

# Welfare Reform, Employment and Skills in Barnet

A successful, cross-agency approach to helping people into work

Councillor Richard Cornelius





## About Localis

#### Who we are

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We believe that power should be exercised as close as possible to the people it serves. We are therefore dedicated to promoting a localist agenda and challenging the existing centralisation of power and responsibility. We seek to develop new ways of delivering local services that deliver better results at lower cost, and involve local communities to a greater degree.

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Localis aims to provide a link between local government and key figures in business, academia, the third sector, parliament and the media. We aim to influence the debate on localism, providing innovative and fresh thinking on all areas that local government is concerned with. We have a broad events programme, including roundtable discussions, publication launches and an extensive party conference programme.

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Front Cover Image: Welfare Reform Task Force

### **About Barnet**

Barnet prides itself on being a successful London suburb. Its attractiveness as a place to live has led to it becoming the most populous borough in London, with growth set to continue over the coming decade.

Major redevelopments – notably the Brent Cross Cricklewood scheme in the south of the borough – and major regeneration to the west, will bring areas of high quality new housing. However, one third of the borough will remain as green space. Barnet is very popular with residents and is a place where many people aspire to live, with 88 per cent of residents saying they are happy to live here. The borough has very high performing schools, good connectivity into central London and this, along with its green spaces, has meant that it is popular with families.

The borough is among the most ethnically and religiously diverse places in the UK, with high levels of community cohesion. Barnet also has a very altruistic community, with over a quarter of residents engaging in volunteer work once a month and over 1,400 local voluntary and community organisations.

#### The Author

Richard Cornelius has been Leader of the London Borough of Barnet since 2011. He is a Conservative Councillor for Totteridge Ward and has sat as an elected member on Barnet Council since 2004. During this time, he has held various Cabinet posts and Committee Chairmanships including Planning, Regeneration, Adult Social Services, Housing, and Policy and Resources.



## Summary

- As the borough with the largest population and 4th highest private sector rents in London, Welfare Reform has had a significant impact in Barnet.
- The Council has been proactive in its approach to implementing Welfare Reform locally, in a way which supports residents. Barnet's multi-agency Welfare Reform Task Force has been effective at engaging with residents affected by the Benefit Cap and helping them move into work and more affordable accommodation.
- The Task Force has used Discretionary Housing Payments strategically, as an incentive to change behaviour.
- Help and advice with mental health issues appears to make a
  difference to residents' employment prospects as those who were
  helped in this way were almost twice as likely to find work.
- Analysis shows that the Task Force returns £3 to the public sector for every £1 invested through reduced welfare spending and more efficient co-located multi-agency services.
- Successful principles from the Task Force are now being applied more intensively in one of Barnet's most deprived wards, where unemployment is highest.
- Wider skills and employment programmes at the sub-regional level, in which Barnet is playing a leading role, are showing promise.
- Barnet's ambitious regeneration programme is driving our skills and employability agenda, preparing residents to benefit from the opportunities that growth will bring.

### 1.Introduction

Prior to the 2015 General Election, the previous Coalition government instigated the most radical shakeup of the welfare system in more than 60 years. Designed around the principle that people should never be better off claiming out of work benefits than they would be in employment, the total amount of state benefits a family can claim was capped at £26,000 a year and a range of different benefits were merged into a single payment called Universal Credit. Reforms to incentivise working-age people under occupying in social housing to move into more suitable accommodation were also implemented.

In his 2015 Summer Budget, the Chancellor confirmed the newly elected Conservative Government's intention to continue the Welfare Reform agenda, with further reforms aimed at making the system fairer, raising low wages and reducing the UK's overall welfare bill, such as reducing the Benefit Cap to £23,000 (in London) and cutting Tax Credits

In Barnet, growth is an essential part of the Council's strategy, as we become less reliant on Government funding and more financially independent by increasing the level of income we generate locally. Barnet's economy is growing and most residents will benefit from the opportunity this brings – particularly, an increase in the number of jobs both in Barnet and across London. But some will need targeted help to ensure they don't miss out and, by helping people to enter employment – helping them to help themselves – our aspiration is that residents will be able take advantage of the opportunities of a growing labour market.

Beyond the obvious economic benefits, being in work has been shown to produce a range of social benefits such as improved physical and mental health. This is clearly good for the individual but also good for the public purse as healthy, economically active residents are less reliant on many local services. Barnet Council is contributing greatly to this agenda through the creation of jobs in the borough. Our seven major regeneration schemes will create provision for up to 30,000 new jobs over the next 20 years. Building on this, and the principle

<sup>1</sup> The Royal Australasian College of Physicians; Consensus Statement on the Health Benefits of Work

that people should always be better off in work, we want to continue to maintain the right conditions for a thriving local labour market. For this reason, we have not gone against the grain of Welfare Reform, as some councils have done.

Our approach has been to use the national policy agenda to drive our strategy locally, and to use it as an opportunity to get people into employment. We have set up the Welfare Reform Task Force, bringing together local partners – Jobcentre Plus, the Housing Benefit service, the Barnet Group's housing needs service, welfare benefits advisers and the voluntary sector – to help residents move into work. Barnet's coordinated, multi-agency approach not only provides a better service for the user, but it has returned savings to the Council and partners of many times the money invested. We see this as a model for the future of local services, with better services delivered locally and reduced bureaucracy through greater collaboration across the public, private and voluntary sectors.

The regeneration of Brent Cross Cricklewood will create provision for 27,000 jobs.

Copyright: London Communications Agency Brent Cross Cricklewood Development Partners



# 2. The impact of Welfare Reform in Barnet

### Key Welfare Reforms (pre-2015 Summer Budget)

Name of Reform	People eligible	Benefit(s) affected	Changes to benefit(s)
Under occupancy	Social sector	Housing Benefit	1 bedroom - 14% reduction,
	tenants		2+ bedroom - 25% reduction
Changes to	Private sector	Housing Benefit	Frozen at 30th percentile of
Local Housing	tenants		Broad Market Rental Area
Allowance rates			
Benefit Cap	Most working age	Total benefit	Entitlement capped at
	people	entitlement,	£26,000 per year for
		Housing Benefit	families, suplus deducted
			from Housing Benefit

Barnet is, as mentioned, the largest London borough by population with 393,000 residents in 2015. Our size has meant that high numbers of Barnet residents have been affected by Welfare Reform relative to other areas in the country.

### **Under occupancy**

As of March 2015, 1,040 Barnet residents were considered to be under occupying i.e. living in accommodation, provided by Barnet Homes or a registered social landlord, assessed by the Government as having more bedrooms than was necessary for their household.

### Freezing of Local Housing Allowance rates

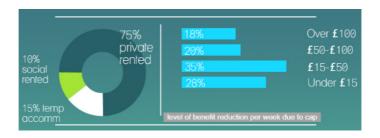
When Local Housing Allowance rates were frozen in 2012, they were at a level only marginally higher than the average market rent in Barnet at the time. Rising demand and limited supply have since pushed up private rents even further. The combination of these factors has made it more difficult for lower income working families to find affordable accommodation in the borough, and caused many residents on low incomes to experience shortfalls with their rent. As of March 2015, 7,881 Barnet households living in private rented accommodation had an estimated average gap of £47 per week between the rent

they owed and the Housing Benefit they received.

Over the longer-term, our approach to a lack of supply in the borough is to build more homes – with plans in place that will deliver over 20,000 new homes over the next 20 years, the most in outer London – which should ease pressure on the private rental market. In the short-term, the work of Barnet Homes and the Task Force is focused on providing advice on housing options and personal budgeting to residents, while making better use of existing housing stock and helping owners of empty properties who want to bring them back into residential use.

### **Benefit Cap**

The Benefit Cap was rolled out nationally over the summer of 2013. A total of 1,716 residents who were, or expected to be, capped received support from the Task Force. Of these, 28 were never capped, while the rest fluctuated; for instance, being capped for a time while claiming Job Seeker's Allowance and then uncapped after moving into work. As of March 2015, 369 residents were subject to the cap, which is a reduction of nearly 80 per cent from the size of the original cohort. 75 per cent of those still capped were living in the private rental sector and 38 per cent of whom were experiencing reductions in benefits of £50 or more per week.



# 3. Barnet's response and successes to date

Barnet prides itself on being an innovative, forward looking local authority. I have previously written about Barnet's Commissioning Council approach<sup>2</sup>, which foresaw the spending cuts passed on by Government in 2010 and allowed us to get ahead of the game in planning our response. We have taken a similar approach in our response to Welfare Reform.

We decided that going with the grain of national policy would help to create better results than providing short term, 'sticking plaster' solutions. We also saw an opportunity to test a new model for local public services through a dedicated, co-located, multi-agency team. The initial purpose of the Task Force was to administer the Benefit Cap and provide advice to residents on other Welfare Reforms. However, we wanted to go much further and help people to help themselves – whether that involved moving into work or securing more suitable accommodation – because we believed that this would be better for the individuals in question, as well as reducing pressure on the Council's budget.

### Engaging with residents who were impacted by Welfare Reform

The Task Force began a programme to engage with the 1,716 residents who were at risk of being capped and explain the impending changes. This was a challenging task as many of these residents were long-term unemployed, with complex needs and barriers to employment including issues relating to housing, mental and physical health, literacy and language. Some of those who did not handle the payment of their own rent were unaware that a regular transaction took place on their behalf. It was the opinion of housing officers working with these residents that time and ongoing communication would be needed for the message about the need for action to sink in.

In responding to this challenge, the strength of the Task Force came from its multi-agency, interdisciplinary makeup. The 'one-stop shop' approach was more effective than any single agency at engaging with residents because the different partners reinforced each other's

2 Localis; Meeting the challenge in Barnet: Lessons from becoming the Commissioning Council (2014) messages. Where one agency was unable to engage a particular resident, another might have more success. Depending on their personal circumstances, some residents were more receptive to messages delivered by their local housing officer, a Jobcentre Plus adviser, or a Housing Benefit officer.

The results have been impressive and surpassed what we originally expected. The Task Force successfully engaged with 96 per cent of Barnet residents affected by the Benefit Cap, helping more than a third (35 per cent) into work. This approach has also paid dividends to the Council and its local partners, with our analysis showing that that assisting over a third of residents affected by the cap into employment returns savings of three times the money invested in getting them there.

"Working within a multi-agency team has allowed me to be more proficient when working with customers as I have all the information and support I need to hand."

Team Member, Welfare Reform Task Force

### Incentives to change behaviour

Discretionary funds were an important tool for managing the roll out of the reforms and for the Task Force. The main source of support was the Discretionary Housing Payment (DHP) grant provided by Government to assist people in receipt of state benefits with their housing costs. For the last three years, additional DHP funding has been made available to enable local authorities to provide transitional support to residents affected by social sector under occupancy, the Benefit Cap and changes to Local Housing Allowance rates. However, we believed that this support from Government would not continue in perpetuity, which is why our approach was based around changing behaviours.

DHPs by their very nature are discretionary, which gives local authorities flexibility to decide on the amount of money paid out and the way the scheme is administered. One of the key principles of Barnet's DHP policy was that, as well as being used to help the most

vulnerable, DHPs would be used strategically to further the Council's aims of encouraging people into paid employment and/or sustainably affordable accommodation.

In practice, this meant that many payments were made conditional on recipients demonstrating that they had taken appropriate action, such as evidence of applying for jobs and/or looking for a more suitable home. Where a resident stopped working with the Task Force, they were reminded that their DHP was conditional and was at risk should they fail to re-engage. This allowed the Task Force, where appropriate, to use DHPs as incentives to change behaviour in a way that other authorities which awarded DHPs unconditionally would, we believe, find more difficult. In this way, rather than simply delaying the problem, we were able to manage long-term demand by helping those who showed that they wanted to help themselves.

The Council distributed nearly £1.15 million of central Government money in DHPs in 2014/15. Half of these payments were made to people affected by the Benefit Cap, and 37 per cent went to people either under occupying or experiencing shortfalls between their rent liability and their Housing Benefit entitlement.

For residents who took action to help themselves by complying with the conditions of their DHPs, the Task Force supported applications to the Barnet Crisis Fund for cash to help them – with the cost of resettlement, or to tide them over until their first pay day. 75 per cent of the £528,000 distributed in Crisis Fund payments in 2014/15 was allocated for these reasons.

We think the results demonstrate that our approach to discretionary payments was the right one. Of the 208 people claiming DHP who were worked with by the Task Force between January and October 2014, over 20 per cent moved into work during the same period. This figure needs to be considered in context: DWP research into the post-implementation effects of the Benefit Cap, conducted with people across the country between 11 August and 15 September 2014, indicated that 97 out of 181 respondents (42 per cent) had stopped claiming DHP since February that year. 16 of those said that this was because they were no longer affected by the Benefit Cap. The implication of this research is that the DHP has helped only 16 out of

181 (9 per cent) to improve their situation and escape the cap, with the rest either still claiming DHP and/or still capped.<sup>3</sup>

Our view, which is supported by the data, was that without using conditionality to encourage behaviour change, the allocation of discretionary payments was more likely to simply delay the need to face up to the impact of reform. This would not help to solve the problem and would, in our view, ultimately prove to be wasteful.

### An evolving approach to overcoming obstacles to employment

We knew that, in order to be successful, the work of the Task Force would need to evolve and offer different forms of help as more barriers to work were identified. It soon became clear that mental health was proving to be an actual or significant perceived obstacle to employment for a large number of residents, which required us to respond.

Using the ring-fenced Public Health grant, the joint Barnet / Harrow Public Health team<sup>4</sup> commissioned a local community interest company 'Future Path' to work with the Task Force to identify and support these individuals

Barnet is among the first local authorities to take this innovative approach to mental health. The pilot, which ran from January to October 2014, was initially aimed at unemployed residents affected by the Benefit Cap who had no firm plans for how they would cope with the shortfall in their benefits. It demonstrated very strong results, having helped 211 residents by the end of the period, with 65 (31 per cent) having moved into paid employment. Six weeks after the pilot ended the job retention rate was just under 97 per cent, which is truly outstanding.

The success of the 'Future Path' pilot has seen it mainstreamed into the work of the Task Force. The service is commissioned to use a "black box" approach, which allows staff to help people in any way they see fit. Unusually for this kind of service, the majority of 'Future Path' staff are from mental health backgrounds. This means that they can carry out low level therapeutic techniques, such as motivational interviewing, and take on the role of mentors to their service users. However, that is not to say that 'Future Path' staff do all the work. More often they act in the role of co-ordinator of services, only delivering directly

- 3 Department for Work and Pensions; Postimplementation effects of the Benefit Cap (December 2014)
- 4 From April 2013, Harrow Council became the host borough for the newly formed joint Public Health team for Harrow and Barnet. The joint staffing structure was developed to deliver a 15% efficiency saving for both councils. Barnet and Harrow also share a leaal service.

where no appropriate provision exists. Staff assess the mental and physical needs of service users, and refer them for help where barriers to employment are identified. Individuals who appear to be at risk of more severe mental health issues are referred to specialists. The 'one-stop shop' model makes the referral process more efficient and reduces duplication, so the services residents receive are better aligned to their needs and cheaper for the public sector to deliver.

### Employment Support Case Study - Ruby

Ruby has four children, including one under five, and a benefit cap of over £60 per week. She was starting to show the strain of dealing with her personal and family finances. Ruby and her children also had health issues which made it hard to find the time to combine looking for work with childcare.

Initially the Task Force gave Ruby a Discretionary Housing Payment to fund her shortfall until she sought medical help. It was then agreed with her that Future Path could help her with progression coaching. They helped Ruby to produce a CV and write application forms, and gave her interview practice. This gave Ruby the confidence to apply for jobs and take part in interviews. Jobcentre Plus and other members of the Task Force team also helped her during this process.

When an opportunity for a job came up, Ruby applied because of the confidence she had gained as a result of the progress she had made with the Task Force and Future Path. The interview was successful and she was offered the job.

Ruby was provided with help with childcare for when she is at work and was awarded Working Tax Credits. She now works over 16 hours per week as a receptionist. Ruby is very happy and has a new positive perspective in life.

Team Member, Welfare Reform Task Force

# As well as providing a better service, Barnet's approach also saves money

The Council invested in the Task Force during challenging financial times because we believed that supporting people into work and preventing homelessness would not only improve their lives but would also deliver a net gain for the public sector. It was important for us to rigorously evaluate the work of the Task Force in order to demonstrate the benefit of our innovative, multi-agency approach, and justify future investment in this service and others like it.

Using the New Economy Manchester model<sup>5</sup>, eight types of impact associated with employment, housing, and health and wellbeing were modelled over 5 years to estimate the public and fiscal value of the Task Force's work. The total financial return to the public sector - based on an optimism bias of between -5 per cent and -25 per cent - was 3 pounds for every 1 pound invested, and the public value cost benefit ratio was 5 to 1 (see Annex A for further detail). This did not include the value of potential knock-on effects which cannot be accurately modelled, such as avoiding increases in crime by residents in financial distress.

Mental health support also appears to make a difference, as capped residents engaged by 'Future Path' were found to be almost twice as likely to achieve positive results (at least 16 hours paid employment per week) as those who were not.

The cost benefit analysis indicated with very high confidence that the Task Force was providing a positive financial benefit. Even if we increase the optimum bias to -40 per cent across all benefits - to reflect, for example deadweight assumptions being too low or sustainability assumptions too high - the return on investment is still over 2 to 1 . That means every one pound of public money invested saves two pounds over 5 years.

The impact for Barnet of cost avoidance of this magnitude is significant. We now have a model through which we can manage some of the biggest risks that Welfare Reform has placed on us as a local authority, such as increasing rent arrears among Council tenants impacting on our Housing Revenue Account. Although avoided costs such as these ensure that all partners involved in the Task Force achieve a

5 Her Majesty's Treasury, Public Service Transformation Network, New Economy; Supporting Public Service Transformation: Cost benefit analysis guidance for local partnerships (April 2014) positive return on investment, much of the cashable savings accrue to central Government in reduced social support payments - (see graphs in Annex A).

We are happy to share the benefits and do our bit to reduce the nation's £120 billion welfare bill, whilst helping people into work, as this will form the basis of a conversation about further devolution and targeting of public sector resource at the local level. We need to demonstrate our willingness and ability to deliver 'whole system' savings if we are to win the argument for more place based leadership of public services.

# 4. Expanding the model

#### BOOST - a dedicated 'Jobs Team' for Burnt Oak

In the past, local authorities, Jobcentre Plus, Work Programme providers, and the local voluntary and community sector have generally operated in silos when it comes to programmes to help people into work. While this has produced some positive results, there remain pockets of disadvantage where communities are missing out on the opportunities that growth brings. Burnt Oak is the area with the highest level of unemployment in Barnet, and the only ward where the average household income in 2014 – at £15,000 per year – was lower than in 2008.

The Burnt Oak Opportunity Support Team (BOOST), funded through the West London Alliance<sup>6</sup>, has brought residents and communities into the heart of local growth in Burnt Oak. Crucially this was a codesigned service: In other words, local residents i.e. the people who would actually be using the service, helped to develop the shape of the service over the period of a year through focus groups, workshops and forums. Participants were clear about the importance of outcomes that mean something – work that pays rather than benefit reductions – and how vital a welcoming approach is for residents to engage with what is on offer. Because the service has been designed with local people, it is better suited to their needs and more likely to have a sustained impact.

The experience of Barnet's Welfare Reform Task Force told us that people's needs do not fit neatly within public service boundaries, and no single agency is able to respond holistically on its own. Residents are often unaware of, or confused by, the breadth of support available to them, and they grow weary of providing the same information to multiple agencies. By creating a place-based 'Jobs Team' in Burnt Oak, it was envisaged that all the partners would work as a unified service for the benefit of the local community. There would also be opportunities for wider partners, such as Barnet and Southgate College and local community organisations, to get involved. This was

6 The West London Alliance is a partnership of seven West London councils - Barnet, Brent, Ealing, Hammersmith & Fulham, Harrow, Hillingdon, and Hounslow. Members have been working together since 2006 to develop shared solutions to efficiencies, and to promote and develop economic growth, jobs and skills in the subregion.

designed to be a model for the future, with coordinated local services delivered in areas of the greatest need using less resource.

Based in Burnt Oak Library, the service went live in May 2015 and helped 70 customers in its first week. The space is not owned by the Jobs Team or seen as the Jobs Team's office. It is a shared community space with an informal feel. Training and outreach activities make use of other community settings which are neutral and minimise barriers to participation, such as the Burnt Oak Resource Centre and Barnsfield Children's Centre. It is hoped that this will, in time, raise the profile of the project and allow word of mouth to increase engagement and self-referrals. Residents are also involved in governance of the service, sitting on a Steering Board alongside staff from Jobcentre Plus and the Council, health services, and community groups including 'Love Burnt Oak'.

Our aspiration is that this project for local people, by local people and with local people will ultimately boost incomes in Burnt Oak and establish a model for other areas to adapt and try on their terms. Not only will this model provide a better service – by coordinating support through one team and involving service users in its design – it will also reduce duplication and bureaucracy.

BOOST also serves as an example of the Council targeting the resources it has effectively to help solve a specific problem in a specific community. This approach to the prioritisation and targeting of resources is something we will need to do more of as the financial challenges facing the Council become ever more acute.

"Working in a multi-agency team has been great for me because it enables information to be shared and gathered ensuring customers' needs have been met to their full potential."

Team Member, Burnt Oak Opportunity Support Team

### Mental health and employment 'trailblazer'

Thanks in large part to the success of the Barnet Welfare Reform Task Force model, the West London Alliance was selected by the Government as one of four 'trailblazer' schemes that are testing whether better coordinated mental health and employment services could help patients return to work. Each of the 'trailblazers' will test a different approach.

When it launches in October, the West London 'trailblazer' project will see employment advisers trained to identify mental health problems based in local mental health trusts, with GPs encouraged to sign up as referral partners and have a service presence in their surgeries. Jobcentre Plus have invested in the multi-agency approach through the Flexible Support Fund, and a bid for support from the European Social Fund has been submitted. The Government has made funding available for the project to be rigorously evaluated, creating an evidence base which will inform future DWP policy and the recommissioning of provision when the Work Programme ends.



**Burnt Oak Opportunity Support Team** 

## Rolling out Universal Credit

The aim of Universal Credit, which combines 6 previously separate benefits into a single payment, is to make sure claimants are better off in work than on benefits, and to create a simpler, fairer benefits system. The single payment is designed to make work pay, as financial support is withdrawn at a slower rate than under the previous system, so that there is always a positive incentive to earn more. The reforms make the financial benefits of work clearer to claimants, while reducing the risks of taking up a job.

Barnet was among the early tranche of areas to go live with the single payment in March 2015, and to date over 300 people have made a claim. Universal Credit places increased responsibilities on claimants to manage their claim online, actively seek employment on a full time basis and manage within a single, monthly payment, in line with working.

The Welfare Reform Task Force is working with local DWP staff to ensure that the Universal Credit claim process identifies people who may need help early, including people who could potentially struggle to cope with a single monthly payment, and also helping people make their claim online. Barnet Citizens Advice Bureau have been commissioned to provide personal budgeting support to people with debts or additional communication needs, or with vulnerabilities such as addictions and learning disabilities, which mean they may need further help. To date, at least 15 people have been referred for personal budgeting support. It is still early days as claimants remain on Universal Credit for at least 6 months after starting work, but local management information indicates that claimants are moving into work that would see their benefits taper off entirely, if retained.

### Universal Credit Case Study - Rosemarie

I met Rosemarie on her Initial Work Search Interview for Universal Credit; she was nervous, lost for direction and apprehensive about how Jobcentre Plus could help. In this meeting we discussed her skills and job goals as well as her personal circumstances (marriage break up, debts and other financial issues).

I focused on supporting Rosemarie to look for employment. I advised her on how to tweak her CV to enhance the chance of a positive result from her job applications. I arranged to see her weekly to give her ongoing help. Rosemarie started getting better responses and invitations to job interviews. I helped Rosemarie gain confidence by going through interview preparation, questions and techniques. I offered her mock interviews, running through the CAR (Context Action Result) model to describe her competencies for customer services.

During the journey on Universal Credit, I have seen Rosemarie go through ups and downs (emotionally). At every appointment with her I have always encouraged her to think positively and take the necessary steps to secure employment. I assured her regularly that I believed she would get a job very soon.

She now has two job offers. The first is as a carer, for which she is awaiting clearance of her DBS checks, and the second is with Sports Direct (arranged through the jobcentre) which she hopes to start next week.

Team Member, Welfare Reform Task Force

# 6. Wider skills and employment programmes

### **Sub-regional working**

Our ambition to support local growth in Barnet by creating the conditions for a thriving labour market will only be realised through investment in the local skills system, both supply and demand side. Two pilots funded through the West London Alliance are showing promise in this direction.

The first pilot is 'Opportunities for Young People' which will test a 'response and rescue service' for 200 young people in Barnet who are not in education, employment or training. They will be supported to participate in education until age 18, with the intention of reducing future demand on the state. Work has commenced with local schools on reviewing the offer for young people to identify gaps, and the project team are preparing for launch in the new school year. Employers and providers of re-engagement programmes will also have the opportunity to work with schools to advocate the skills most sought after locally, both now and in the future. If a strong enough evidence base can be established, the pilot approach could provide a model for devolution of budgets currently held centrally by the Education Funding Agency.

The second pilot is 'Skills Escalator' and is currently running in Hounslow and Harrow. The project, aimed at helping the 'working poor', funds in-work support and training to reduce benefit dependency and support salary progression. Early results have been positive and there is potential for this approach to shape future DWP practice and models for devolution of budgets held centrally by the Skills Funding Agency. The Council is considering providing funding, contingent on match funding from the European Social Fund, so that the programme can run in Barnet

### Regeneration driving employment and skills

Regeneration is a cornerstone of the Council's strategy and will provide the driving force behind much of what we do over the next

decade. Regional Enterprise (Re), the joint venture between the Council and Capita, is delivering the Barnet Skills, Employment and Enterprise Programme. The programme supports the Entrepreneurial Barnet strategy to maximise the positive impact of the public sector on Barnet's economy by ensuring that local businesses and entrepreneurs have the space and help they need to thrive, and to make Barnet the best place in London to be a small business.

Examples of projects being delivered by Re include Platforms, which is now in its second phase, and Workfinder, which will commence later this year. Platforms, aimed at residents aged 16 to 24 not in employment, education or training, offers paid apprenticeships (including with the Council), paid voluntary sector work placements, and employability support programmes. Workfinder aims to help residents with multiple barriers to work enter sustainable employment with support based on the needs of the individual and, through engagement with employers, the requirements of local business.

The Council is committed to ensuring that local people benefit from the opportunities of growth and regeneration happening in the borough, including via apprenticeships tied to construction projects. Section 106 Employment and Training obligations require that property developers make provision to train Barnet residents as part of the agreement that gives them planning permission. Partnership working enables Barnet applicants to enter employment and training with a range of developers and training providers. Construction Training Initiative obligations can also be included for young people studying towards a construction-related qualification. Triggers for these obligations vary across developments, so the Council monitors developers carefully to ensure that all applicable opportunities are made available to local communities. There are approximately 60 apprentice obligations across 9 sites in the coming months.

The employment and training initiatives introduced during the successful development of Beaufort Park have spread the economic impact to the wider community



## 7. Conclusion

In Barnet we came to the conclusion years ago that we could not afford to stand still and wait for the shifting tides to force change upon us. We are meeting the challenge head on through transformation and growth. Members and Officers have thought carefully together about what the model for the future of public services could be, and the role of the local authority within that.

We hope this pamphlet has given you a sense of our vision, which is that we will endure and succeed by...

- ... Building a borough of opportunity, with the right conditions for enterprise to flourish and for residents to benefit by meeting the demand for skilled labour that growth brings; and...
- So they don't miss out on the opportunities that growth brings, providing targeted support to residents with the greatest need, helping them to help themselves by moving into work and living within their means; and...
- So the Council can continue to live within its means...
  challenging established public service boundaries through multiagency teams, co-designed with the residents who use them most
  so they are more likely to meet their needs, and co-located to
  increase efficiency and cut waste.

### Annex A

### Welfare Reform Task force cost benefit analysis

Barnet's Task Force underwent a cost-benefit analysis using the New Economy Manchester model.

### The time period for modelling was selected based on:

- A steady state period in terms of demand, performance and resources
- The setup and ongoing costs

#### The costs of the task force were:

- Team salaries
- Operating costs (marketing, insurance, stationary, phone bills)
- Translation / interpretation costs
- DHP / Crisis Fund payments
- Evaluation costs

The total cost of the Task Force over the modelling period was £880,000

### The key assumptions in the modelling were:

- 10-month intervention (Jan-Oct 2014) with impact modelled over 5 years
- An average time lag of 3 to 8 months modelled for all benefits
- An optimism bias of between -5% and -25% applied to relevant benefits to reflect the level of confidence in modelling inputs
- Recurring benefits assumed to be sustainable over the 5 year period, with minor drop of JSA modelled (since 1 JSA claimant returned)

### The eight benefits modelled were:

Employment

- Increased employment (reduced benefits payments, health impact) – Job Seekers Allowance claimants
- Increased employment (reduced benefits payments, health impact) – Employment and Support Allowance claimants

 Increased employment (reduced benefits payments, health impact) – Incapacity Benefit claimants

### Housing

- Housing evictions
- Reduced statutory homelessness

### Health and wellbeing

- Improved individual wellbeing increased confidence / selfesteem
- Improved individual wellbeing positive functioning (autonomy, control aspirations)

### Gross fiscal benefit: £2.6m

### Gross public value benefit: £4.4m

