reprofiled into Q3.</b></p>	<p><b>Q1 - Monitoring return received late on 26/07.</b> Q1 - Slightly below target on numbers of parents registered and entering jobs and IB claimants in sustainable employment due to transition to new contracts and slow start up of specialist providers, numbers will be recouped in future quarters. Corresponding numbers of parents and lone parents in sustainable employment well above target. A detailed review of management information is being undertaken and will be reported to EDP in Q3. <b>Q2 - 86% under performing against quarterly target of Parents entering into jobs and 80% under against cumulative target of no's of BAME entering into jobs. The shared management information system which was set up to inform impact assessment and track clients' progress is not being used as planned; Improvements have been made but Q2 data is still awaited.</b></p>
A	A	A	A	<p>Q4 - £10,597.29 (40%) underspend due to deferred activity, reprofiled for Q1. Q1 - £20,138.54 (65%) underspend due to delayed start up/project lead on sick leave. £15,648.93 for bursary payments reprofiled, £4,489.61 salary costs clawed back. potential for clawback on bursary payments is retained and dependant on performance. <b>Q2 - £6,049.21 (25%) underspend due to delayed start up, to be clawed back.</b></p>	<p>Q1 - Very few outputs achieved due to staff sickness and subsequent delayed start. Urgent contract review meeting held. A new project manager has been recruited and weekly updates on progress are now being required. Following a project visit a scaled back contract is now being negotiated. <b>Q2 - Contract has been scaled down to reflect a more realistic delivery plan given the slow start.</b></p>
A	A	A	A	<p>Q1 - Small underspend of £1,290.99 (13%) due to reduced sessional hours, £890 reprofiled for Q2. <b>Q2 - Continued underspend of £2,838.32 (55%), reprofiled to Q3 to reflect revised delivery.</b></p>	<p>Q1 - Below target on number of sessional hours due mainly to rescheduling of classes, outputs have been reprofiled into Q2. <b>Q2 - Still below target, contract has been extended into Q3 to allow delivery.</b></p>
G	G	G	A		<p><b>Q2 - Below target on one day workshops and employability courses due to summer period, reprofiled to Q3</b></p>



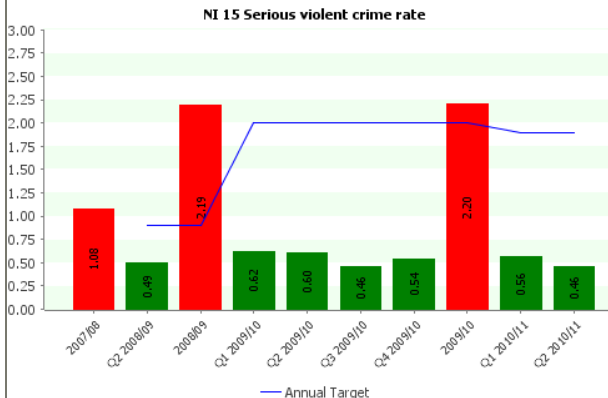
G	G	G	A		Q2 - Financial analysis for sustainable employment model has slipped to end of November.
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# Local Area Agreement (LAA) – Quarterly Performance Indicator Report

## 2010/11 Q2 LAA Performance

On course to achieve target?		Q1	Q2	Q3	Q4
	This PI is on course to achieve/exceed target.	10	12		
	This PI is below target, but likely to recover	3	1		
	This PI is below target and unlikely to recover	2	2		
N/A	Not available/applicable	3	3		

Performance compared to previous quarter		Q1	Q2	Q3	Q4
	The value of this PI has improved since the previous quarter.	7	10		
	The value of this PI has worsened since the previous quarter	7	5		
	The value of this PI has not changed since the previous quarter.	1	0		
N/A	Not available/applicable	3	3		

PI Code	Short Name	2008/09	2009/10	Q1 201/110	Q2 210/11	Target 2009/10	Direction of travel	Expected outcome	Chart																						
'The 35' National Indicators																															
NI 15	Serious violent crime rate	2.19	2.20	0.56	0.46	1.90			<div><p>NI 15 Serious violent crime rate</p><table><caption>NI 15 Serious violent crime rate Data</caption><thead><tr><th>Period</th><th>Rate</th></tr></thead><tbody><tr><td>2007/08</td><td>1.08</td></tr><tr><td>Q2 2008/09</td><td>0.49</td></tr><tr><td>2008/09</td><td>2.19</td></tr><tr><td>Q1 2009/10</td><td>0.62</td></tr><tr><td>Q2 2009/10</td><td>0.60</td></tr><tr><td>Q3 2009/10</td><td>0.46</td></tr><tr><td>Q4 2009/10</td><td>0.54</td></tr><tr><td>2009/10</td><td>2.20</td></tr><tr><td>Q1 2010/11</td><td>0.55</td></tr><tr><td>Q2 2010/11</td><td>0.46</td></tr></tbody></table><p>Annual Target</p></div>	Period	Rate	2007/08	1.08	Q2 2008/09	0.49	2008/09	2.19	Q1 2009/10	0.62	Q2 2009/10	0.60	Q3 2009/10	0.46	Q4 2009/10	0.54	2009/10	2.20	Q1 2010/11	0.55	Q2 2010/11	0.46
Period	Rate																														
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Q2 2010/11	0.46																														

PI Code	Short Name	2008/09	2009/10	Q1 201/110	Q2 210/11	Target 2009/10	Direction of travel	Expected outcome	Chart																												
NI 16	Serious acquisitive crime rate	29.09	26.57	7.73	6.59	32.63	↑	✓	<div>NI 16 Serious acquisitive crime rate</div> <table><thead><tr><th>Period</th><th>Rate</th></tr></thead><tbody><tr><td>2007/08</td><td>34.32</td></tr><tr><td>Q1 2008/09</td><td>8.67</td></tr><tr><td>Q3 2008/09</td><td>6.44</td></tr><tr><td>Q4 2008/09</td><td>6.43</td></tr><tr><td>2008/09</td><td>29.09</td></tr><tr><td>Q1 2009/10</td><td>6.89</td></tr><tr><td>Q2 2009/10</td><td>6.32</td></tr><tr><td>Q3 2009/10</td><td>6.71</td></tr><tr><td>Q4 2009/10</td><td>6.93</td></tr><tr><td>2009/10</td><td>26.57</td></tr><tr><td>Q1 2010/11</td><td>7.73</td></tr><tr><td>Q2 2010/11</td><td>6.59</td></tr></tbody></table> <div>Annual Target</div>	Period	Rate	2007/08	34.32	Q1 2008/09	8.67	Q3 2008/09	6.44	Q4 2008/09	6.43	2008/09	29.09	Q1 2009/10	6.89	Q2 2009/10	6.32	Q3 2009/10	6.71	Q4 2009/10	6.93	2009/10	26.57	Q1 2010/11	7.73	Q2 2010/11	6.59		
Period	Rate																																				
2007/08	34.32																																				
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2008/09	29.09																																				
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Q4 2009/10	6.93																																				
2009/10	26.57																																				
Q1 2010/11	7.73																																				
Q2 2010/11	6.59																																				
NI 19	Rate of proven re-offending by young offenders	1.11	0.88	0.33	N/A	1.03	↑	✓	<div>NI 19 Rate of proven re-offending by young offenders</div> <table><thead><tr><th>Period</th><th>Rate</th></tr></thead><tbody><tr><td>Q1 2008/09</td><td>0.38</td></tr><tr><td>Q2 2008/09</td><td>0.74</td></tr><tr><td>Q3 2008/09</td><td>0.96</td></tr><tr><td>Q4 2008/09</td><td>1.12</td></tr><tr><td>2008/09</td><td>1.11</td></tr><tr><td>Q1 2009/10</td><td>0.32</td></tr><tr><td>Q2 2009/10</td><td>0.53</td></tr><tr><td>Q3 2009/10</td><td>0.67</td></tr><tr><td>Q4 2009/10</td><td>0.88</td></tr><tr><td>2009/10</td><td>0.88</td></tr><tr><td>Q1 2010/11</td><td>0.33</td></tr></tbody></table> <div>Annual Target</div>	Period	Rate	Q1 2008/09	0.38	Q2 2008/09	0.74	Q3 2008/09	0.96	Q4 2008/09	1.12	2008/09	1.11	Q1 2009/10	0.32	Q2 2009/10	0.53	Q3 2009/10	0.67	Q4 2009/10	0.88	2009/10	0.88	Q1 2010/11	0.33				
Period	Rate																																				
Q1 2008/09	0.38																																				
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Q4 2009/10	0.88																																				
2009/10	0.88																																				
Q1 2010/11	0.33																																				
NI 30	Re-offending rate of prolific and other priority offenders	1.53	1.83	0.24	0.43		↓	✓	<div>NI 30 Re-offending rate of prolific and other priority offenders</div> <table><thead><tr><th>Period</th><th>Rate</th></tr></thead><tbody><tr><td>2007/08</td><td>3.28</td></tr><tr><td>Q1 2008/09</td><td>0.47</td></tr><tr><td>Q2 2008/09</td><td>0.42</td></tr><tr><td>Q3 2008/09</td><td>0.23</td></tr><tr><td>Q4 2008/09</td><td>0.24</td></tr><tr><td>2008/09</td><td>1.53</td></tr><tr><td>Q1 2009/10</td><td>0.44</td></tr><tr><td>Q2 2009/10</td><td>0.51</td></tr><tr><td>Q3 2009/10</td><td>0.47</td></tr><tr><td>Q4 2009/10</td><td>0.46</td></tr><tr><td>2009/10</td><td>1.83</td></tr><tr><td>Q1 2010/11</td><td>0.24</td></tr><tr><td>Q2 2010/11</td><td>0.43</td></tr></tbody></table> <div>Annual Target</div>	Period	Rate	2007/08	3.28	Q1 2008/09	0.47	Q2 2008/09	0.42	Q3 2008/09	0.23	Q4 2008/09	0.24	2008/09	1.53	Q1 2009/10	0.44	Q2 2009/10	0.51	Q3 2009/10	0.47	Q4 2009/10	0.46	2009/10	1.83	Q1 2010/11	0.24	Q2 2010/11	0.43
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PI Code	Short Name	2008/09	2009/10	Q1 201/110	Q2 210/11		Target 2009/10	Direction of travel	Expected outcome	Chart																																					
NI 39	Rate of Hospital Admissions per 100,000 for Alcohol Related Harm	1,592	N/A	N/A	N/A	Not measured for quarters		2,251	N/A	N/A	<div><p>NI 39 Rate of Hospital Admissions per 100,000 for Alcohol Related Harm</p><table><tr><th>Year</th><th>Rate of Hospital Admissions per 100,000</th></tr><tr><td>2007/08</td><td>1,774</td></tr><tr><td>2008/09</td><td>1,592</td></tr></table></div>	Year	Rate of Hospital Admissions per 100,000	2007/08	1,774	2008/09	1,592																														
Year	Rate of Hospital Admissions per 100,000																																														
2007/08	1,774																																														
2008/09	1,592																																														
NI 117	16 to 18 year olds who are not in education, employment or training (NEET)	10.0%	8.6%	7.1%	8.2%			9.0%	↓	✓	<div><p>NI 117 % of 16-18 year olds not in education,employment or training</p><table><tr><th>Quarter</th><th>% of 16-18 year olds not in education, employment or training</th></tr><tr><td>Q1 2007/08</td><td>15.4%</td></tr><tr><td>Q2 2007/08</td><td>16.7%</td></tr><tr><td>Q3 2007/08</td><td>11.9%</td></tr><tr><td>Q4 2007/08</td><td>11.7%</td></tr><tr><td>Q1 2008/09</td><td>11.7%</td></tr><tr><td>Q2 2008/09</td><td>11.1%</td></tr><tr><td>Q3 2008/09</td><td>11.3%</td></tr><tr><td>Q4 2008/09</td><td>10.7%</td></tr><tr><td>Q1 2009/09</td><td>9.4%</td></tr><tr><td>Q2 2009/09</td><td>10.0%</td></tr><tr><td>Q3 2009/10</td><td>9.4%</td></tr><tr><td>Q4 2009/10</td><td>9.5%</td></tr><tr><td>Q1 2010/10</td><td>7.2%</td></tr><tr><td>Q2 2010/10</td><td>6.8%</td></tr><tr><td>Q3 2010/10</td><td>8.6%</td></tr><tr><td>Q4 2010/10</td><td>7.1%</td></tr><tr><td>Q1 2011/11</td><td>8.2%</td></tr></table></div>	Quarter	% of 16-18 year olds not in education, employment or training	Q1 2007/08	15.4%	Q2 2007/08	16.7%	Q3 2007/08	11.9%	Q4 2007/08	11.7%	Q1 2008/09	11.7%	Q2 2008/09	11.1%	Q3 2008/09	11.3%	Q4 2008/09	10.7%	Q1 2009/09	9.4%	Q2 2009/09	10.0%	Q3 2009/10	9.4%	Q4 2009/10	9.5%	Q1 2010/10	7.2%	Q2 2010/10	6.8%	Q3 2010/10	8.6%	Q4 2010/10	7.1%	Q1 2011/11	8.2%
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NI 141	Percentage of vulnerable people achieving independent living	79.06%	76.70%	N/A	N/A	Voluntary providers are currently unable to provide data in time for quarter two reporting. Quarter two data will be reported in quarter three.		85.00%	N/A	N/A	<div><p>NI 141 Percentage of vulnerable people achieving independent living</p><table><tr><th>Quarter</th><th>Percentage of vulnerable people achieving independent living</th></tr><tr><td>2007/08</td><td>80.25%</td></tr><tr><td>Q1 2008/09</td><td>79.34%</td></tr><tr><td>Q2 2008/09</td><td>75.85%</td></tr><tr><td>Q3 2008/09</td><td>79.13%</td></tr><tr><td>Q4 2008/09</td><td>87.50%</td></tr><tr><td>Q1 2009/09</td><td>79.06%</td></tr><tr><td>Q2 2009/10</td><td>92.51%</td></tr><tr><td>Q3 2009/10</td><td>85.57%</td></tr><tr><td>Q4 2009/10</td><td>82.50%</td></tr><tr><td>Q1 2010/10</td><td>84.00%</td></tr><tr><td>Q2 2010/10</td><td>76.70%</td></tr><tr><td>Q3 2010/10</td><td>67.50%</td></tr></table></div>	Quarter	Percentage of vulnerable people achieving independent living	2007/08	80.25%	Q1 2008/09	79.34%	Q2 2008/09	75.85%	Q3 2008/09	79.13%	Q4 2008/09	87.50%	Q1 2009/09	79.06%	Q2 2009/10	92.51%	Q3 2009/10	85.57%	Q4 2009/10	82.50%	Q1 2010/10	84.00%	Q2 2010/10	76.70%	Q3 2010/10	67.50%										
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PI Code	Short Name	2008/09	2009/10	Q1 201/110	Q2 210/11	Target 2009/10	Direction of travel	Expected outcome	Chart																														
NI 150	Adults receiving secondary mental health services in employment	3.5%	4.2%	3.7%	4.2%	3.9%	↑	✓	<div>NI 150 Adults receiving secondary mental health services in employment</div> <table><thead><tr><th>Quarter</th><th>Percentage</th></tr></thead><tbody><tr><td>Q3 2008/09</td><td>3.9%</td></tr><tr><td>Q4 2008/09</td><td>3.4%</td></tr><tr><td>2009/09</td><td>3.5%</td></tr><tr><td>Q2 2009/10</td><td>3.3%</td></tr><tr><td>Q3 2009/10</td><td>3.8%</td></tr><tr><td>Q4 2009/10</td><td>4.2%</td></tr><tr><td>2009/10</td><td>4.2%</td></tr><tr><td>Q1 2010/11</td><td>3.7%</td></tr><tr><td>Q2 2010/11</td><td>4.2%</td></tr></tbody></table>	Quarter	Percentage	Q3 2008/09	3.9%	Q4 2008/09	3.4%	2009/09	3.5%	Q2 2009/10	3.3%	Q3 2009/10	3.8%	Q4 2009/10	4.2%	2009/10	4.2%	Q1 2010/11	3.7%	Q2 2010/11	4.2%										
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Q1 2010/11	3.7%																																						
Q2 2010/11	4.2%																																						
NI 151	Overall Employment rate (working-age)	63.9%	69.0%	68.3%	68.5%	63.9%	↑	✓	<div>NI 151 Overall Employment rate (working-age)</div> <table><thead><tr><th>Quarter</th><th>Percentage</th></tr></thead><tbody><tr><td>Q4 2007/08</td><td>60.3%</td></tr><tr><td>2007/08</td><td>60.9%</td></tr><tr><td>Q1 2008/09</td><td>64.3%</td></tr><tr><td>Q2 2008/09</td><td>63.3%</td></tr><tr><td>Q3 2008/09</td><td>63.9%</td></tr><tr><td>Q4 2008/09</td><td>63.9%</td></tr><tr><td>2008/09</td><td>63.9%</td></tr><tr><td>Q1 2009/10</td><td>63.9%</td></tr><tr><td>Q2 2009/10</td><td>67.2%</td></tr><tr><td>Q3 2009/10</td><td>68.7%</td></tr><tr><td>Q4 2009/10</td><td>68.7%</td></tr><tr><td>2009/10</td><td>69.0%</td></tr><tr><td>Q1 2010/11</td><td>68.3%</td></tr><tr><td>Q2 2010/11</td><td>68.5%</td></tr></tbody></table>	Quarter	Percentage	Q4 2007/08	60.3%	2007/08	60.9%	Q1 2008/09	64.3%	Q2 2008/09	63.3%	Q3 2008/09	63.9%	Q4 2008/09	63.9%	2008/09	63.9%	Q1 2009/10	63.9%	Q2 2009/10	67.2%	Q3 2009/10	68.7%	Q4 2009/10	68.7%	2009/10	69.0%	Q1 2010/11	68.3%	Q2 2010/11	68.5%
Quarter	Percentage																																						
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Q1 2010/11	68.3%																																						
Q2 2010/11	68.5%																																						
NI 153	Working age people claiming out of work benefits in the worst performing	26.1%	26.0%	26.0%	26.8%	0.4% above London average	↓	✓	<div>NI 153 Working age people claiming out of work benefits in the worst performing Neighbourhoods</div> <table><thead><tr><th>Quarter</th><th>Percentage</th></tr></thead><tbody><tr><td>2007/08</td><td>28.3%</td></tr><tr><td>Q1 2008/09</td><td>26.3%</td></tr><tr><td>Q2 2008/09</td><td>26.6%</td></tr><tr><td>Q3 2008/09</td><td>26.3%</td></tr><tr><td>Q4 2008/09</td><td>26.1%</td></tr><tr><td>2008/09</td><td>26.1%</td></tr><tr><td>Q1 2009/10</td><td>25.6%</td></tr><tr><td>Q2 2009/10</td><td>25.6%</td></tr><tr><td>Q3 2009/10</td><td>25.3%</td></tr><tr><td>Q4 2009/10</td><td>26.0%</td></tr><tr><td>2009/10</td><td>26.0%</td></tr><tr><td>Q1 2010/11</td><td>26.0%</td></tr><tr><td>Q2 2010/11</td><td>26.8%</td></tr></tbody></table> <div>Despite a significant rise in number of claimants for Hackney in the last quarter the current London average is 27.4% meaning the current local target of 27% is met.</div>	Quarter	Percentage	2007/08	28.3%	Q1 2008/09	26.3%	Q2 2008/09	26.6%	Q3 2008/09	26.3%	Q4 2008/09	26.1%	2008/09	26.1%	Q1 2009/10	25.6%	Q2 2009/10	25.6%	Q3 2009/10	25.3%	Q4 2009/10	26.0%	2009/10	26.0%	Q1 2010/11	26.0%	Q2 2010/11	26.8%		
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PI Code	Short Name	2008/09	2009/10	Q1 201/110	Q2 210/11	Target 2009/10	Direction of travel	Expected outcome	Chart																																							
NI 155	Number of affordable homes delivered (gross)	1010	962	0	26	240	↑	✓	<div><p>NI 155 Number of affordable homes delivered (gross)</p><table><thead><tr><th>Period</th><th>Actual Delivery (gross)</th><th>Annual Target</th></tr></thead><tbody><tr><td>Q1 2008/09</td><td>105</td><td>1010</td></tr><tr><td>Q2 2008/09</td><td>379</td><td>1010</td></tr><tr><td>Q3 2008/09</td><td>303</td><td>1010</td></tr><tr><td>Q4 2008/09</td><td>120</td><td>1010</td></tr><tr><td>2008/09</td><td>1010</td><td>1010</td></tr><tr><td>Q1 2009/10</td><td>215</td><td>1010</td></tr><tr><td>Q2 2009/10</td><td>347</td><td>1010</td></tr><tr><td>Q3 2009/10</td><td>380</td><td>1010</td></tr><tr><td>Q4 2009/10</td><td>962</td><td>1010</td></tr><tr><td>2009/10</td><td>962</td><td>1010</td></tr><tr><td>Q1 2010/11</td><td>0</td><td>1010</td></tr><tr><td>Q2 2010/11</td><td>26</td><td>1010</td></tr></tbody></table></div>	Period	Actual Delivery (gross)	Annual Target	Q1 2008/09	105	1010	Q2 2008/09	379	1010	Q3 2008/09	303	1010	Q4 2008/09	120	1010	2008/09	1010	1010	Q1 2009/10	215	1010	Q2 2009/10	347	1010	Q3 2009/10	380	1010	Q4 2009/10	962	1010	2009/10	962	1010	Q1 2010/11	0	1010	Q2 2010/11	26	1010
Period	Actual Delivery (gross)	Annual Target																																														
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Q1 2010/11	0	1010																																														
Q2 2010/11	26	1010																																														

Only 26 homes have been completed in the first half of the year. The majority of completions are due to take place in Q3 and Q4, and we are currently on track to deliver 530 homes by the end of 2010/11 i.e. exceed our target.

PI Code	Short Name	2008/09	2009/10	Q1 201/110	Q2 210/11	Target 2009/10	Direction of travel	Expected outcome	Chart																														
NI 158 (BV184a)	% non-decent council homes	32.00%	36.30%	34.43%	32.70%	19.70%	↑	●	<div><p>NI 158 (BV184a) % non-decent council homes</p><table><thead><tr><th>Period</th><th>% non-decent council homes</th></tr></thead><tbody><tr><td>Q4 2007/08</td><td>36.00%</td></tr><tr><td>2007/08</td><td>36.00%</td></tr><tr><td>Q1 2008/09</td><td>33.00%</td></tr><tr><td>Q2 2008/09</td><td>32.99%</td></tr><tr><td>Q3 2008/09</td><td>32.40%</td></tr><tr><td>Q4 2008/09</td><td>32.30%</td></tr><tr><td>2008/09</td><td>32.00%</td></tr><tr><td>Q1 2009/10</td><td>30.94%</td></tr><tr><td>Q2 2009/10</td><td>39.00%</td></tr><tr><td>Q3 2009/10</td><td>37.00%</td></tr><tr><td>Q4 2009/10</td><td>36.30%</td></tr><tr><td>2009/10</td><td>36.30%</td></tr><tr><td>Q1 2010/11</td><td>34.43%</td></tr><tr><td>Q2 2010/11</td><td>32.70%</td></tr></tbody></table></div>	Period	% non-decent council homes	Q4 2007/08	36.00%	2007/08	36.00%	Q1 2008/09	33.00%	Q2 2008/09	32.99%	Q3 2008/09	32.40%	Q4 2008/09	32.30%	2008/09	32.00%	Q1 2009/10	30.94%	Q2 2009/10	39.00%	Q3 2009/10	37.00%	Q4 2009/10	36.30%	2009/10	36.30%	Q1 2010/11	34.43%	Q2 2010/11	32.70%
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PI Code	Short Name	2008/09	2009/10	Q1 201/110	Q2 210/11	Target 2009/10	Direction of travel	Expected outcome	Chart
NI 191	Residual household waste per household	601Kg	559Kg	150Kg	149Kg	Data is provisional	532Kg	↑	<p>NI 191 Residual household waste per household</p> <p>Annual Target</p>
NI 195a	Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Litter	11%	6%	4%	8%	A slightly lower score for litter in tranche 2, but average score is still well within LAA targetted level.	9%	↓	<p>NI 195a Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Litter</p> <p>Annual Target</p>
NI 195b	Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Detritus	14%	12%	7%	9%	Average year score to date shows us on trend to achieve end of year target.	8%	↓	<p>NI 195b Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Detritus</p> <p>Annual Target</p>

PI Code	Short Name	2008/09	2009/10	Q1 201/110	Q2 210/11	Target 2009/10	Direction of travel	Expected outcome	Chart																																
NI 195c	Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Graffiti	18%	10%	6%	5%	3%			<p><b>NI 195c Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Graffiti</b></p> <table><thead><tr><th>Period</th><th>Value (%)</th></tr></thead><tbody><tr><td>Q2 2007/08</td><td>14%</td></tr><tr><td>Q3 2007/08</td><td>9%</td></tr><tr><td>Q4 2007/08</td><td>21%</td></tr><tr><td>2007/08</td><td>11%</td></tr><tr><td>Q2 2008/09</td><td>21%</td></tr><tr><td>Q3 2008/09</td><td>24%</td></tr><tr><td>Q4 2008/09</td><td>10%</td></tr><tr><td>2008/09</td><td>18%</td></tr><tr><td>Q1 2009/10</td><td>11%</td></tr><tr><td>Q2 2009/10</td><td>8%</td></tr><tr><td>Q3 2009/10</td><td>10%</td></tr><tr><td>Q4 2009/10</td><td>10%</td></tr><tr><td>2009/10</td><td>10%</td></tr><tr><td>Q1 2010/11</td><td>6%</td></tr><tr><td>Q2 2010/11</td><td>5%</td></tr></tbody></table>	Period	Value (%)	Q2 2007/08	14%	Q3 2007/08	9%	Q4 2007/08	21%	2007/08	11%	Q2 2008/09	21%	Q3 2008/09	24%	Q4 2008/09	10%	2008/09	18%	Q1 2009/10	11%	Q2 2009/10	8%	Q3 2009/10	10%	Q4 2009/10	10%	2009/10	10%	Q1 2010/11	6%	Q2 2010/11	5%
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NI 195d	Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Fly-posting	8%	3%	2%	0%	1%			<p><b>NI 195d Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Fly-posting</b></p> <table><thead><tr><th>Period</th><th>Value (%)</th></tr></thead><tbody><tr><td>Q2 2007/08</td><td>4%</td></tr><tr><td>Q3 2007/08</td><td>2%</td></tr><tr><td>Q4 2007/08</td><td>9%</td></tr><tr><td>2007/08</td><td>3%</td></tr><tr><td>Q2 2008/09</td><td>9%</td></tr><tr><td>Q3 2008/09</td><td>12%</td></tr><tr><td>Q4 2008/09</td><td>3%</td></tr><tr><td>2008/09</td><td>8%</td></tr><tr><td>Q1 2009/10</td><td>3%</td></tr><tr><td>Q2 2009/10</td><td>3%</td></tr><tr><td>Q3 2009/10</td><td>3%</td></tr><tr><td>Q4 2009/10</td><td>3%</td></tr><tr><td>2009/10</td><td>3%</td></tr><tr><td>Q1 2010/11</td><td>2%</td></tr><tr><td>Q2 2010/11</td><td>1%</td></tr></tbody></table>	Period	Value (%)	Q2 2007/08	4%	Q3 2007/08	2%	Q4 2007/08	9%	2007/08	3%	Q2 2008/09	9%	Q3 2008/09	12%	Q4 2008/09	3%	2008/09	8%	Q1 2009/10	3%	Q2 2009/10	3%	Q3 2009/10	3%	Q4 2009/10	3%	2009/10	3%	Q1 2010/11	2%	Q2 2010/11	1%
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