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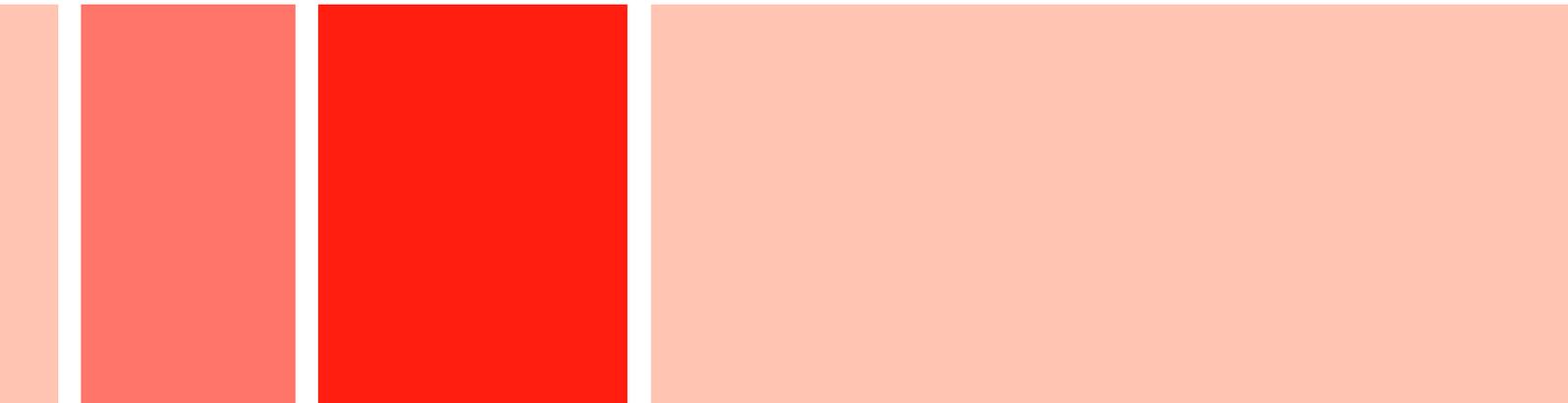
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# Communities First: a process evaluation



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## Ipsos MORI, Wavehill Consulting

Views expressed in this report are those of the researchers and not necessarily those of the Welsh Government

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## **Glossary of acronyms**

Area Based Initiative (ABI)

Child Poverty Strategy (CPS)

Community Development Cymru (CDC)

Communities First (CF)

Community Involvement Plan (CIP)

Cost Benefit Analysis (CBA)

Delivery Plan (DP)

Families First (FF)

Flying Start (FS)

Jobcentre Plus (JCP)

Jobs Growth Wales (JGW)

Joseph Rowntree Foundation (JRF)

Lead Delivery Body (LDB)

Lower Super Output Area (LSOA)

Management information (MI)

National Assembly Public Accounts Committee (PAC)

New Deal for Communities (NDC)

Not in Education, Employment or Training (NEETs)

Pupil Deprivation Grant (PDG)

Randomised Control Trial (RCT)

Red, Amber, Green rating (RAG)

Regional Implementation Teams (RITs)

Regression Discontinuity Design (RDD)

Results Based Accountability™ (RBA)

Service Level Agreement (SLA)

Tackling Poverty Action Plan (TPAP)

Transfer of Undertakings (Protection of Employment) (TUPE)

Wales Council for Voluntary Action (WCVA)

WEFO Cross Cutting Themes (CCTs)

Welsh Audit Office (WAO)

Welsh European Funding Office (WEFO)

Welsh Government (WG)

Welsh Index of Multiple Deprivation (WIMD)

Welsh Language Strategy (WLS)

# 1 Introduction

- 1.1 In January 2014 Ipsos MORI and Wavehill were commissioned by Welsh Government to undertake a process evaluation of the most recent phase of the Communities First Programme in Wales. This final evaluation report provides a thorough assessment of the Communities First Programme; analysing the implementation progress to date, including a review of its design, delivery and effectiveness, and offering recommendations and improvements for the Programme going forward.

## Background to the Communities First Programme

- 1.2 Tackling Poverty is a fundamental priority for Welsh Government. The Communities First Programme is a community-focused tackling poverty Programme which supports Welsh Government's Tackling Poverty Action Plan (TPAP)<sup>1</sup>. The Communities First Programme concentrates on the most deprived communities in Wales with an emphasis on ensuring that the most vulnerable individuals, families and groups in those communities are supported.

The Programme focuses on creating Prosperous Communities, Healthier Communities and Learning Communities<sup>2</sup>. Funding for the latest phase of the Communities First Programme (running from 2012 to 2015) will total £75million.

- 1.3 The Communities First Programme dates back to 2001 when Welsh Government originally presented it as a long term intervention aiming to tackle poverty. The Programme aimed to deliver services through partnership and local action.
- 1.4 A report published by the Wales Audit Office (WAO) in 2009<sup>3</sup> suggested that whilst local benefits had been achieved by the Communities First Programme, progress in meeting its ambitious objectives was unclear. This was felt to be

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<sup>1</sup> Tackling Poverty Action Plan (2012): <http://gov.wales/topics/people-and-communities/tacklingpoverty/taking-forward-tackling-poverty-action-plan/?lang=en>

<sup>2</sup> Communities First Programme Guidance (2013): <http://gov.wales/docs/dsjlg/publications/comm/130905cfprogrammeguidance13en.pdf>

<sup>3</sup> Communities First, Wales Audit Office, accessed online 01/11/2014 [http://www.wao.gov.uk/assets/englishdocuments/Communities\\_First\\_eng.pdf](http://www.wao.gov.uk/assets/englishdocuments/Communities_First_eng.pdf)

due to different outcomes being set across the different partnerships delivering the Programme, and a “largely subjective” assessment of progress against them<sup>4</sup>.

- 1.5 A report published in 2010 by the National Assembly Public Accounts Committee (PAC)<sup>5</sup> shared concerns about the measurement of outcomes and the value for money being demonstrated by the Programme. PAC called for the Programme to receive greater direction from Welsh Government and for an improved monitoring system be put in place so that progress in achieving the Programme’s objectives could be measured.
- 1.6 The Programme’s benefits were examined further in an independent report published by Joseph Rowntree Foundation (JRF) in 2010<sup>6</sup>. This evaluation detailed Communities First’s successes in promoting community involvement and empowering residents within deprived neighbourhoods. However, the JRF report recommended that the Programme should build on the increased capacity for community involvement it creates, and work more effectively with other regeneration initiatives, to implement wider regeneration interventions around housing, physical regeneration and economic development.
- 1.7 The most recent phase of the Communities First Programme began on 1<sup>st</sup> April 2012 and underwent further revisions in January 2013. Taking on board recommendations received from earlier evaluations, the Programme was re-focused as a tackling poverty programme, and re-designed to focus delivery in a smaller number of larger areas. The Programme now delivers across 52 Clusters<sup>7</sup> which cover the 10% most deprived communities in Wales. It is managed by 19 Lead Delivery Bodies (LDBs). LDBs were newly established under this phase, and were made primarily responsible for introducing a Delivery Plan and Community Involvement Plan for their Clusters. Funding was allocated to Clusters according to these plans. Figure 1.1 shows a map of Communities First areas across Wales.

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<sup>4</sup> Communities First, Wales Audit Office, accessed online 01/11/2014

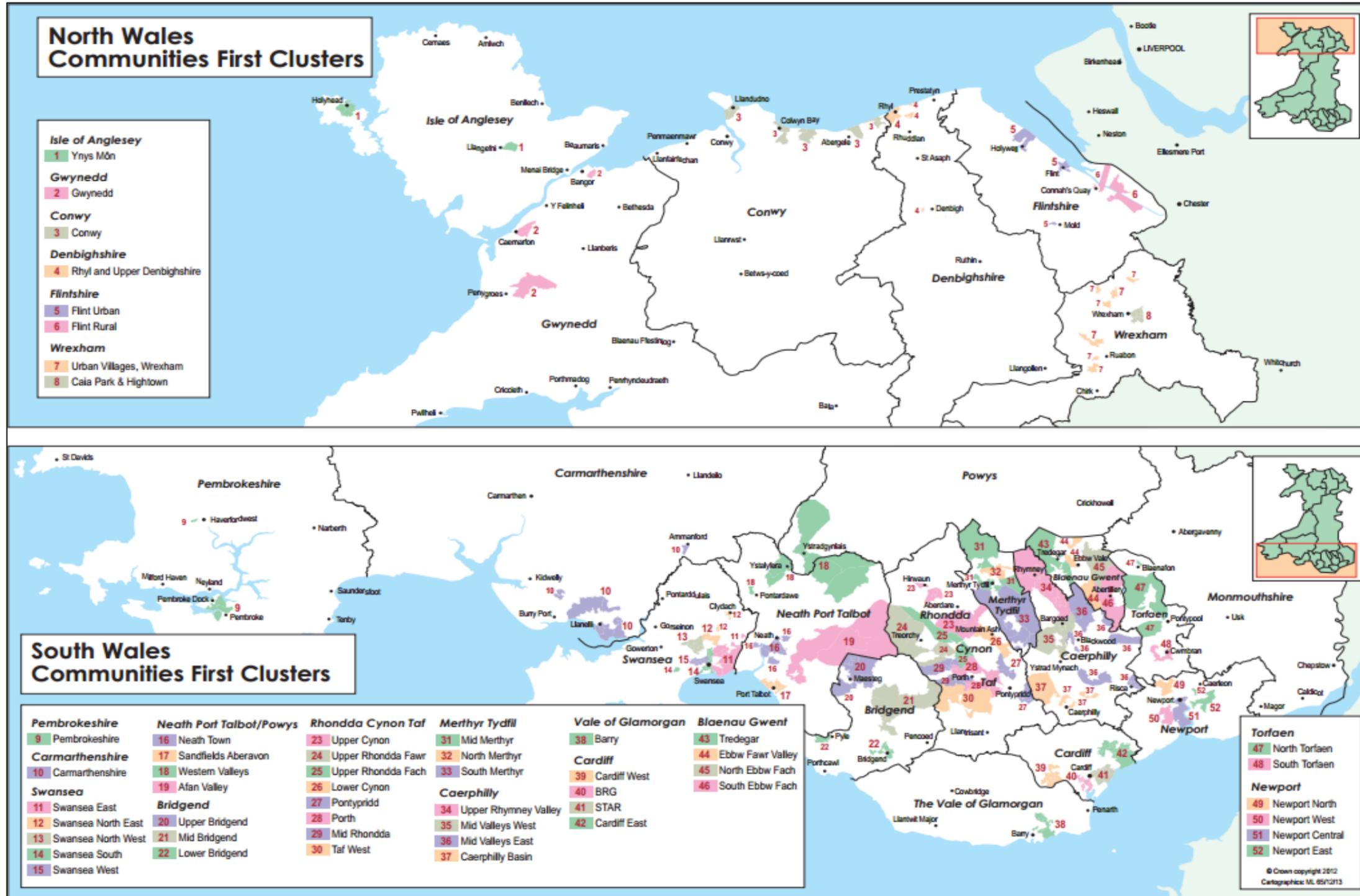
[http://www.wao.gov.uk/assets/englishdocuments/Communities\\_First\\_eng.pdf](http://www.wao.gov.uk/assets/englishdocuments/Communities_First_eng.pdf)

<sup>5</sup> *Communities First*, National Assembly for Wales Public Accounts Committee, 2010, accessed online on 01/11/2014 at <<http://www.assemblywales.org/bus-home/bus-third-assembly/bus-guide-docs-pub/bus-business-documents/bus-business-documents-doc-laid/cr-ld7923.pdf?langoption=3&ttl=CR-LD7923%20-%20Public%20Accounts%20Committee%20Report%20on%20Communities%20First>>.

<sup>6</sup> <http://www.jrf.org.uk/publications/regenerating-communities-first-wales>

<sup>7</sup> This compares to over 150 target areas under the previous phase of the Communities First Programme.

Figure 1.1: Map of Communities First areas across Wales



Source: Stats Wales, <https://statswales.wales.gov.uk/Catalogue/Community-Safety-and-Social-Inclusion/Communities-First/Cluster-Maps>, accessed 24th November 2014

- 1.8 To rectify concerns around the monitoring of the Programme, a new Communities First Outcomes Framework was introduced, aligned to the principle of Results-Based Accountability™ (RBA™), to measure the Programme's impact. This was primarily to ensure Welsh Government was able to gain a better understanding of what was being achieved within each Cluster and at the level of the Programme overall. The Tackling Poverty Action Plan also recognises that Communities First can help to pull together interventions from across Government, and help to make them work together to better achieve outcomes. As such, better links were put in place between the Communities First Programme and other Welsh Government programmes to maximise their combined effectiveness. Further information about the Programme, its logic model and theory of change are presented in Chapter 2.

### **Evaluation Objectives**

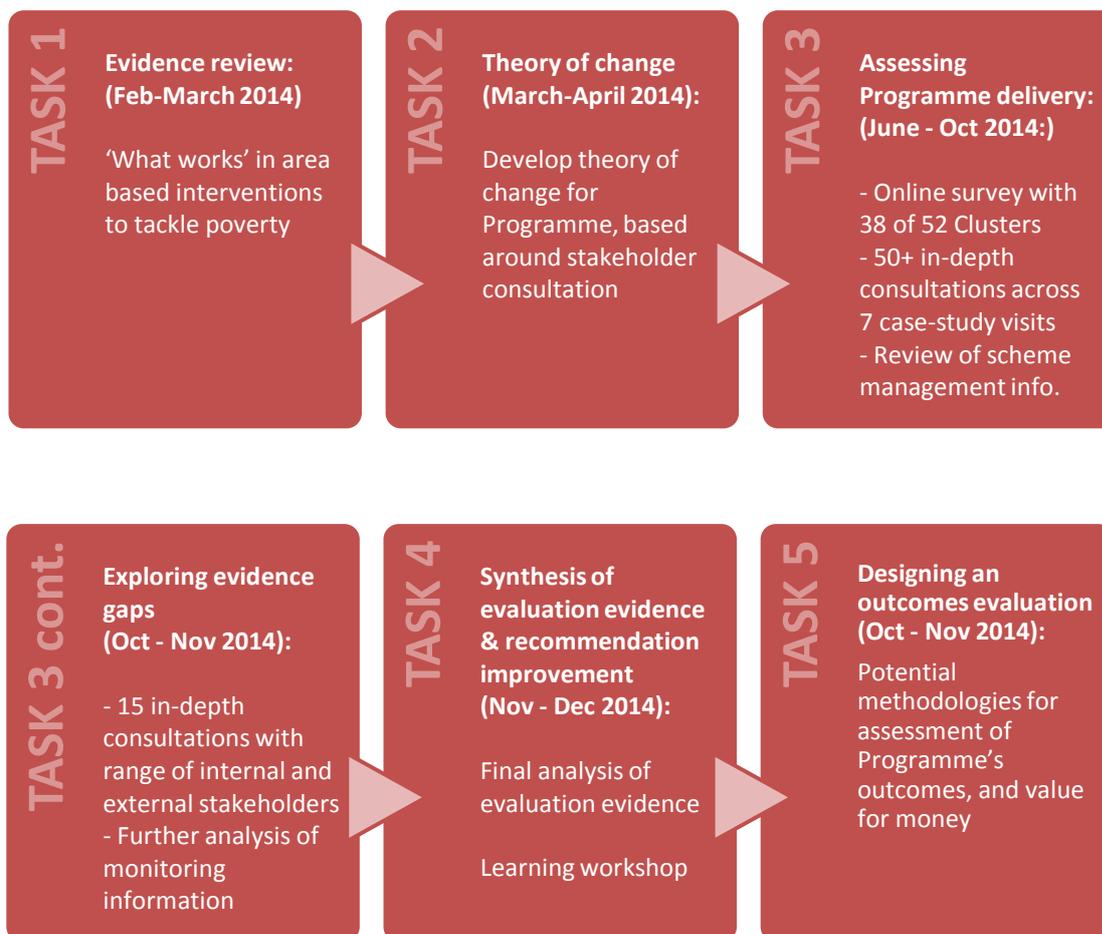
- 1.7 Running from January to December 2014, the evaluation was commissioned to analyse the effectiveness of the Programme's processes, and to offer recommendations on its design and delivery. The overarching aims of the evaluation, as specified by Welsh Government, are provided below.
- To set-out the logic model underpinning the Communities First Programme;
  - To assess performance in implementing the new phase of Communities First and the extent to which there is fidelity to the Programme's logic model;
  - To identify which aspects of the Programme's design and implementation need improvement and why and which aspects of the Programme are working well and why;
  - To propose recommendations on how the Programme might be improved; and
  - To propose a research design for a future outcomes evaluation of the Programme.
- 1.8 In addition, Ipsos MORI and Wavehill extended the scope of the evaluation to ensure the design phase of the current Communities First Programme could be evaluated against the context of best practice and the wider policy landscape:
- To assess the extent to which evidence of what works in area-based interventions to tackle poverty has been incorporated into the current phase of Communities First; and

- To understand the context within which the Communities First Programme works, and the extent to which it aligns with other initiatives in Wales and the UK.

## Evaluation Methods

1.9 The key stages of this evaluation are shown below in Figure 1.2.

Figure 1.2: Summary of evaluation approach



1.10 This final evaluation report draws on the full breadth of evidence collated and analysed. A range of methods, involving primary, secondary, quantitative and qualitative approaches, were used when evaluating the Communities First Programme. Key details of each stage of the evaluation are provided below.

- **Task 1 - Evidence review:** This involved examining other area-based initiatives implemented and evaluated in Wales, England and internationally. Twenty programmes were reviewed, including Families First (Wales),

Community First (England) and Neighbourhood Law (Spain). The evidence review offered insight into what worked effectively in other area-based interventions to tackle poverty. The full evidence review is presented in Appendix 1.

- **Task 2 - Theory of change:** This was developed following a document review of Welsh Government management information about Communities First, including Cluster Delivery Plans and Community Involvement Plans. The evaluation team also carried out in-depth interviews with Welsh Government stakeholders involved in developing and managing Communities First and other programmes contributing to the tackling poverty agenda. The purpose of these consultations was to understand the rationale behind the design of the Programme, the intended model for its delivery and the outcomes it was anticipated to achieve. From the evidence gathered, a draft version of the Theory of Change was developed and presented for discussion at a workshop held at Welsh Government in March 2014. The Theory of Change was further refined on the basis of feedback given at the workshop. The full Theory of Change report is presented in Appendix 1.
- **Task 3 – Assessment of Programme performance:**
  - **An online survey of LDB representatives and Cluster Managers:** The survey offered insight into how LDBs and Cluster Managers viewed the Programme (including the role of Welsh Government, the provision of training and support and the introduction of RBA™). It also captured information on the key issues the Cluster teams had faced in delivering the Programme. Survey responses covered 38 out of the possible 52 Communities First Clusters with 45 participants taking part out of an invited sample of 75<sup>8</sup>. The survey took place between 5<sup>th</sup> June and 11<sup>th</sup> July 2014. The questionnaire and topline data from the survey is presented in Appendix 2.
  - **In-depth consultations with LDB representatives and Cluster Managers:** Following the online survey, 10 respondents were re-contacted for an hour-long in-depth telephone consultation about their

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<sup>8</sup> Of the 45 survey participants, 34 were Cluster Managers and 11 were LDB representatives. Significant efforts were made to encourage a response from as many of Communities First's Cluster Managers and LDB representatives as possible. This included advance emails, reminder emails and an extension to the survey dates.

views of the Programme. Respondents were selected on the basis of their survey responses to ensure the in-depth consultations covered a range of views in more depth, including those expressing more positive or more negative opinions during the online survey. This provided an opportunity to understand their survey responses in more detail. The guide used to facilitate these consultations is presented in Appendix 3.

- **Local area case-studies:** The management, delivery and monitoring of Communities First was explored in more depth through seven case studies in local Communities First areas (generally conducted at a Cluster-level but in some places encompassing a few Clusters under a single LDB). The case-studies were chosen to reflect a range of different types of cluster, including, for example, from across the Welsh regions, covering a range of management models (e.g. where the LDB is a local authority but also an area with a Voluntary Sector Organisation as the LDB), areas with varying levels of predicted underspend and areas made up of a larger and smaller number of clusters. A range of perspectives were gathered in each area through over 40 in-depth interviews with the LDBs, Cluster Managers, Cluster team staff, service providers, and service users. These case studies took place between September and October 2014.
- **Key Informant interviews:** A further 15 in-depth interviews were conducted with representatives from a range of organisations and programmes related to Communities First (at either a national or local level), including representatives from other Welsh Government funded programmes. Key informants were identified for these interviews where there was a need to gather further evidence to answer some key evaluation questions, including around programme bending, and how effectively Communities First was co-ordinating with partners. These interviews took place in October 2014.
- **Secondary analysis of scheme data:** A review of the financial performance of the Programme, at a Cluster level, in the 2013/2014 financial year was conducted. This stage also involved a review of Cluster delivery plans and community involvement plans.

- **Task 4 – Synthesis of evaluation evidence:** This brings together all of the evaluation’s evidence strands to provide an overall assessment of the Programme’s implementation.
- **Task 5 – Designing and outcomes evaluation:** The final phase of this evaluation has involved an examination of the possible strategies for a future outcomes evaluation of Communities First. This task involved mapping available data sources to the performance measures under scrutiny and assessing the opportunity for a range of evaluation techniques to be adopted. This is presented in Annex 1.

### **Methodological Limitations**

1.11 As with any evaluation of a complex and long-term programme such as Communities First, it is important to highlight the methodological limitations associated with the assessment of evidence and the interpretation of the findings.

- Delivery Plans and Community Involvement plans were available from all but one Cluster. This enabled the evaluation to have a good overview of the range of approaches being taken to the delivery of Communities First. However, as the plans are intended to evolve and act as ‘living documents’ the versions accessed may have been revised and updated further over the timeframe of the evaluation.
- The evaluation team were provided with performance monitoring data from the Aspireview system<sup>9</sup>. This did not include access to the software itself and so the evaluation’s conclusions on its ease of use and functionality are based on qualitative assessments through engagement with LDB and Cluster teams.
- The six monthly and annual monitoring reports provided by LDBs to Welsh Government have not formed part of the assessment of the Programme as these did not form part of the body of evidence available for the evaluation.

1.12 Bearing these limitations in mind, the evidence collected has been triangulated to offer as robust an assessment as possible on the Programme.

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<sup>9</sup> A data extract from the system for the 2013/14 Financial Year was provided to the evaluation team. This data provided a breakdown of projects by strand and Cluster, the total number of participants for each activity, and the numbers achieved against each Communities First Performance Measure by each activity.

## Structure of the Report

1.13 This final evaluation report is structured as follows:

- **Chapter 2 – Strategic Context and Programme Logic:** summarises the rationale, and context, for Communities First and presents the Programme’s theory of change and logic model. It also examines the extent to which the area-based design of Communities First worked in favour of meeting its objectives.
- **Chapter 3 – Effectiveness of Governance and Management:** examines the roles played by Welsh Government, Lead Delivery Bodies and Cluster Management teams in the governance and management of Communities First to assess the effectiveness of their influence on the Programme.
- **Chapter 4 – Progress of Communities First Programme to date:** assesses the performance of the Communities First Programme to date. Examining the utilisation of Programme inputs to deliver the intended activities. Progress is assessed in relation to financial spend, activities delivered, whilst considering the challenges that have impacted upon this progress.
- **Chapter 5 – Delivery Effectiveness:** assesses the extent to which the processes have been effective in implementing the design and delivery of Communities First on the ground. It highlights examples of best practice and suggests areas for improvement where appropriate.
- **Chapter 6 – Monitoring and Reporting Processes:** examines the approach taken to collecting, capturing and recording monitoring information and considers how effective these processes have been in enabling a robust assessment of the achievements of Communities First against the Programme objectives.
- **Chapter 7 – Conclusions and Recommendations:** presents the overall conclusions of this process evaluation of Communities First and offers a number of lessons learned for future Programme design and delivery.
- **Annex 1** examines potential strategies for a future outcomes evaluation of Communities First, and recommends the most appropriate approach based on the Programme’s design and available data.

## 2 Strategic Context and Programme Logic

- 2.1 This chapter answers two key questions with regards to Communities First. First of all, whether Communities First fits within the broader policy and delivery landscape in Wales, and secondly, what are the key theoretical assumptions which underpin the successful delivery of Communities First.
- 2.2 In addition, it assesses the policy fit of the Programme within the context of other Welsh Government initiatives and articulates the logic behind its delivery.

### National Policy Context

- 2.3 Tackling Poverty is a fundamental priority for Welsh Government. In Wales, 22.9% of young people aged between 19 and 24 are Not in Employment Education or Training (NEETs), and 23% of people live in relative income poverty<sup>10</sup>, higher than the national average. Children are the most likely to live in relative income poverty: for the three year period ending in 2012/13, 31% of Welsh children were living in poverty (defined as households with less than 60% of the median income, after housing costs), with 21.5% of Welsh households defined as workless households<sup>11</sup>.
- 2.4 Welsh Government has set out its commitment to tackle poverty in its Tackling Poverty Action Plan (TPAP). In doing so it has set as a goal the prioritisation of the needs of the poorest and protecting those most at risk of poverty and exclusion. This is in recognition of poverty resulting in poorer educational, health and behavioural outcomes for individuals. As stated in the TPAP, the lower level of skills, poor health and poverty of ambition that deprivation brings with it, ultimately acts as a brake on the potential of the Welsh economy and has the risk of developing into a vicious circle of poverty<sup>12</sup>. The key objectives of Welsh Government's tackling poverty actions, as set out in the TPAP, are:
- Preventing poverty;

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<sup>10</sup> Defined as earning 60% of median UK income after housing costs.

<sup>11</sup> Welsh Government "Headline Measures of Poverty", <http://gov.wales/about/programmeforgov/poverty/performance?code=OU064&lang=en>, accessed 21/11/2014

<sup>12</sup> Welsh Government "Tackling Poverty Action Plan", <http://www.rctcbc.gov.uk/en/relateddocuments/publications/communitiesfirst/tackling-poverty-action-plan.pdf>, accessed 21/11/2014

- Helping people in poverty to improve their skills and enhance the relevance of their qualifications; and
  - Mitigating the impact of poverty.
- 2.5 The TPAP sets out specific targets and milestones for tackling poverty. It includes a strong focus on reducing child poverty and improving the outcomes of young people. The Tackling Poverty Action Plan is the delivery mechanism for achieving the outcomes set out in Welsh Government's 2011 Child Poverty Strategy (CPS)<sup>13</sup>. The CPS aims to provide clarity about the contribution that Welsh Government will make to reducing child poverty, as well as set the direction for effective local delivery arrangements. The 2011 Child Poverty Strategy defines three strategic objectives for tackling child poverty. These are:
- To reduce the number of families living in workless households;
  - To improve the skills of parents and young people living in low income households so they can secure well-paid employment; and
  - To reduce the inequalities that exist in health, education and economic outcomes of children and families by improving the outcomes of the poorest.
- 2.6 The legislative framework for tackling child poverty in Wales is provided by the Children and Families (Wales) Measure 2010. This placed a duty on Welsh Ministers, Local Authorities and other public bodies in Wales to set specific objectives for tackling child poverty.
- 2.7 The Welsh Government's first child poverty strategy was published in 2005, but later updated in 2011. The 2011 Child Poverty Strategy covered the period 2011-2014 and so Welsh Government is now consulting on a Revised Child Poverty Strategy for Wales. The CPS is central to coordinating Welsh Government and other agencies' work to tackle poverty at a strategic level.
- 2.8 The Communities First Programme is Welsh Government's flagship Programme for tackling poverty. It has three strategic level objectives which, together, are intended to contribute to the aims of the TPAP and which should lead to improvements in the WIMD indicators for each Cluster:

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<sup>13</sup> Welsh Government "Child Poverty Strategy 2011", <http://gov.wales/docs/dsjlg/policy/110203newchilDeliveryPlanovstrategy2en.pdf>, accessed 21/11/2014

- Prosperous Communities – To reduce inequalities in income and opportunity for the most deprived communities in Wales, ensuring people have access to the resources needed to provide for themselves and their families and to improve their life chances;
- Learning Communities – To promote a culture of learning within Welsh communities where everyone, regardless of age or ability, is encouraged to recognise their own potential and are supported to reach it; and
- Healthier Communities – Improved health and wellbeing for all, with the pace of improvement increasing in proportion to the level of disadvantage.

### **National Programming Context**

2.9 Part of the rationale for Communities First is that as a community-focused, tackling poverty Programme it will not only deliver activities by itself, but also provide a platform for the successful delivery of other Welsh Government programming with an impact on tackling poverty, and act as a coordinating mechanism within deprived communities. Table 2.1 sets out Welsh Government programming being delivered alongside Communities First.

The ESF-funded Communities First and Family Programmes Integration Project aims to promote and support improved alignment between Communities First, Families First, Flying Start as well as other services and organisations. The development of a Common Outcomes Framework across these programmes also aims to improve the alignment of their objectives around tackling poverty. Increased coherence between these programmes is a Ministerial priority, and has included a number of regional events organised at the request of the then Deputy Minister for Tackling Poverty<sup>14</sup>. These brought together relevant staff from the three programmes, but also from appropriate areas of local government, the health service and the Third Sector. One of the aims of the regional tackling poverty events was to promote a move away from coincidental joint working to a more consistent and coherent approach, compatible with the tackling poverty agenda.

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<sup>14</sup> Welsh Government “RCT Bulletin”,  
<http://www.rctcbc.gov.uk/en/relateddocuments/publications/fis/familysupportbulletin.pdf>

Table 2.1 National Programming Context for Communities First

Programme	Geography	Key details	Outcomes	Intended alignment with Communities First
Families First	Largely local level, with a range of approaches across the 22 local authorities in Wales.	National programme implemented between 2012-2015. A key response to the CPS and seeks to drive improvements in identification of need, and preventative, early interventions for whole-family support.	<ol style="list-style-type: none"> <li>1. Working age people in low income families gain, and progress within, employment;</li> <li>2. Children, young people and families, in or at risk of poverty, achieve their potential;</li> <li>3. Children, young people and families are healthy and enjoy well-being; and</li> <li>4. Families are confident, nurturing, resilient and safe.</li> </ol>	Families First operates throughout Communities First areas works alongside the Programme in supporting the Child Poverty Strategy. Development of the Shared Outcomes Framework will align aims more closely.
Flying Start	Area-level, with areas selected based on Income Benefit Household Data for 0-3 year olds.	Targeted Early Years programme for families with children less than 4 years of age in some of the most deprived areas of Wales. Focussed on four core elements: free quality childcare; parenting support; intensive health visitor support; and support for early literacy.	Core objective is to reduce the number of people with very poor skills by securing improved outcomes for children in Flying Start areas in relation to language, cognitive, social and emotional development and health.	Flying Start and Communities First share common themes that should allow collaborative working. Works alongside Communities First in supporting the Child Poverty Strategy. Development of the Shared Outcomes Framework will align aims more closely.
Pupil Deprivation Grant	School-level subsidy, across Wales, identified based on the number of pupils eligible for Free School Meals.	Per-pupil allocation intended to overcome the additional barriers that learners from disadvantaged backgrounds face which prevent them from attaining as well as their peers, whatever their ability.	Main outcome is to reduce the existing gap which exists between pupils due to the impact of poverty on educational attainment.	Explicit alignment between the two through the PDG match-fund, £1m per annum for the two years 2013-14 and 2014-15 will be available for Communities First Clusters to match-fund with the Pupil Deprivation Grant. The match-fund aims to support proposals which bring communities and schools together in improving educational outcomes and

Table 2.1 National Programming Context for Communities First

				tackling poverty <sup>15</sup> . This fund will support collaboration between schools and local communities, building on good practice which shows that schools in challenging areas produce better results when they take learners into the community and invite residents, business people and community leaders into the school.
Jobs Growth Wales	Individual and business level.	Provides direct financial support to SMEs and other organisations to help cover the cost of creating 6-month employment opportunities for young people (aged 16 to 24) to enable them to gain work experience, acquire new skills, and improve their long-term employment prospects. The scheme provides four routes for young people to obtain funded employment opportunities including opportunities in the private and voluntary sectors, a scheme designed for graduates, and a self-employment programme.	Core objective of young people gaining valuable work experience or gaining full time employment at the place of their JGW jobs.	Aligned through the funding of 750 jobs in Communities First areas. In addition, Communities First to pilot “Youth Employment Mentors” to provide additional support for young people from families in poverty to access employment and training opportunities are in place in Communities First Clusters. This work is now being further developed to ensure alignment with the Youth Engagement and Progression Framework.

<sup>15</sup> Welsh Government “School Effectiveness Grant and Pupil Deprivation Grant 2013–2015”, <http://gov.wales/docs/dcells/publications/130426-school-effectiveness-grant-2013-2015-en.pdf>, accessed 21/11/2014

Table 2.1 National Programming Context for Communities First

Vibrant and Viable Places	Area-level.	A regeneration framework launched in 2012 aiming to improve the local economy and quality of life in town centres, coastal communities and Communities First areas. The programme prioritises targeted investment funding resulting in more intensive investment in fewer places to maximise impact. The principles of the programme focus on joined up delivery including strong links with tackling poverty and generating new jobs and growth.	Programme shares outcome indicators with Communities First, looking to achieve Prosperous, Healthier and Learning Communities.	Aligned through the sharing of outcome indicators, and Communities First areas identified as one of Welsh Government's main priorities for this intervention.
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Source: Ipsos MORI

2.10 The Tackling Poverty Action Plan also expects that Communities First Clusters will work with a range of partners to ensure a focus on common outcomes. These partners include Local Authorities, Local Service Boards, Local Health Boards and the Police. In addition, there is a commitment to increasing the extent to which additional resources are being levered into Communities First areas, with active involvement from Cluster teams, the communities themselves and Welsh Government departments. The Welsh Government has also committed to ensuring all its programmes work towards supporting Communities First Clusters. The Tackling Poverty Action Plan recognises that the process of 'programme bending' is well underway with some significant initiatives already in place. These include:

- **Job Centre Plus (JCP):** JCP Parent Employment Advisors are working in Communities First Cluster areas to support parents into work. They are working with parents who live in local Communities First areas and some are specifically based in Communities First settings.
- **Advice Services:** Communities First is working with a range of advice providers to ensure every cluster in Wales has access to dedicated advice support. This is a key Welsh Government response to the Advice Services Review – and is helping to support communities through the challenges posed by welfare reform.
- **Higher Education Funding Council Wales (HEFCW):** It is an aspiration that more pupils from Communities First areas will go into Higher Education. HEFCW has a specific aim to raise the number of pupils that achieve this goal. The Communities First programme will continue to work both with HEFCW and local Universities and Further Education colleges to support more young people to access Higher and Further Education and remove the barriers that exist.
- **Digital Inclusion:** Communities 2.0 prioritises its support in Communities First areas and works in close partnership with Communities First clusters to tackle digital exclusion alongside other priorities like financial inclusion. In

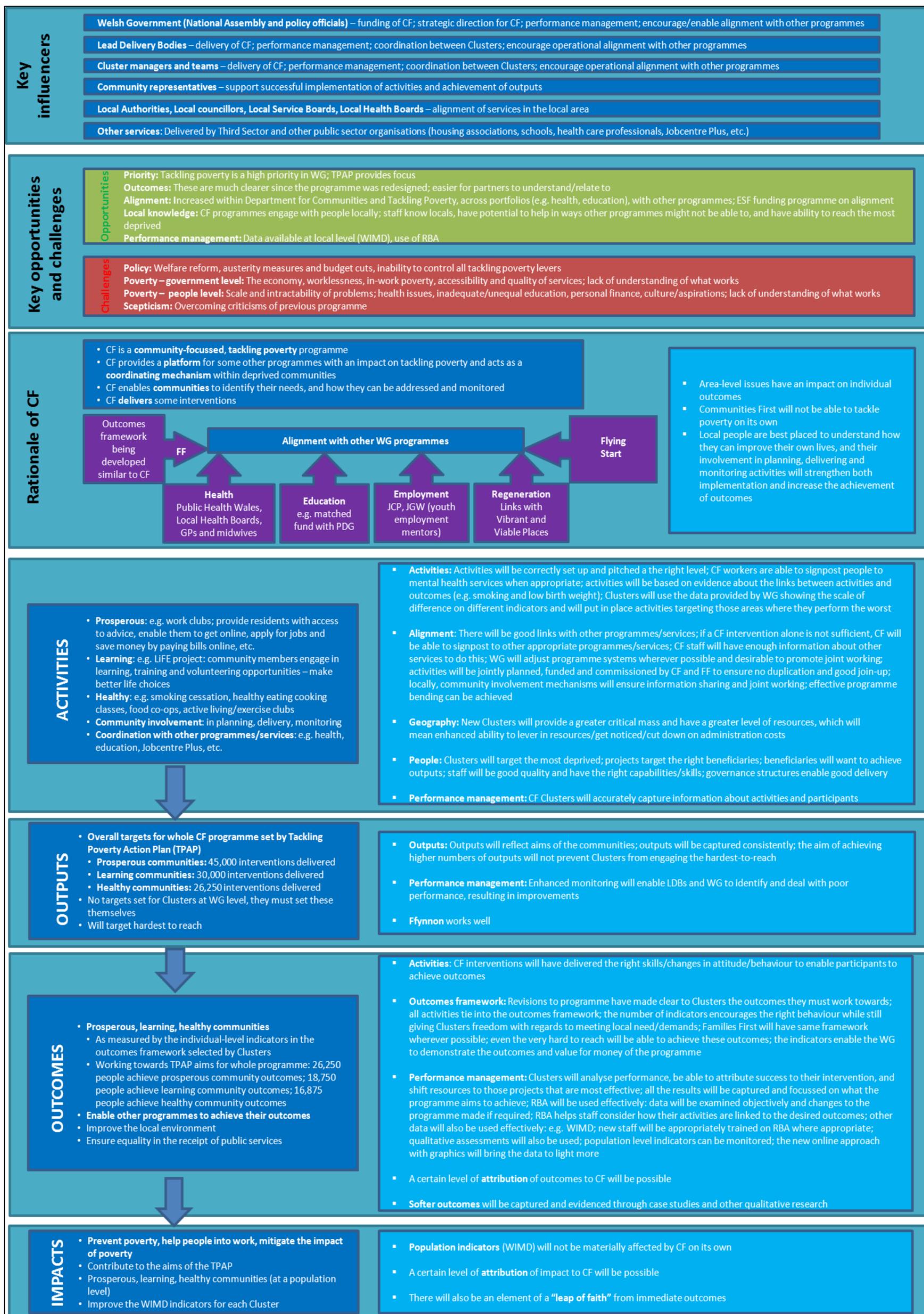
Caerphilly, Communities 2.0 funded staff working on the 'Get Caerphilly Online' initiative are working alongside Communities First officers to jointly deliver community based events and sessions. Digital Fridays, which are delivered in partnership with Caerphilly's libraries, have proved extremely popular in getting digitally excluded people online for the first time.

- **Add to Your Life:** The Welsh Government's health and wellbeing check for the over 50s: Welsh Government wants to ensure that people over 50 and living in poverty benefit from this programme. Within the Welsh Government, Communities First is working closely with the Department for Health and Social Services to ensure that there is a strong link and support for rolling out the Over 50s Health Checks in Communities First Clusters.
- **Inverse Care Law:** This work is focused primarily in the Cwm Taf and Aneurin Bevan Local Health Board areas. The work, described more fully in the section on mitigating the impact of poverty, is aimed at addressing the issue of deprived communities having the greatest need of services which might not always be accessible or available. The Communities First programme is working with the Department of Health and Social Services to ensure that provision under the programme of primary care and public health services are better aligned and integrated.
- **Street Games:** This project was started in the previous programme and encourages greater participation in sports as a route to improved health and skills. The project offers young people the opportunity to participate in sports of their choosing in their own communities. The project which is jointly funded with Sports Wales is part of the Olympic Legacy and, having proved extremely popular, is now available to every Cluster in Wales.
- **Nest:** The Welsh Government's scheme working to help reduce the number of households in fuel poverty. In many areas, there are strong links between Nest and Communities First.

## **Programme Logic**

- 2.11 This section presents the Theory of Change for Communities First. The purpose of the Theory of Change is to set out a clear analytical framework for the evaluation, defining the intervention logic behind delivery of the Programme, framing the data that needed to be collected by any evaluation, and the issues that needed to be considered in evaluating the Programme.
- 2.12 The Theory of Change is presented in Figure 2.1. It has two main components: the first outlines the context and rationale for Communities First. It identifies those individuals and organisations that will have a key influence over Communities First achieving its aims. It then presents key opportunities and challenges for the Programme, and explains its rationale and explores the assumptions that underpin the rationale.
- 2.13 The second section of the Theory of Change outlines the logical framework of the Programme. This illustrates how the activities are intended to lead to the outputs and ultimately to the desired outcomes and impacts. The assumptions which have been made about how these aspects link together have been set out for each stage.
- 2.14 A full report on the Communities First Theory of Change is presented in Appendix 1. Over the course of this report, the evaluation evidence is compared against the intended model of delivery to assess the extent to which implementation on the ground has followed the intended approach, and how effective this has been in the context of the Programme's aims and objectives.
- 2.15 The remit of this evaluation did not extend to assessing the impact of the Communities First Programme and the realisation of the impacts listed in the Theory of Change. Annex 1 considers the approaches that could be taken to a future outcomes evaluation of Communities First and the strategies that may be employed to aid the attribution of impacts to the Programme.

Figure 2.1: Communities First Theory of Change



Source: Ipsos MORI and Wavehill

## **Critical assumption of basing Communities First on area-based design**

- 2.16 In assessing the design of Communities First it is important to consider the extent to which an area-based approach was an appropriate design in the context of the aims and objectives of Communities First, and what an area-based initiative (ABI) can and cannot be expected to achieve. For example, it is a critical assumption of all ABIs that area-level issues have an impact on individual outcomes, and so by addressing issues at a community level, individual outcomes will be improved.
- 2.17 ABIs have in general been more successful in tackling 'non-material' forms of poverty (e.g. poor health or the negative experiences of living in poor areas) than they have been in reducing 'material' forms of poverty (lack of income or material deprivation)<sup>16</sup>. There is an important distinction to be made in the types of desired outcomes of ABIs; people- or place-related. Place-related outcomes refer to levels of resident satisfaction with an area, for example around housing, crime and the physical environment. The WIMD, and Communities First in turn, include many 'people' indicators relating to health, education and community participation<sup>17</sup>. However, research suggests that place-based interventions contribute far more to improving the non-material dimensions of poverty than people-based interventions.<sup>18</sup> The Centre for Regional Economic and Social Research (CRESR) suggest several reasons for this, such as the fact that people-based interventions in general are too short to generate complex improvements, the difficulty of influencing mainstream service delivery and spend, or that the spend on these interventions on average is smaller than place-based interventions.<sup>19</sup>
- 2.18 To further complicate the picture it can be harder to identify people-related changes, or to attribute these to a particular programme or intervention. People-related changes are often harder to measure through, for example, top-down surveys. There is a possibility that the scale of changes affected by local

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<sup>16</sup> Centre for Regional Economic and Social Research (CRESR) (2014) "Regeneration and poverty: evidence and policy review, Sheffield Hallam University, <http://www.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/jrf-regeneration-poverty-final-report.pdf>

<sup>17</sup> Although, it should be noted that WIMD is not exclusively driven by 'people' indicators, and does include Physical Environment indicators also.

<sup>18</sup> Centre for Regional Economic and Social Research (CRESR) (2014) "Regeneration and poverty: evidence and policy review, Sheffield Hallam University, <http://www.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/jrf-regeneration-poverty-final-report.pdf>

<sup>19</sup> Ibid

regeneration schemes is masked by processes operating across wider geographical areas. Furthermore, individuals seeing positive people-related change may leave the area in which the ABI was implemented. These are issues for consideration in any future outcomes evaluation of Communities First, and indeed an initial examination of them in the context of measuring the impacts of the Programme is presented in Annex 1.

- 2.19 In favour of ABIs, is the comprehensive approach they offer towards regenerating communities. Research suggests that attaining improvements in one outcome can be associated with positive change in another, such as relationships between worklessness and health outcomes.<sup>20</sup> As such, ABIs offer a holistic approach aiming to improve several people-related outcomes, which may be mutually reinforcing. Larger programmes can also provide the opportunity for a greater number of people to become directly involved, including ideally shaping the programme on the ground. This close involvement can help individuals achieve better outcomes.
- 2.20 Lawless, Overman and Tyler (2011) offer another factor in support of ABIs over programmes focused on individuals. They suggest that the partnership working set in place to deliver ABIs, mentioning specifically the example of New Deal for Communities (NDC), improves delivery to larger groups of people. They argue that the targeting of larger populations also means there is more scope for capturing outcome changes occurring to individuals in relation to worklessness, education and health.
- 2.21 The literature around this topic refers to “semi-detached” ABIs, defined as those where central leadership is behind the creation of the programme framework, but with autonomous local hubs involved in the management and delivery.<sup>21</sup> This model can then allow for the build-up of local expertise and continuity in relation to staffing. This is an important factor in developing good relations with local communities and other delivery agencies. Furthermore, continuity in leadership helps with establishing a clear steer of the programme and

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<sup>20</sup> Lawless, Overman and Tyler (2011) “Strategies for Underperforming Places”, SERC Policy Papers 006, Spatial Economics Research Centre, LSE

<sup>21</sup> Lawless, Overman and Tyler (2011) “Strategies for Underperforming Places”, SERC Policy Papers 006, Spatial Economics Research Centre, LSE

maintaining a focus on outcomes.<sup>22</sup> The latest phase of Communities First has attempted to adopt such a model. Chapter 4 examines the extent to which it has successfully complemented strong central leadership (starting with Welsh Government and cascaded down via Lead Delivery Bodies) with local decision-making and flexibility. Research by CRESR suggests that the duration of programmes may have an impact on the impacts generated. They reference the Health Action Zones (HAZs) programme, introduced in 1997, suggesting that the short lifespan of HAZs may explain the limited health outcomes identified in the national evaluation.<sup>23</sup> However, more research is needed in this area in order to draw conclusions.

### **Summary of Communities First strategic context and Programme logic**

- 2.22 The Communities First Programme sits within a strong policy context and it is clear how its aims fit within the wider tackling poverty agenda of Welsh Government.
- 2.23 The wider policy landscape is populated by a range of complementary programmes also working towards the overall goal of tackling poverty, for example, Families First, Flying Start, the Pupil Deprivation Grant and Jobs Growth Wales. The spatial profile, and intended outcomes, of these other programmes offer the possibility of strong alignment with the objectives of Communities First, although the success of their integration will also depend on the handling of the programmes' accountability, ownership of results and how their management and funding arrangements sit alongside each other.
- 2.24 A number of assumptions have been made in the design of the Communities First Programme. This includes the area-based nature of its intervention and the value placed on local flexibility and local community engagement in its design and delivery against a set of nationally established outcome measures. The extent to which these design attributes work in favour of the Communities First Programme working towards its aims and objectives is considered throughout the rest of this report.

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<sup>22</sup> Ibid

<sup>23</sup> Centre for Regional Economic and Social Research (CRESR) (2014) "Regeneration and poverty: evidence and policy review, Sheffield Hallam University, <http://www.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/jrf-regeneration-poverty-final-report.pdf>

### **3 Effectiveness of Governance and Management**

3.1 This chapter provides an assessment of the management and governance arrangements in place across the Communities First Programme. Evidence is drawn from consultations with Welsh Government officials, Lead Delivery Bodies, Cluster Managers and Cluster team staff and document reviews of key Programme literature, including guidance documents and Delivery and Community Involvement Plans.

#### **Overview of management and governance structure**

3.2 Welsh Government provides overall leadership and direction to the Communities First Programme. Within Welsh Government the Minister for Communities and Tackling Poverty has responsibility for the Communities First Programme.<sup>24</sup> The central administrative responsibilities for the Programme are taken by civil servants within Welsh Government's Communities Division. The Welsh Government is ultimately responsible for:

- Funding the Programme;
- Providing strategic direction;
- Managing overall Programme performance;
- Leading on ensuring Communities First and other relevant programmes align well with one another; and
- Ensuring funded evaluations of previous phases of Communities First feed into the development of the Programme.

3.3 The central Welsh Government policy team is supported in its communication around the Programme by Regional Implementation Teams (RIT) comprised of Welsh Government staff. The governance and management of Communities First at a local level is led by 19 Lead Delivery Bodies (LDBs) which each oversee a number of Cluster-level teams. Delivery of the Programme in each of the 52 Clusters is led by a Cluster Manager, supported by a Cluster delivery team internal to the Cluster Manager organisation and externally by a range of delivery partners from voluntary and community organisations. The Welsh Government is assisted in its delivery of support

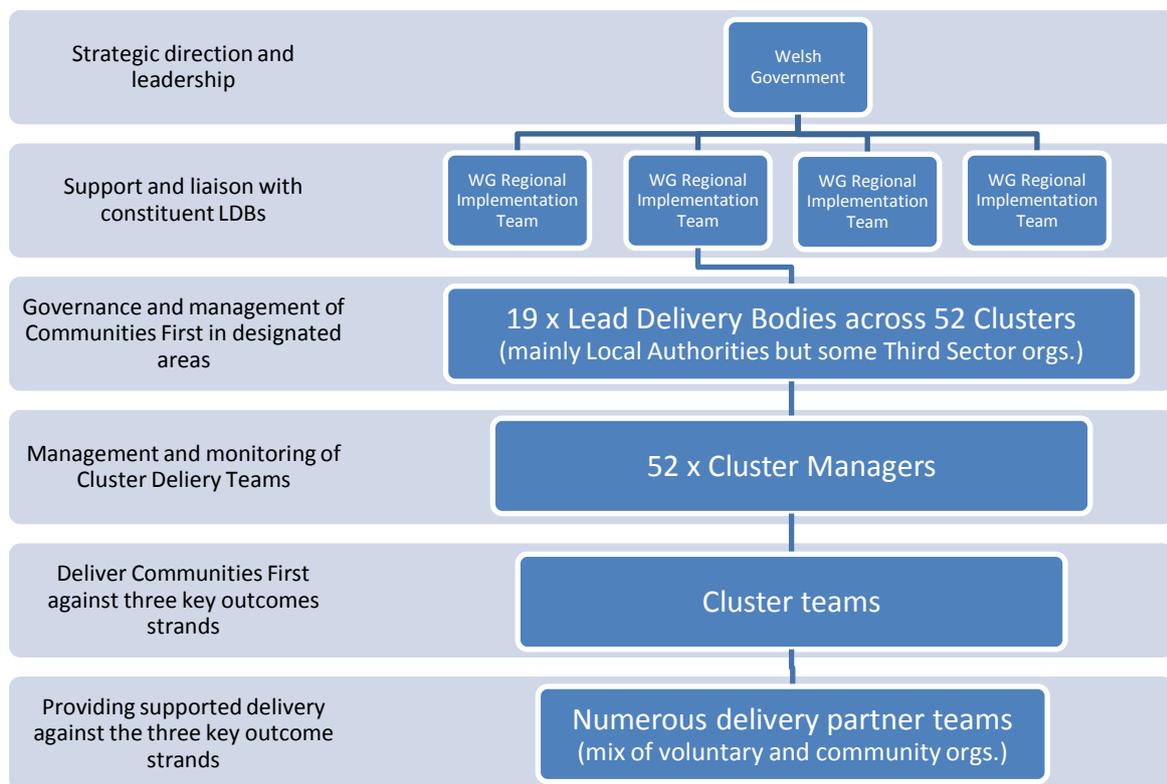
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<sup>24</sup> Communities First Programme Guidance, Welsh Government

and guidance to LDBs and Cluster teams through the Wales Council for Voluntary Action (WCVA) who led a series of training courses.

3.4 Figure 3.1 illustrates the management and governance structure in place for Communities First. The roles of organisations in key positions in this structure are described in more detail in subsequent paragraphs.

Figure 3.1: Governance and management structure of Communities First



Source: Ipsos MORI/Wavehill

3.5 In the consultation around the Programme design in 2011 there were plans for the establishment of Regional Boards, comprising a mix of Welsh Government staff, appointed management staff and local resident representatives. The aim of these Boards was to provide a framework for regional oversight of Communities First. Following further consideration of possible management structures, regional governance was scaled back with no Board structures established, and instead a greater focus placed on the management and governance role of Lead Delivery Bodies and the delivery

role of Cluster teams. **Welsh Government Regional Implementation Teams** (RITs) were maintained, providing a direct line of support from Welsh Government to the LDBs.

3.6 **Lead Delivery Bodies** (LDBs) have overall responsibility for the governance and management of the Communities First Programme in the designated areas. LDBs were identified after a period discussion (of around six-months) with local stakeholders and Welsh Government. In the majority of cases, consensus on the designated LDB was reached through these discussions. In cases where consensus was lacking, Welsh Government made the decision on LDB based on organisation scale, ability to manage funding, ability to work across all the Clusters within the LDB area and the extent of support that the LDB gains from other partners. Ultimately, 19 LDB organisations were appointed, 16 of these are local authorities, two are Third Sector organisations and one is the Co-operative Group. LDBs were charged with the following responsibilities in relation to the Clusters within their area:

- Accountable to Welsh Government;
- Ultimately responsible for quality of, and performance against, Delivery Plans and Community Involvement Plans;
- Responsible for performance management;
- Supporting collaboration between Clusters; and
- Facilitating operational alignment with other programmes.

3.7 Cluster Managers should provide visible overall leadership and management of work in the Cluster and the communities within the Cluster. The **Cluster Manager and supporting team** are responsible for:

- Managing the delivery of Communities First activities, including the targeting of hard-to-reach groups;
- Effectively engaging with local residents to ensure the standards of Community Involvement Plans are achieved;
- Monitoring delivery and community involvement against performance indicators;
- Recording monitoring information and providing this to the LDB; and
- Partnership working with other delivery organisations.

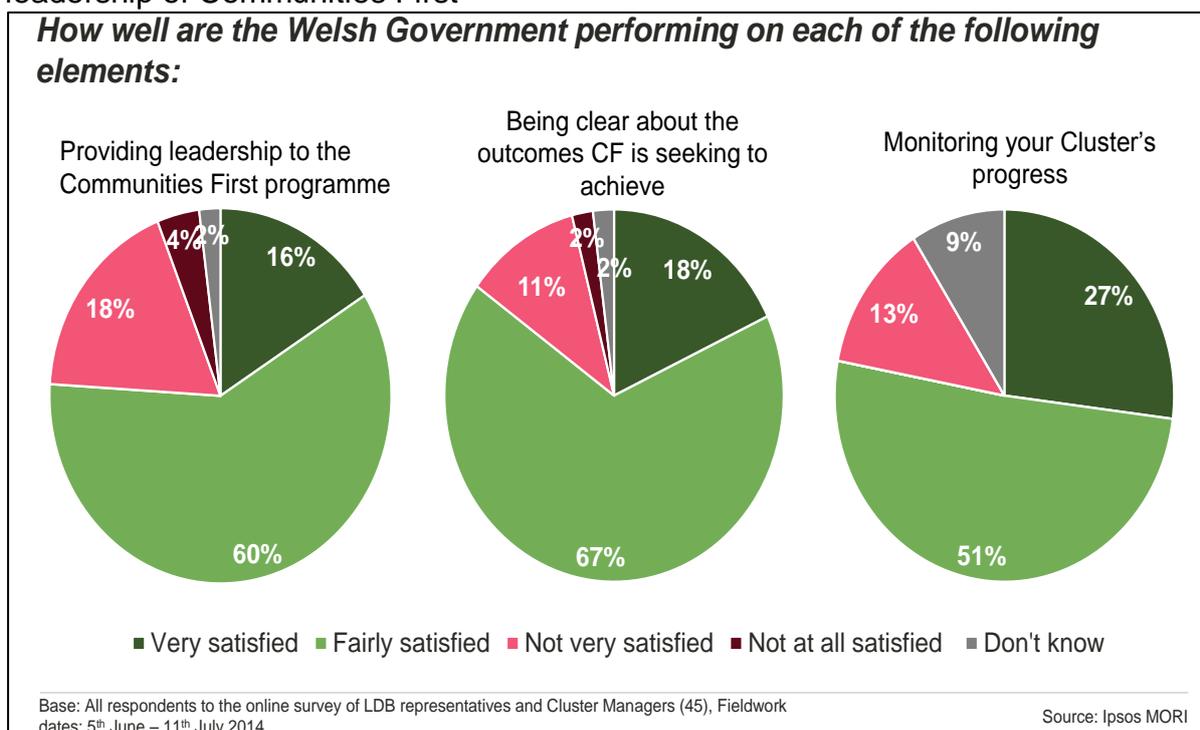
3.8 The remainder of this chapter provides an assessment of the extent to which each of the organisations involved in the governance and management of

Communities First have managed to meet the expectations of their intended roles as set out here.

### Welsh Government Regional Implementation Teams

3.9 As shown in Figure 3.2, LDB representatives and Cluster Managers were generally positive about the **leadership of Welsh Government** in relation to Communities First. Those who were positive about overall leadership of Welsh Government, also tended to be positive with regard to Welsh Government being clear about the outcomes it is seeking to achieve and monitoring the progress being made towards these outcomes at a Cluster level.

Figure 3.2: LDB and Cluster Manager perceptions of Welsh Government's leadership of Communities First



3.10 Perceptions regarding the **ongoing advice and support provided by Welsh Government** to LDB and Cluster teams was varied. The case-studies revealed that these perceptions often hinged on the quality of individual relationships between LDB and Cluster teams and individuals within either the central or regional Welsh Government teams. While Welsh Government officials were often able to provide helpful advice, and were felt to be personable and approachable, concerns were raised regarding the

consistency of messaging and the timeliness with which queries could be answered. There was also perceived to be a lack of bi-directional communication with information flowing from Welsh Government down but LDB and Cluster teams feeling they had limited opportunities, even within the Regional Cluster Managers' meetings, to provide recommendations and suggestions from their experiences delivering the Programme.

*The problem with Communities First is that so much has come down, very little has gone up.* **Cluster team member**

- 3.11 Following their appointment, the LDBs were tasked with developing a Delivery Plan to set out the range of activities which would be delivered in each Cluster to meet the aims of the Programme. The setting of local Delivery Plans was instigated to ensure the Programme, whilst working towards a defined set of nationally consistent outcomes, still maintained flexibility in its local implementation so that the exact nature of its delivery could be sensitive to local community needs and preferences. As this was the first time a process like this had been rolled out under Communities First, Welsh Government provided a **Delivery Plan guidance document and template**<sup>25</sup> to assist LDBs with the development of their plans. In addition to these guidance documents, Welsh Government (assisted through a contract with the WCVA) provided further support through workshops and one-on-one sessions.
- 3.12 While, through the provision of this guidance and training, Welsh Government took considerable steps to aid LDBs with the development of their plans, this is an area of support that could be strengthened further. This is evidenced in the quality of the initially submitted Delivery Plans which did not meet Welsh Government expectations and the survey findings suggesting that the support provided did not meet the needs of LDBs preparing their Plans. Seven of the 11 LDB representatives surveyed described the ongoing support provided by the Regional Implementation Teams (RIT) as “not very good” or “not good at

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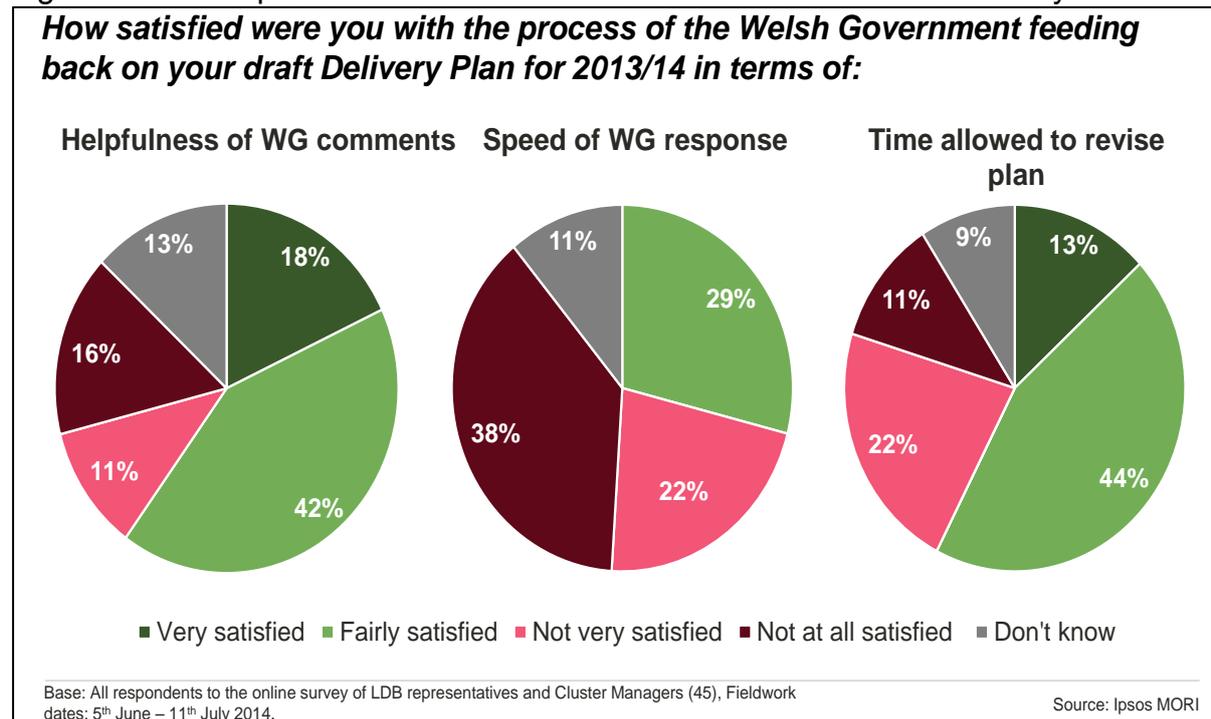
<sup>25</sup> The Welsh Government Delivery Plan template included an outcomes template for each of the three headline outcome areas, including requirements for indicators and baseline data alongside the partners that the Cluster would work with to deliver that outcome area. Additional performance templates were embedded within each outcome area where detail on anticipated performance over the following 12 months was to be presented for each specific activity identified within the Delivery Plan.

all”. Similar proportions felt the guidance for Delivery Plans, and the Delivery Plan template, was not comprehensive in its coverage. However, over the timeframe of this evaluation, these guidance documents have been further refined and improved by Welsh Government. Indeed, LDB and Cluster teams who were contacted at a later stage in the evaluation, through the in-depth consultations, were positive about the increasing quality and usability of the templates and guidance during subsequent rounds of Delivery Plan drafting. Welsh Government also reported that no Delivery Plans submitted for 2015/16 have been sent back to LDBs in their entirety which represents an improvement on the first Delivery Plan drafting phase.

3.13 Whilst this evaluation is limited in its ability to provide judgement on the quality of the full range of support provided (for example, the workshops and one-on-one training delivered), the guidance for the Delivery Plans is very concise and there does appear (in reviewing the documentation in isolation of other elements of support) to be a degree of assumed knowledge. Perhaps this reflects an overestimation by Welsh Government of how quickly the new aims and focus of the refreshed Communities First Programme would be understood by Cluster and LDB representatives and an underestimation of the extent of the cultural and behavioural change it involved. The impact of this was a great deal of time (both for Welsh Government and the Clusters) spent on revising and reviewing plans, rather than focusing on getting underway with delivery.

3.14 As shown in Figure 3.3, there was mixed feedback on the helpfulness and speed with which Welsh Government feedback was received on Delivery Plans.

Figure 3.3: Perceptions of Welsh Government’s feedback on draft Delivery Plans



3.15 Once the Delivery Plan had been finalised, Ministerial approval was gained resulting in a funding award in the form of an offer letter. In many cases, the process of refining and finalising the Delivery Plan and of then securing a final offer letter took many months. Often this was due to Welsh Government requests to LDB and Cluster teams to make further iterations to their Plans to ensure the activities proposed met the aims of the Communities First Programme. The length of time it took for LDBs and Cluster teams to produce Delivery Plan’s that could be signed off, could, in theory, have delayed the appointment of staff and the initiation of delivery activity. However, the provision of transitional funding from Welsh Government, and the position of local authorities as the LDBs (in most areas), meant the Programme was shielded from the worst of these impacts.

3.16 Similarly to the process taken in relation to Delivery Plans, Welsh Government provided LDBs and Cluster teams with **support around community involvement**. This involved a Community Involvement Plan guidance document as well as WCVA-delivered training courses.

3.17 In the previous iteration of the Communities First Programme, Partnership Boards were established to provide an additional tier of governance at the local level and to help facilitate community engagement. However, Welsh

Government has not mandated the use of Cluster Boards in this Communities First Programme, partly in recognition that the Board may be representing several discrete communities and also to enable the pursuit of more flexible ways of encouraging community engagement in the governance and operational delivery of the Cluster (through, for example, the establishment of specific working groups). The request was made for approaches to community engagement to be set out by each Cluster in a Community Involvement Plan (CIP). By requesting community involvement as a discrete document it was hoped that the continued importance of community engagement through the Communities First Programme would be reinforced.

3.18 The primary aim of the CIPs is to demonstrate how the increased focus on engaging the most disadvantaged will be achieved. There was an expectation that all Communities First Clusters would develop:

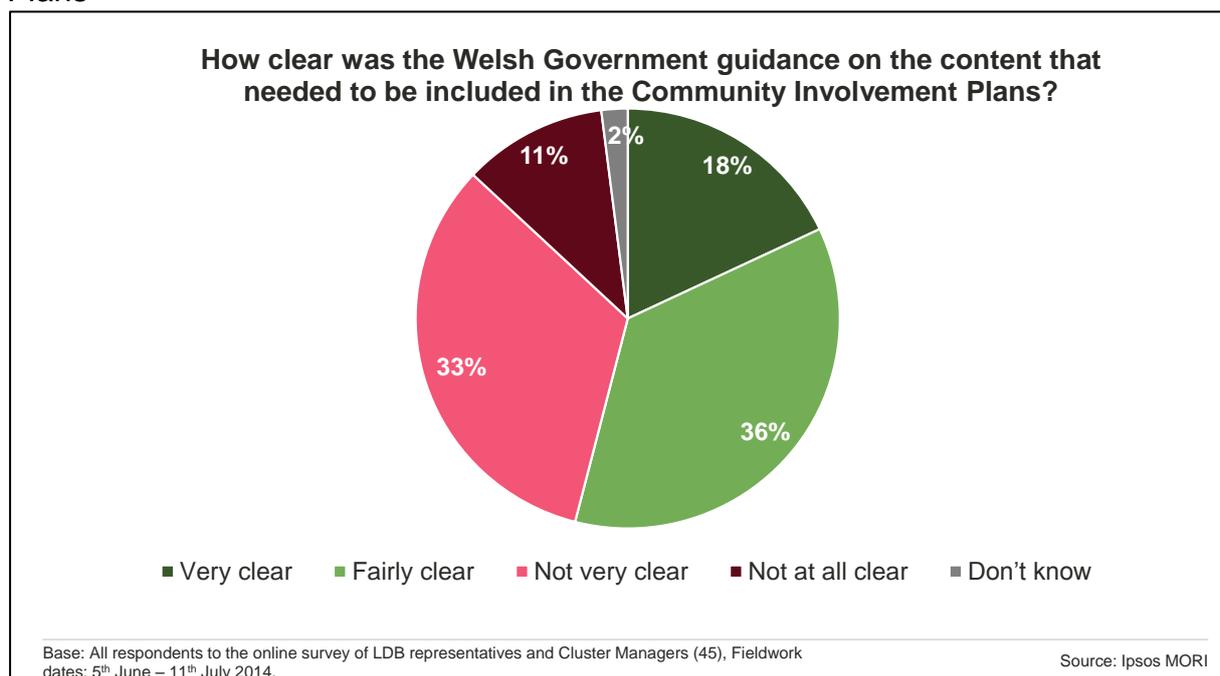
- A concise, practical, effective on-going community involvement plan;
- Creative approaches to community involvement;
- Innovative approaches to involving marginalised groups; and
- Appropriate methods to monitor and evaluate community involvement.<sup>26</sup>

3.19 As shown in Figure 3.4, when asked how clear Welsh Government guidance on the content of CIPs had been, just over half described the guidance as “very” or “fairly clear”, while a substantial minority (44%) described it as “not very” or “not at all clear”.

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<sup>26</sup> Community Involvement Plan Guidance, Welsh Government

Figure 3.4: Perceptions of Welsh Government guidance on Community Involvement Plans



## Lead Delivery Bodies

### *Assessing the suitability of local authorities as LDBs*

3.20 In many cases, it appears that, while there was a formal process in place for organisations to apply for and be selected as LDBs, in reality it was often expected by those involved that the local authority would be chosen. There was a widespread view among a range of stakeholders (including those from private and Third Sector organisations) that local authorities are the most appropriate bodies to act as LDBs, and this was related back to the aforementioned conditions associated with eligibility to become an LDB. For example, the financial strength, policies and insurances that potential LDBs were required to demonstrate deterred many voluntary, third or community sector organisations from applying. Indeed, seven of the 11 LDBs surveyed said it was “very” or “fairly easy” to gain support from local partners in their process of becoming the LDB.

3.21 The potential challenges of recruiting staff were also overcome to some extent by assigning LDB status to local authorities. Some local authorities were able to immediately transfer staff into Communities First teams through TUPE arrangements. However, local authorities did also face staffing challenges, particularly in areas where Communities First clusters were merged under the

latest phase of the Programme which led to staff redundancies to avoid duplicated roles. Where internal transfers took place this sometimes involved staff reapplying for their positions or applying under a new job description.

- 3.22 The strengths provided by local authorities for effective and accountable management of the Programme (where they are the LDB) are also attributes that may limit flexibility in responding to local needs, however. Rigid financial processes and sign-off procedures restrict fast mobilisation of new activities or the adaptation of existing services – a challenge recognised by representatives of local authorities themselves:

*I think our challenge is actually spending money. As an LDB we have all sorts of financial regulations, procurement rules that are really choking when it comes to being responsive to community needs. We can't do some of the projects that Welsh Government actually want us to do and have approved us to do because council financial regulations are so tight.*

**Local Authority LDB representative**

*It feels like where the host is a local authority things have to align with the council priorities rather than the specific priorities and needs of a given Cluster.*

**Key Informant interview**

- 3.23 This points to a key challenge for the Programme which aims to be both transparent and accountable but also flexible, responsive, and community-led. In some instances the LDB has applied for third party funding which reflects the application of a Service Level Agreement (SLA) with a community organisation to deliver part of the Cluster Delivery Programme, thereby utilising other organisations where they are better placed to respond to specific community needs.

#### *Examining the experiences of non-local authority LDBs*

- 3.24 Local authorities are encouraged to work with LDBs in their administrative area where they do not hold this position. A positive relationship with the local authority is important given their responsibility for many of the key services Cluster teams need to engage with to implement their Delivery Plans. It would appear (from a non-local authority LDB perspective) that the desired partnership approach is working in these instances with Cluster Managers working collaboratively with key departments within the Local Authorities.

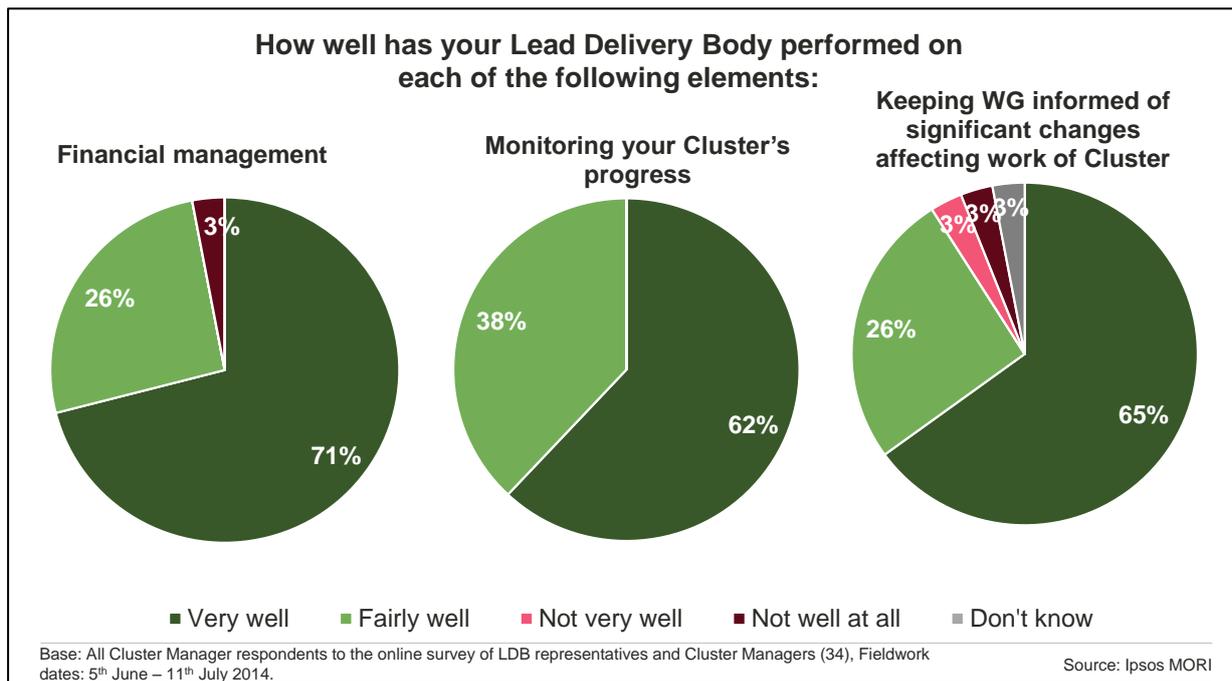
*The relationship [with the local authority] is the best I have known it, this is down to the fact that the local authority have realised the value of programmes like Communities First and community development in general and the fact they we have now worked with each other for years.*

**Cluster Manager in non-LA led area**

*Examining LDB performance*

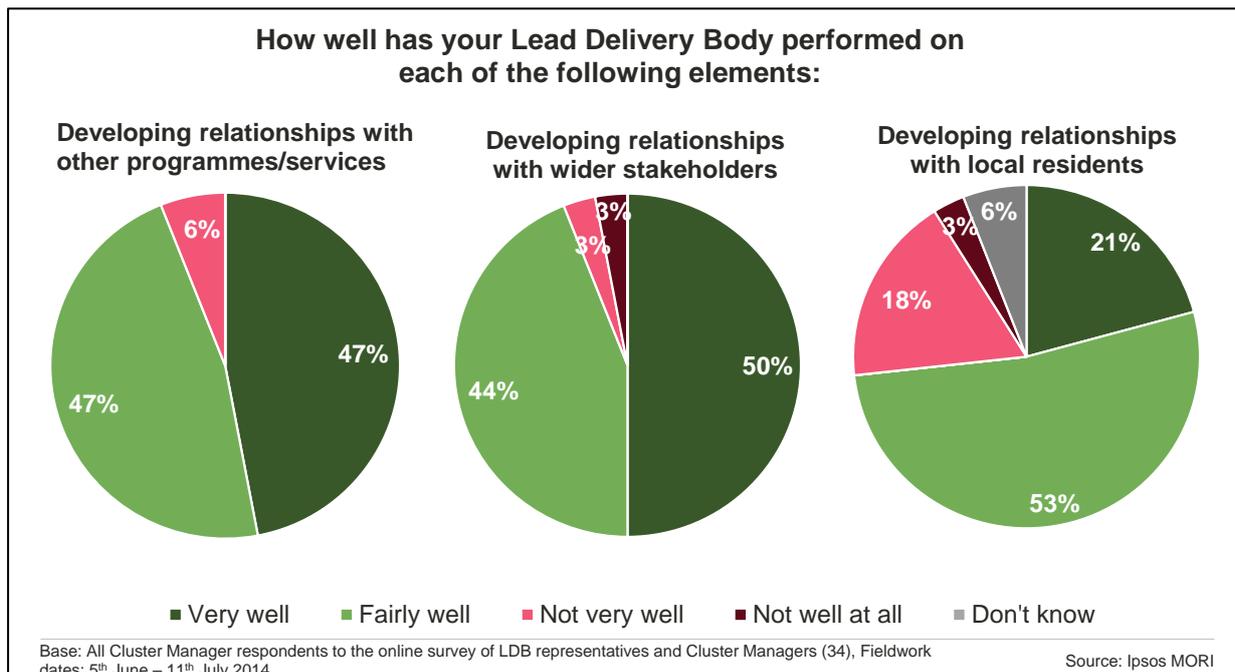
3.25 Cluster Managers were very positive about the role being performed by LDBs. As shown in Figure 3.5, the majority of Cluster Managers surveyed felt LDBs were performing “very well” in relation to financial management (71%, and 98% overall saying “very” or “fairly well”), monitoring of Cluster progress (62% and 100% for “very” or “fairly well”) and acting as a liaison point for the Cluster to Welsh Government (65% and 91% for “very” or “fairly well”).

Figure 3.5: Perceptions of LDB role in offering management



3.26 As shown in Figure 3.6, Cluster Managers were also positive about the role LDBs played in establishing relationships which helped with the delivery and communication of the Programme. While Cluster Managers were slightly less positive about the LDBs performance in relation to developing relationships with local residents, revisiting the roles set out for each level of governance in section 3.6 and 3.7 this largely sits with Cluster teams themselves. It is to be expected that LDBs are less close to service users within the Clusters they are overseeing.

Figure 3.6: Perceptions of LDB role in establishing effective relationships



3.27 Although Delivery Plans were drawn up at a Cluster level, LDBs were charged with overseeing this process and having ultimate accountability for the quality of plans produced and provided to Welsh Government. Welsh Government feedback on initial Delivery Plan submissions required LDBs to oversee a series of revisions to their Clusters’ plans. In many instances, revisions were requested as Delivery Plans were felt to include too many disparate activities over-lapping in target audience or outcomes. Other issues identified included a lack of specificity of outcomes and insufficient evidence and narrative regarding the baseline situation within each Cluster.

3.28 The Welsh Government’s review of Community Involvement Plans (CIP) also found these submissions to be of mixed quality with some plans demanding a redraft. Figure 3.7 presents elements Welsh Government considers important for an effective CIP, although these are elements that Welsh Government reported not all LDBs and Cluster teams were providing in their initial submissions:

Figure 3.7: Important elements for effective Community Involvement Plans

***Important elements for effective Community Involvement Plans:***

- *Clear links to Tackling Poverty aims and Delivery Plans*
- *Area specific plans demonstrating clear understanding of how geography and characteristics of community affect CIP*
- *Clear information on who is going to be targeted and how this audience has been identified*
- *Clear plan for engaging with new areas of community e.g. if Cluster boundaries have been re-defined*
- *Coverage of different levels of community involvement and clear plan of when each is appropriate to use*
- *Evidence given of standards being part of everyday working practices*
- *Information on how representatives are selected to Cluster Board*
- *How links with other organisations will be used to maximise opportunities for community involvement*
- *Clearly defined targets and milestones*
- *Clear plans for monitoring and evaluating community involvement*
- *Clear budget breakdown attached to CIP activities planned*

Source: Ipsos MORI

### **Cluster Management teams**

3.29 Cluster teams are led by a Cluster Manager but the structure and size of the supporting team varies widely from Cluster to Cluster. Welsh Government has allowed a degree of flexibility in the models applied which, where these are designed in response to the Cluster profile, is clearly beneficial. However, there is a danger that some structures may simply be a legacy arising from the transfer of staff from previous structures. In addition, the size of the team is largely dictated by the budget allowance in the Delivery Plan (overall Cluster budgets ranged from £350,000 to £850,000 for the 2013-14 financial year), which has been influenced by the Cluster size and population and the scale and scope of activities to be delivered. The different size of Cluster teams has also led a range of team structures to be adopted; some include individual leads for the three headline strands or specific roles for community engagement or monitoring; while others take a more flexible approach with responsibilities shared across staff.

3.30 There were some challenges and frustrations for Cluster teams related to the scale of staff resource in delivery posts. This was particularly evident in

Clusters that applied for, and were awarded, a smaller budget (and were therefore typically operating with a smaller quota of staff). Some described an inability to deliver to all areas of the Cluster or to make headway in engaging the hardest to reach. Others cited frustrations due to the geographical make-up of the Cluster area. While Cluster areas were largely decided locally, their boundaries were affected by the area's socio-economic characteristics determining eligibility for the Programme. Delivery was found to be hardest in Clusters operating over a larger geographical area and often where formed of a series of discrete neighbourhoods with little historical affiliation to each other. These issues are discussed in further detail in Chapter 4.

- 3.31 The online survey found that in January 2013, 26% of respondent Clusters had recruited their Cluster Manager, rising to 87% by June 2013. At this point, 34% had recruited all of their staff with 16% still to recruit their full complement of staff at the time of the survey.
- 3.32 While findings from the online survey suggested Clusters had faced delays in recruiting their full complement of staff, further in-depth engagement with LDB representatives and Cluster Managers suggested that the critical staffing issue was not the timing of appointing staff members but ensuring the team had the right mix of skills and represented a sufficient level of resource.
- 3.33 In many areas, the position of the local authority as the LDB, meant Cluster teams were staffed almost in their entirety with existing local authority staff. This transfer of staff presented both opportunities and challenges for the Programme. A considerable benefit of having a body of existing local authority staff was the ability of Clusters easily to mitigate the impact of delays in confirmation of funding (as final offer letters were not required to confirm the appointment of new staff). It also meant staff often had a long history of experience in delivering Communities First and working together. Close working relationships were often observed between LDB and Cluster teams and this often resulted from strong personal relationships already being in place between team members. However, as some local authorities were restricted in advertising posts externally<sup>27</sup> some questions were raised about

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<sup>27</sup> Posts were sometimes protected under 'Transfer of Undertaking: Protection of Employment' (TUPE) rules whilst other LAs have advertised posts internally only in an attempt to re-house staff at the threat of redundancy as a result of public austerity measures.

whether Cluster teams had been staffed with the people with the most suitable skills for the roles.

- 3.34 In Clusters where staff were recruited externally there typically were no shortage of applicants. However, some did refer to difficulties securing the right skillset as many applicants perceived the roles as traditional community development. This perception was likely drawn from their understanding of the previous Programme.
- 3.35 It is a widely held view across stakeholder representatives that the Cluster Manager is a critical role in the success of a Cluster area demanding a broad range of skills that some have found difficult to fill (indeed 13% of respondent Clusters were still to appoint a Cluster Manager in June 2013). The skills required for members of the Cluster management teams have shifted since the re-design of the Programme – from a previous focus on community development expertise, to a requirement for strong project, people and financial management skills.

*If we were employing people to do what we now understand the Programme to be today, we may not employ the same people as we did two and a half years ago.*

**LDB representative**

- 3.36 This can be a tension for existing staff (as well as external applicants) who have a long history working in community development, and with the Communities First Programme, but may not necessarily be the most suited to, or indeed want to be, working closely with monitoring data and the outcomes framework. The technical nature of some of the Programme's intended outcomes (for example, in relation to mental health) has also created challenges in identifying and appointing the most appropriate members of staff.

### **Challenges matching staff skillsets to needs - example**

The 'Add to Your Life' pilot has been delivered across a few Communities First areas. The intervention is centred on a health check tool which has been rolled out to meet the outcome requirement to enable people to better manage their wellbeing. The tool asks basic questions about the user's health and lifestyle and can be used to advise around the benefits of healthy lifestyle choices, symptoms to be alert to and ways of managing ongoing conditions.

While the 'Add to Your Life' tool offers many benefits to users, and staff received training to support the roll-out, it has also raised some challenges. It is an example of where the role perceived to be that of Communities First staff, both by staff themselves through their interpretation of the Programme, but also in the eyes of local services users, may not match the skills available among the team. For example, the following can occur on the back of the health check tool:

- Communities First workers may be asked for clinical advice which they may not be qualified to provide. While this is not intended to be the role of Communities First staff, there may be a temptation among staff, coupled with an expectation from users, to offer advice there and then instead of making a referral to a health professional. Although this represents a risk, it should also be noted that the pilot has highlighted examples of the tool being used successfully to engage with health professionals and improve links with these partners in Communities First areas.
- Service users are sometimes seeing Communities First workers, rather than GPs, as a source of health advice. While this may sometimes be appropriate, it may also mean some users do not access GP services when needed;
- Communities First workers do not always have all the information to hand about which local services a user can be referred to on the basis of symptoms/health-check responses.

3.37 That said, the job descriptions provided by Welsh Government were often found to be useful for clarifying the remit of required roles (even if the templates were only used as job descriptions in a minority of instances), and the development of staff skill sets has been possible with the variety of training courses on offer (which have been well attended and well received as discussed further in the section below).

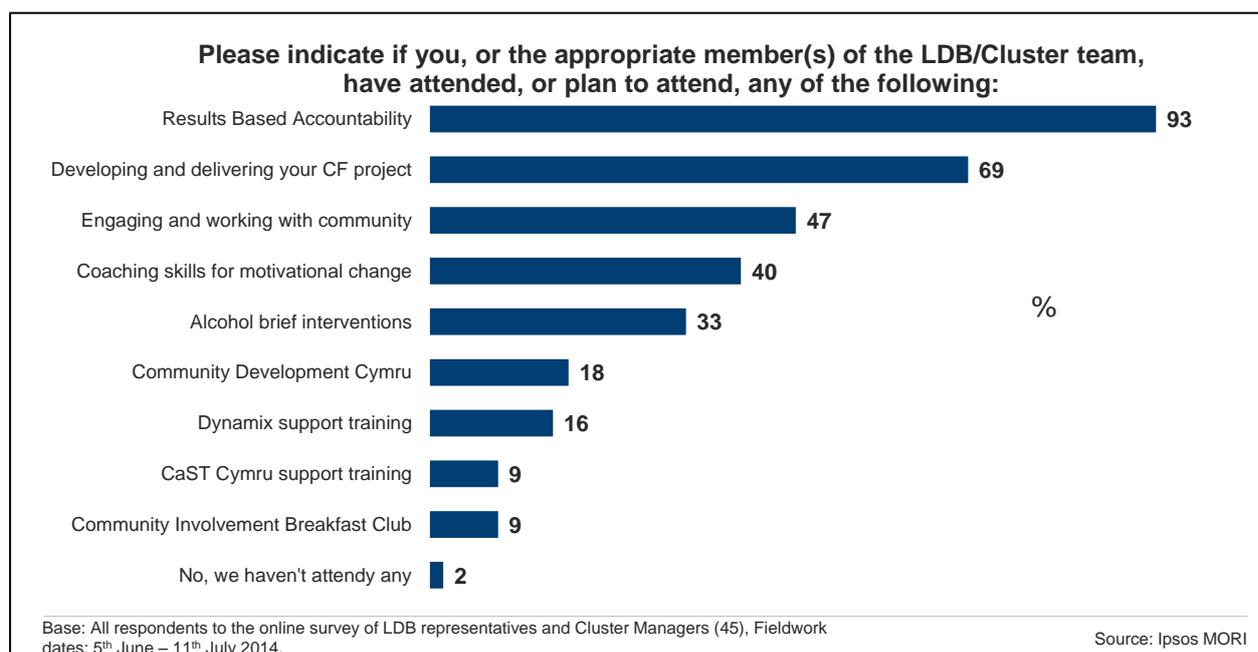
*We've got a bunch of community workers good at getting people motivated, supporting them and taking them on the start of their journey, but we're now asking them to finish off that journey with a high level outcome. I think we're either health professionals or community workers.*

**LDB representative**

## **Training Provision and Support**

- 3.38 The Communities First support contract is delivered by Wales Council for Voluntary Action (WCVA) with support from Welsh Government officials. Through this contract, WCVA leads the provision of a package of support including peer to peer learning and exchange, bespoke support (which can include a drop-in surgery, or the delivery of a bespoke event) and topic-specific training. Welsh Government officials have been heavily involved in this training, including attending and leading elements of training sessions.
- 3.39 The nature of training offered can also be diagnosed by Community Development Cymru (CDC) who then refer to WCVA for the provision of that training support. CDC aims to ensure that where training needs are identified, the provision to address the needs (where possible/appropriate) is standardised against the National Occupational Standards for Community Development.
- 3.40 Between February 2013 and October 2014 WCVA has received 184 enquiries for Communities First support. Where WCVA provides training support, it is often delivered in context of the wider Communities First guidance. Contextualising the provision ensures close alignment to the Programme and also encourages the challenging of the guidance. In return, WCVA is able to act as a sounding board, one step removed, to aid the development of plans and the interpretation of guidance.
- 3.41 Figure 3.8 below shows the high take-up of a range of training courses, with only 2% of LDB representatives and Cluster Managers surveyed saying that either they or a member of their team had not attended any of these courses.

Figure 3.8: Attendance at training courses



3.42 Training was provided to Clusters where a redrafted Community Involvement Plan was required, or where there was a perception that the content of CIPs and the reality of what was being delivered by way of community involvement within Clusters did not match.

3.43 This training and support made available by Welsh Government and WCVA during the development of Delivery and Community Involvement Plans was viewed very positively (eight of the 11 LDBs surveyed rated it “very” or “fairly good”), especially the availability of consultants to provide a significant level of assistance.

3.44 The positive feedback likely reflects the integrated model of support described, combining the written guidance with workshop events and one-to-one sessions. It is also notable that no gaps were identified with regards to the training required thereby suggesting the range of training provision is comprehensive and is meeting the needs of the Cluster teams.

### Summary of Communities First governance and management processes

3.45 Welsh Government is providing a clear strategic direction to the Communities First Programme, undoubtedly assisted by the establishment of the Outcomes Framework. This is evidenced in LDBs and Cluster Managers reporting that they are clear about the outcomes the Programme is seeking to achieve. The

Welsh Government faces challenges, however, meeting the dual ambitions of the Programme to have Clusters working towards a nationally consistent set of outcomes and interpreting these flexibly to meet local needs for specific interventions and support. This naturally brings difficulties in providing guidance and support in achieving this balance through the Cluster-level Delivery Plans. Difficulties such as these are not restricted to Communities First. For example, the evaluation of Families First<sup>28</sup> found that the local variation in both delivery models, and the variety in the strategically commissioned projects (aligned to local needs assessments), have made it both more difficult to demonstrate both what works, in terms of delivery, and more difficult to demonstrate progress against outcomes.

3.46 The introduction of LDBs within the governance structure of the Programme provides a point of central control and coordination at the local level. Strong central co-ordination has been key to the successful governance of other area-based initiatives (ABIs)<sup>29</sup> and this is a strength of Communities First's design. The LDB model – taken on largely by local authorities but also some Third Sector organisations - strengthens the level of accountability of the Clusters by providing the necessary management and financial expertise that underpins their operation. However, although the model is judged an effective approach to adopt, the way in which LDBs are delivering this role could be improved, particularly in relation to increased dialogue with Welsh Government. The tendency to assign LAs to the LDB role would appear entirely appropriate albeit that the opportunities gained through this model (by way of example the rapid recruitment/deployment of staff) can also bring a series of challenges (in this respect the inability to source external staff to roles within the Clusters).

3.47 Flexibility is an important element of successful ABIs to enable responsiveness to local needs and ensuring more effective partnerships and relevant projects can be developed when the need is identified. This includes flexibility in funding (rather than a fixed annual budget) in order to enable more strategic interventions and innovation. Although it was the intention for

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<sup>28</sup> National Evaluation of Families First, <http://wales.gov.uk/statistics-and-research/national-evaluation-families-first/?lang=en>

<sup>29</sup> See review of other ABIs presented in Appendix 1.

Communities First Delivery Plans to be 'living documents' which adapted as activities were rolled out and interim performance data became available, the position of local authorities as the LDB in the majority of Clusters, has brought with it the challenges of working within strict (and sometimes slow) sign-off processes. Overcoming this in part falls to LDBs establishing more efficient sign-off processes and taking more responsibility for decisions around delivery, but also to Welsh Government in responding more quickly when necessary to enable the effective reallocation of resources.

3.48 In areas where the LDB is not the local authority, Third Sector organisations felt they were at financial risk due to the timing of release of final offer letters. They did not appear to be aware that they could be paid in advance to assist with the initial stages of delivering the Programme. These organisations are also struggling from a lack of clarity around where responsibility lies for dealing with staff contracts and redundancy costs. Further consideration needs to be given to the liability for some of these issues, particularly taking into account the differences between council-led and non-council-led LDBs.

3.49 The skillsets of Communities First staff are fundamental to the successful delivery of the Programme. In many areas, the position of the local authority as the LDB has meant that Cluster level staff have been transferred across from the local authority to Communities First teams, either from roles involved in the previous iteration of Communities First, or from other areas of the local authority. This has presented both opportunities and challenges for the Programme; on the one hand their familiarity with processes enabled staff to hit the ground running, while on the other their lack of expertise in delivering the kind of activities now required poses a risk to the Programme.

## 4 Communities First Programme Performance to date

- 4.1 This chapter focuses on delivering an assessment of the performance of the Communities First Programme to date. In doing so two key questions are answered. First of all, the extent to which the inputs described in the Programme logic model have been realised in the implementation. Secondly, the extent to which these inputs have resulted in the anticipated activities, both in terms of type and volume, being delivered, and how this delivery has taken place.
- 4.2 In order to address these questions, this chapter draws on a number of sources of evidence: financial performance data, Ffynnon data, analysis of Cluster Delivery Plans, along with the quantitative and qualitative evidence gathered throughout the evaluation.

### Programme Inputs

#### *Financial spend*

- 4.3 Data for the financial year 2013/14 was made available<sup>30</sup> to the evaluation team detailing both the overall budget for each Cluster, and the performance against budget.<sup>31</sup> This data does not allow any interrogation of the budget allocated per project, and variation in this across Clusters. Nonetheless, it is useful in aiding a consideration of how realistic Cluster Delivery Plans were and how effectively Clusters have been able to utilise their allocated budget.
- 4.4 Interrogation of the data shows that the total spend for 2013/14 was forecast to be 82% of the total allocated budget. Financial performance varied significantly across the Clusters, with forecast underspend ranging from 1% to 50% (with one Cluster anticipating no underspend).
- 4.5 A total of 19 Clusters, covering 10 different local authority areas, were forecasting underspends greater than 20%. There is some evidence of concentrations of underspending, with three of the four Clusters with the highest forecast underspend (as a proportion of the total budget allocated for

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<sup>30</sup> This consisted of the All Wales Cluster Payment Log for the financial year 2013/14.

<sup>31</sup> Data on actual claims was available for 40 Clusters, while for 12 Clusters the data was based on forecast claims.

2013/14) operating under a single LDB , while four of the ten Clusters forecasting the lowest level of underspending are located in another LDB.

- 4.6 The reasons so many Clusters were likely to underspend at the end of the financial year could be linked to both issues experienced during the design of the activities, and the delivery of activities. Indeed, for a Programme such as Communities First, where such a large proportion of expenditure is on staff costs, underspend is always likely to be encountered to some extent as a full complement of staff will not always be in place. Clusters offered a range of reasons for underspend on the Programme, including: delays to getting staff in place; planning to deliver too many activities at the outset for the level of staffing available in the area for delivery; and not transferring spend effectively enough between activities or Programme strands to maximise expenditure.
- 4.7 The issue of underspend was explored, where applicable, with LDB representatives and Cluster Managers as a part of the case study visits conducted. Cited reasons for underspend varied across the Clusters. In some cases, delays in getting delivery up and running, including, but not limited to, recruiting staff, had led to underspend. This is supported by findings from the online survey, where one in six (16%) of Clusters reported that they had still not recruited their full complement of staff as of June 2014. Recruitment of staff was also cited as one of the top three challenges for each of the Communities First strands (by around one in five for each).
- 4.8 However, in other cases, underspend was related to the transition from the previous Communities First set-up that had contributed to errors in design of activities. For example, one Cluster had set out to deliver sessional work on a large scale with a rationalised central Cluster team, as illustrated in the case study overleaf. This proved difficult to organise in practice, resulting in a budget skewed towards project costs and away from permanent staff costs. In this case, and others, an inflexibility with changing allocations of budget once Delivery Plans have been submitted and approved, meant that they were unable to spend their remaining budget, was reported. The challenges of achieving flexibility and using the Delivery Plans as a 'living document' have already been discussed.

### Challenges with team structure – case-study examples

LDBs have taken different approaches to staffing the teams managing Communities First at a Cluster level. One Cluster had tried to rationalise their approach by dividing delivery into two strands as follows:

<b>Cluster Manager</b>	
<b>Lead Delivery Worker (Learning and Prosperous)</b>	<b>Lead Delivery Worker (Health and Young People)</b>
<b>Project Worker #1</b>	<b>Project Worker #4</b>
<b>Project Worker #2</b>	<b>Project Worker #5</b>
<b>Project Worker #3</b>	
<b>Administrator</b>	

The structure caused the following challenges for the Cluster:

- Delivery was to be focused on sessional workers, which proved too difficult to organise in practice;
- Cluster staff therefore had to take on more of the delivery; and
- Monitoring and reporting requirements proved difficult to manage in addition to delivery tasks.

These challenges contributed to an underspend in the 2013/14 financial year. As a result of the challenges faced, in their most recent Delivery Plan they have proposed expanding the team to revert to a management structure based on the three original Communities First strands, with an additional two project support workers.

The Welsh Government has already empowered LDBs to facilitate a more flexible approach to reallocation of budgets within Clusters. If this power is effectively enacted by LDBs then this should help to combat issues of underspend.

## Programme Activities

### *Ffynnon data on activities delivered in 2013/14*

4.9 Quantitative evidence of the activities that have been delivered, and how many beneficiaries have been reached, is drawn from data provided by Welsh Government from the Ffynnon reporting system. This data shows that in the financial year 2013/14<sup>32</sup> a total of 1,064 activities were delivered by the 52 Communities First Clusters across the three strands of the Programme (Prosperous, Learning, Healthier). Table 4.1 illustrates the distribution of these activities across the strands, along with data on how many participants there were across the activities. The data shows that a total of 127,467 people<sup>33</sup> participated in Communities First activities in 2013/14, with each individual activity reaching, on average, 120 participants. In addition, the table also illustrates the overall targets for the whole Communities First Programme set by the TPAP.<sup>34</sup>

**Table 4.1 Outputs for 2013/14 by strand**

<b>Communities First Strand</b>	<b>Total number of activities, and as a percentage of total</b>	<b>Total number of participants, and as a percentage of total</b>	<b>Target number of participants in TPAP</b>
Prosperous	353 (33%)	41,626 (33%)	45,000 (44%)
Learning	349 (33%)	38,734 (30%)	30,000 (30%)
Healthier	362 (34%)	47,107 (37%)	26,250 (26%)
<b>Total</b>	<b>1,064</b>	<b>127,467</b>	<b>101,250</b>

Source: Ipsos MORI analysis of Ffynnon data for financial year 2013/14

4.10 The Ffynnon data indicates the number of participants achieving each of the 102 outcome performance measures across the thematic strands of Communities First. As Figure 4.1 below shows, each of the Prosperous

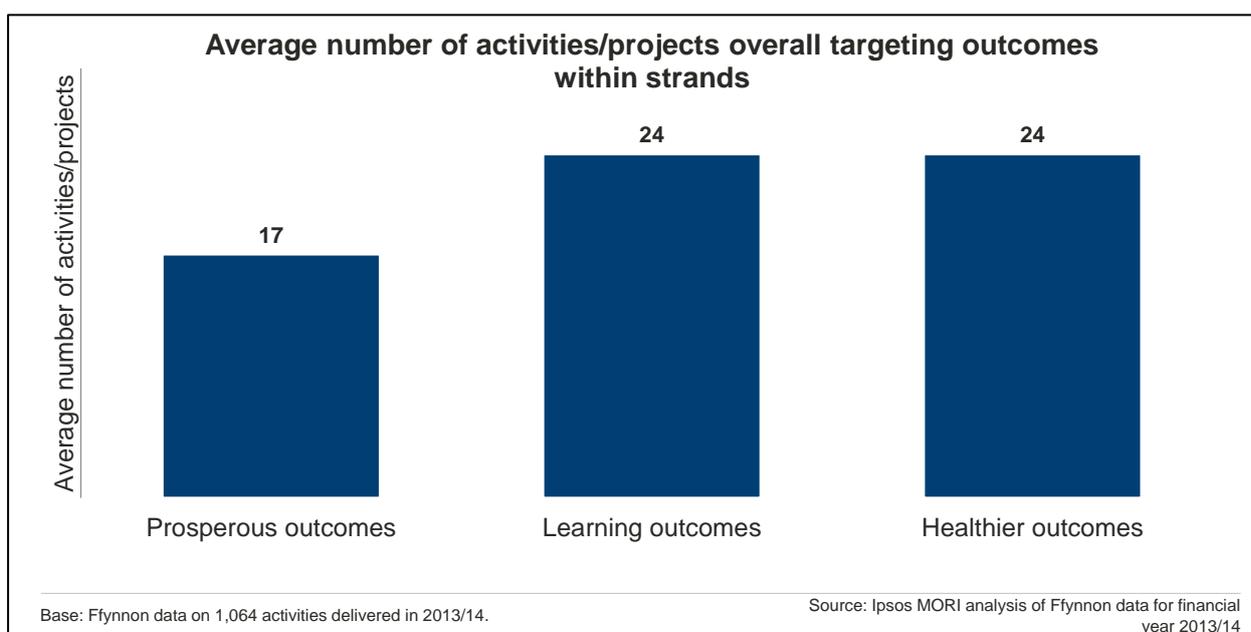
<sup>32</sup> A data extract from the system for the 2013/14 Financial Year was provided to the evaluation team. This data provided a breakdown of projects by strand and Cluster, the total number of participants for each activity, and the numbers achieved against each Communities First Performance Measure by each activity.

<sup>33</sup> N.B. The Ffynnon data does not record the number of individuals this represents, and therefore it is not possible to calculate the number of **different** individuals who participated in Communities First activities, and a degree of double counting will therefore have taken place. For example, one person taking part in three different activities within a project would have been counted as three beneficiaries.

<sup>34</sup> <http://gov.wales/docs/dsjlg/publications/socialjustice/130703takeforpovactplanen.pdf> accessed online 21st November 2014.

outcomes was addressed by an average of 17 activities, while the Learning and Healthier outcomes were each addressed on average by 24 activities on average. The wider focus of activities delivered under the Prosperous strand is to be expected given the greater number of outcomes to be covered off within this strand.

Figure 4.1: Activities addressing individual outcomes



### Cluster Delivery Plans for 2014/15

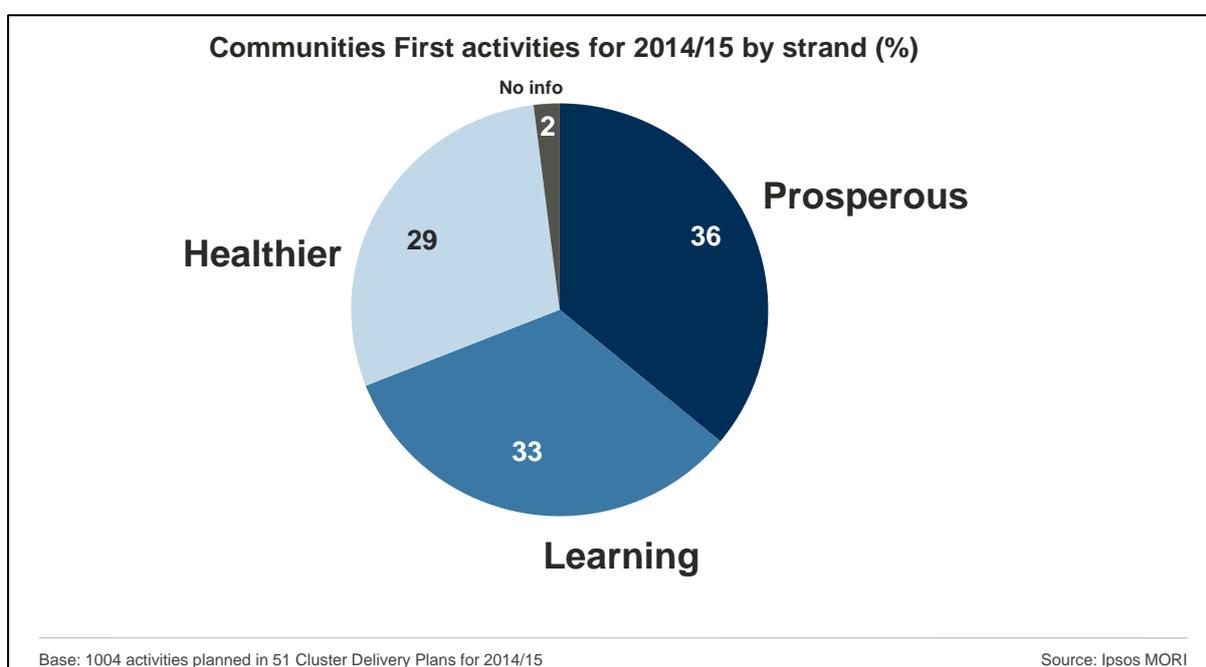
4.11 Based on analysis of Delivery Plans<sup>35</sup> available for all of the Clusters, it is apparent that all Clusters have been delivering activities within these three strands (Figure 4.2). There is no evidence, for example, that any Clusters have focused solely on one or two of the three strands.

4.12 The Programme appears to demonstrate the flexibility necessary for Clusters to find efficiencies in delivering within the bounds of these strands, for example combining delivery across strands (although there are challenges in reporting outcomes where this is the case). It is important to note that not all activities have been designed solely for the purpose of delivering the aims and objectives of Communities First, but that there has been a degree of bending existing activities to deliver within the bounds of Communities First.

<sup>35</sup> Delivery Plans were made available for the 2014/15 financial year.

4.13 Analysis of available Cluster-level Delivery Plans for 2014/15<sup>36</sup> shows that Clusters plan to deliver 1,004 activities in 2014/15. As Figure 4.2 below shows, the Prosperous and Learning strands provided the larger number of activities, while the Healthier strand proved to be the smallest strand. This would be expected based on Welsh Government concerns that this would be the more difficult strand for Clusters to engage local delivery partners. The spread of activities detailed in the Delivery Plans therefore reflects the intended outputs for the Programme as detailed in the logic model.

Figure 4.2: Planned Communities First Activities for 2014/15 by strand

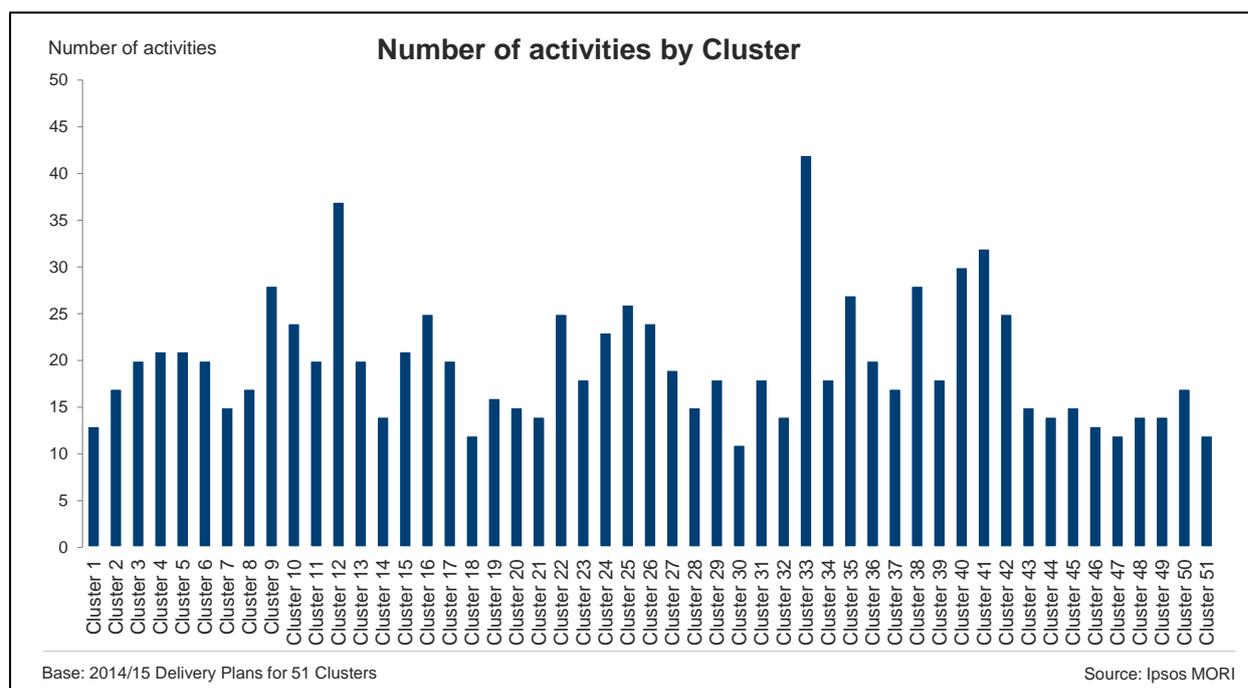


4.14 Delivery Plans evidenced a wide array of activities to be delivered, under the three core themes of Communities First. On average, Clusters proposed to deliver 22 individual activities during the current financial year, however there was a significant range evident across the Clusters, as evidenced in Figure 4.3 below. One Cluster planned to deliver 42 activities during 2014/15, while the lowest number of activities planned was 12.<sup>37</sup>

<sup>36</sup> N.B. Delivery Plans for 2014/15 were analysed as the most recent plans available. The evaluation team did not have access to the final versions for all Clusters, and in some cases the information on activities was incomplete or inaccessible, and in one case no Delivery Plan was available.

<sup>37</sup> As delivery for 2014/15 is still in progress, it was not possible to analyse performance data to establish to what extent the volume of activities being delivered in some Clusters had any negative impact on delivery.

Figure 4.3: Number of activities by Cluster



4.15 There is some variation in the volume of activities to be delivered which is to be expected, perhaps based on differences in population size,<sup>38</sup> extent of rural location of Clusters, or the history of delivering large portfolios of projects.

4.16 The review of Delivery Plans also provided evidence as to the significant range of activities Clusters planned to deliver, and the range of beneficiaries being targeted. This breadth of proposed projects posed a challenge for Welsh Government in reviewing and providing feedback on Delivery Plans, and also challenges in delivery, as will be discussed later in this report.

<sup>38</sup> The populations of Communities First Clusters range from 8,900 to 30,700, and Clusters cover between 5 and 19 Lower Super Output Areas <http://wales.gov.uk/docs/statistics/2014/140225-communities-first-2012-baseline-en.pdf>, accessed online 20<sup>th</sup> November 2014.

## **Approaches to designing activities**

- 4.17 This section has thus far focused on outlining the evidence of what activities have been delivered by Clusters as part of the Communities First Programme since its re-launch. It is now necessary to consider the approaches taken to both designing, and subsequently delivering, these activities, before an assessment of the effectiveness of the Programme can be undertaken in the following chapter.
- 4.18 Clusters have taken a range of approaches to designing the activities to be delivered in their Clusters. Approaches range from top-down, where activities are designed at the outset by the LDB and Cluster teams, to much more grassroots approaches, involving community members themselves being involved in the prioritisation of outcomes for local areas, and the design of activities. Other approaches include engaging local Third Sector organisations to bring to bear their expertise in delivering activities in the local context. These differences inevitably lead to different types of activities being developed, and when considering the nature of the activities designed it will be important to recognise the impact of the approach to design on this.
- 4.19 Considering the spectrum of possible approaches to design, based on the balance of evidence drawn from the evaluation, Communities First would appear to fit somewhere in between the two, and probably does not currently fall as close to a collaborative approach involving local residents as was envisaged.

## **Approaches to delivering activities**

- 4.20 LDBs and Clusters have approached the delivery of the activities set-out in their Delivery Plan in a variety of ways. Delivery methods range from Clusters who have taken the approach of contracting out the delivery of activities to a range of local delivery partners, to those in which Cluster staff are delivering the majority of activities themselves. Whilst both approaches come with their own opportunities and challenges, questions have been raised in regard to the latter, such as by the LDB Representative interviewed below who felt that Communities First Cluster staff were being tasked with delivering activities that fall outside of their realm of expertise.

*Development workers have almost become case workers, some of the projects being delivered, like parenting courses, are more in line with what Health professionals would be delivering.*

**LDB Representative**

4.21 Where this is felt to the case it can cause issues for staff, beneficiaries, and other Welsh Government programmes alike. For example, staff morale can suffer because of the difficulty of the tasks being undertaken or beneficiary expectations can become unrealistic (e.g. seeing Communities First staff as a proxy-GP). Furthermore, relationships with other programmes and teams can be jeopardised if Communities First delivery is seen to be overlapping too much with their sphere of operation.

*Communities First seems to want to be all things to all people. It is too broad in its approach, and therefore represents an unsustainable model.*

**Operational Manager for Communities First partner**

4.22 This issue appears to be most acute in relation to the Healthier strand of the Communities First Programme. The case-study interviews suggested a mismatch has developed between the intended role for Programme staff, based on Welsh Government's design of the Programme and expected mode of delivery, and what is interpreted by some Communities First teams, as well as other programme teams and partner organisations, as the remit of this role. While Welsh Government set health-related outcomes for the Programme, Communities First staff are not intended to play the role of professional health workers in delivering clinical outcomes. While some Clusters are effectively partnering with other professionals to deliver elements of the Healthier strand which are beyond the Cluster team's expertise, others may need further support to help them define the line between Programme staff and health (or other) professionals and how, and when, to effectively signpost to those professionals.

*Delivering activities within the Communities First strands*

4.23 In some Clusters, a number of the activities being delivered were already in place before the restructure of Communities First, and this, along with the

continuity of staff, helped ensure that the Cluster was able to ‘hit the ground running’. This continuity of activities, which are in essence being retro-fitted to deliver against the Communities First outcomes, does not necessarily undermine the aims of Communities First, but can be viewed in a positive light as bringing existing activities to a wider pool of beneficiaries. However, this is dependent on the activities being chosen for continuation on the basis that designing new activities would lead to duplication of work, rather than Communities First funding being seen as an additional way of funding pre-existent projects. The evidence suggests that the latter is the case in some instances.

4.24 At the outset of this evaluation, a key risk identified by Welsh Government policy team was the ability of Clusters to establish the good links with health professionals required to design and deliver activities within the Healthier strand. While the evaluation has identified challenges being faced by Cluster teams on the ground in this regard, in terms of the overall number of activities being delivered, the Healthier strand has not suffered (as shown in Table 4.1 earlier). Overall, however, the Healthier strand has been observed to be the most challenging to deliver as it is perceived as requiring specialist knowledge (for example, around mental health), significant engagement with external partners, and outcomes which can be difficult to monitor and report (for example, “feeling better able to cope” in relation to mental health). It is the case, however, that all three strands of the Programme face some challenges in their delivery, and examples of these are outlined below:

- **Learning** – working with schools to develop and deliver activities can be challenging. Timescales for application for, and use of, funding between programmes (e.g. Pupil Deprivation Grant) can be incongruous, as evidenced by the quotation below.

*[Processes for applying for funding] don't tally up with schools at all, that is a nuisance. Mind you, we're always working in schools with the April to April thing, and obviously school is September to July. However, what we did was delay the funding, although the funding was April to April, Communities First has to spend it by April, so our contribution came in after that, [to carry on*

employing the staff]. ...so that took some engineering but we were able to do that.

### **Communities First Delivery Partner (School)**

- **Prosperous** – Communities First can struggle to distinguish the space it is operating in from that occupied by other programmes, such as Families First, and other organisations, such as Job Centre Plus.
- **Healthier** – the specialist and technical nature of the health outcomes perceived as being sought means this strand is further outside the realm of expertise of Communities First delivery teams. Clusters face a range of challenges, including finding the right delivery staff, attaining support and involvement from the local health sector and effectively measuring outcomes. The case study below highlights two different approaches taken to delivery in this regard, with the approach taken by Cluster B reported to be working effectively.

## **Approaches to delivering the healthier strand – case-study examples**

Delivery of activities under the healthier strand is recognised as something new for Communities First. Drawing from the Cluster level case studies, the two examples below illustrate the different approaches that have been taken towards this challenge.

### **Cluster A**

This Cluster has focused on the delivery of the prosperous over the healthier strand. The Cluster has found it difficult to identify the gap in which Communities First can operate to add value to the work the health sector is already doing in the area. Therefore they have employed staff who are not health specialists, but are more general officers informed in public health and try to cover a range of topics.

### **Cluster B**

An alternative approach is demonstrated here, as this Cluster views health as being a cross-cutting theme that is important for each of the other priorities, and not focus on delivering standalone health activities. To achieve this, the Cluster has decided to engage health professionals as partners, based on their wider experience of delivering the required support. Examples of how this is done include:

- Engaging local GPs and Midwives to refer patients to suitable Communities First activities.
- Engaging a retired local Midwife to volunteer full-time with the Cluster and deliver ante- and post-natal courses.

### *Impact of Geography on delivery*

4.25 Beyond these challenges, the geography of a Cluster often poses a key challenge for delivering activities. The latest phase of Communities First, starting in April 2012, involved a reconfiguration of the Programme from over 150 local Communities First areas or partnerships, to revolve around 52 Clusters, each covering larger areas. The geographical rationale for the redesign of Communities First was that the new Clusters would provide, amongst other things, a greater critical mass and higher levels of resources, based on their larger geographical coverage.

4.26 Overall, this aspect of the redesign appears to be delivering its aim. However, there are still some geographical tensions and issues affecting management and delivery of the Programme, particularly in more rural areas with isolated

or dispersed Clusters. In these areas, the costs of delivery can be higher, staff are stretched more thinly and residents face transport and cost barriers to travelling to participate in activities. In some areas it is also a challenge to encourage residents to travel outside of their own local community to reach services being provided in another area of the Cluster. The case study below draws upon evidence from two Clusters to highlight the impact of the complex geography on the delivery of the Programme.

### **Geographical challenges facing delivery – case-study examples**

A new Communities First Cluster created in 2012 consists of 9 dispersed villages with no established services or organisations already operating Cluster-wide. Implications are:

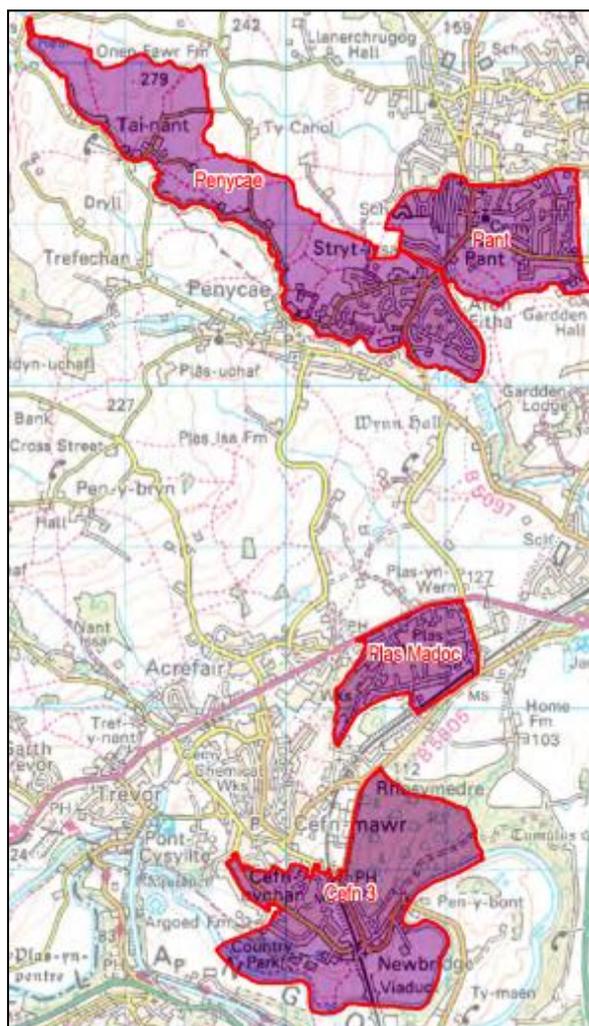
- Slower initiation of activity whilst organisational processes put in place
- Funding stretched thinly across Cluster due to:
  - Spend on transport between villages for staff/volunteers
  - Duplication of services across villages to ensure local access for users

A second Cluster, also newly created in 2012, covers more than five previous Communities First areas, in a rural location. The geography of the Cluster poses the following challenges for the local delivery of the Programme:

- Some residents find it hard to participate in activities due to:
  - The isolated nature of some of the villages; and
  - The limited and expensive public transport options.
- The strong parochialism in the Cluster has posed challenges for Community Involvement. To combat this, the Cluster has had to operate from three office facilities.

4.27 Figure 4.4 below shows the non-contiguous nature of the LSOAs within one of the Clusters, this type of geographical issue contributes to the challenges for delivery outlined above.

Figure 4.4: Example of geographical spread of some Clusters



Source: Wrexham Urban Villages Cluster map. Welsh Government 2012 Baseline report

4.28 Beyond this, it was not possible to systematically analyse the geography of the activities and beneficiaries assisted at a disaggregated level to more fully explore the relationships between other Cluster characteristics, such as the rural/urban nature, or the level of concentration/dispersal of LSOAs.

### Summary of Communities First progress to date

4.29 While Clusters were not able to utilise all of the available financial input into the Programme in 2013/14, this has not had a negative impact on the extent to which Clusters were able to deliver activities, and reach target beneficiaries, during this year. The variation between Clusters in the volume<sup>39</sup>

<sup>39</sup> Volume is defined as the number of activities in a 2014/15 Delivery Plan or in the 2013/14 Ffynnon data extract provided to the evaluation team, i.e. an employability workshop is defined as one activity, although it could be run weekly/repeated.

of activities that have both been delivered in 2013/14 and are planned for delivery in 2014/15, does raise questions as to the extent that these activities are all new projects designed specifically to deliver against the revised Communities First Outcomes Framework. Welsh Government is challenging LDBs where necessary on their Cluster Delivery Plans to address this potential issue.

- 4.30 A range of approaches to designing activities at a Cluster level have been demonstrated in this chapter, and to date it would appear that the inclusion of community members and local Third Sector organisations has not been as widespread as was envisaged by Welsh Government.
- 4.31 Cluster staff, especially those who had worked under the previous Communities First structure, have had to adapt to delivering activities with a much more specific focus, especially within the Healthier strand. As anticipated, this strand has proven the most challenging to deliver, and Clusters who have managed to overcome this have done so by successfully engaging delivery partners with the relevant skills and expertise.
- 4.32 The redrawing of the geographical boundaries of Communities First has, on the whole, delivered upon the aim of focusing resources. However, as illustrated in this chapter, the varied geography of Clusters does present challenges for delivering activities. In more rural areas especially there is a balance to be struck between Clusters having a large enough critical mass in terms of population and not being handicapped by the geographical complexities of their area.

## **5 Delivery effectiveness**

- 5.1 While the evidence as to the extent and nature of the activities that have, and are, being delivered has been presented in the preceding chapter, the focus here is on examining the extent to which the design and delivery processes implemented to date have been effective.
- 5.2 In doing so, this chapter draws on evidence from the online survey, and the qualitative work undertaken, to give consideration to the following questions:
- How partnership working, Community Involvement and cross-Cluster working and shared learning have facilitated delivery;
  - How hard to reach audiences have been included in delivery of Communities First; and
  - How Communities First delivery has been aligned with the Welsh Language Strategy.

### **Processes of designing Communities First activities**

- 5.3 The most effective approach to designing Communities First activities achieves a blend of the approaches outlined in Chapter 4, combining a strong top-down element, to give Clusters a strategic focus on linking activities to outcomes, with gaining local buy-in to ensure activities are suited to the local community, and all while making best use of existing relationships and skills.
- 5.4 In order to effectively design activities that deliver the outcomes needed for Communities First, LDBs and Clusters should have engaged successfully with Third Sector organisations, and other partners locally to ensure that they could be involved in the design of activities. There is evidence to suggest that the Programme has successfully achieved this overall, through examples such as that overleaf.

### **Working with schools to design activities – case-study example**

One Cluster has a very strong working relationship with the main Secondary School serving families living within the Cluster, and key successful features of this relationship are:

- The rationalisation of the Communities First Programme has led to the Head only having to engage with one contact, which has fostered a more productive working relationship;
- The Head of the school was invited to a co-production meeting (also including the Cluster Board) in order to participate in planning for 2015/16;
- Members of Communities First staff sit as Governors on the School Board which helps a two-way knowledge sharing process; and
- Based on this the School and Cluster have been able to work successfully together to apply for Pupil Deprivation Grant funding, and deliver a highly successful literacy and numeracy project.

5.5 However, some Cluster Managers stated that they had experienced difficulties engaging some local Third Sector organisations that did not want, or were not able, to align their activities with the revised Communities First outcomes.

5.6 It is also important that activities are designed with a clear focus on the outcomes they are being linked to, and there is evidence from the online survey that Clusters view the incorporation of RBA™ in the new Communities First Programme as a catalyst to achieving this. The majority of respondents (84%) reported that RBA™ helps link activities to outcomes, and agree that a benefit of RBA™ is helping to maintain a focus on outcomes (87%).

Furthermore, the fact that outcomes are being addressed in most cases by a number of activities, as per Figure 4.1 earlier in the previous chapter, illustrates that Clusters have been tying their projects back to the outcomes framework as intended.

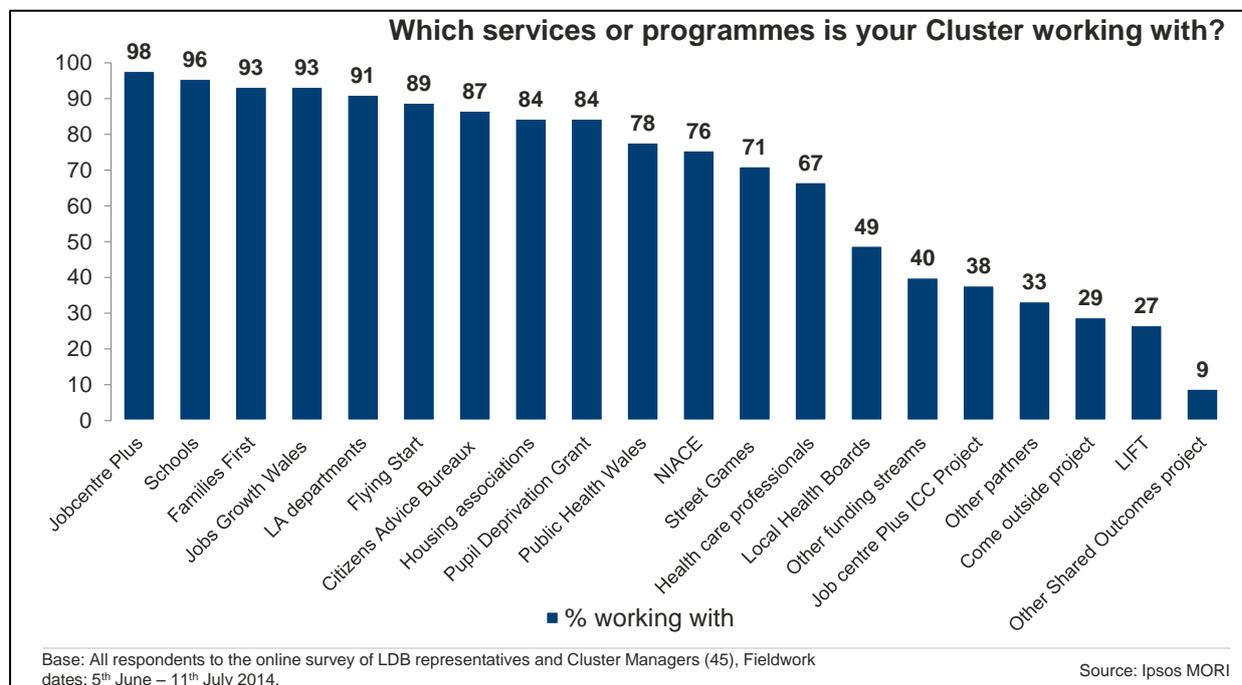
5.7 Clusters included in the qualitative work reported that the WIMD indicators provided were useful in designing their activities. Furthermore in the online survey 9 out of the 11 LDB representatives reported that the Cluster population indicators were *very or fairly useful* for the Delivery Plans.

## Partnership working and Programme bending

5.8 Communities First was redesigned with the intention of aligning the Programme with other services, both locally and nationally, and other Welsh Government tackling-poverty initiatives. It was anticipated that Communities First would be able to leverage resources and knowledge from these other services and programmes, to add value to Communities First and the other programmes, such as Families First.

5.9 A review of Clusters' Delivery Plans shows their proposals for a significant level of programme-bending activity, primarily with Families First, Flying Start and Jobs Growth Wales. Corroborating this, the online survey also demonstrated that the majority of Clusters stated that they were working with other Welsh Government programmes to deliver activities. Figure 5.1 below highlights the breadth of reported partnership working, with other Welsh Government programmes such as Jobs Growth Wales, Families First and Flying Start featuring prominently.

Figure 5.1: Reported partnership working in online survey



5.10 Beyond this, the qualitative interviews and case study work has highlighted that Cluster teams are not just engaging with a large range of local and national partners to deliver Communities First, but that these partners are

essential to the delivery of Communities First activities. The example below highlights how partners can positively impact on delivery.

### **Contribution of partners to Communities First delivery – case-study example**

One Cluster Manager was very positive about the ability of Communities First to work in partnership, and of the experience of doing this within their Cluster.

The Cluster has engaged a large range of national and local partners, such as:

- WEA Cymru
- Citizens Advice Bureau
- Flying Start
- Families First
- Coleg Cambria
- Local health board
- Local schools

These partners have all been identified and selected as having an essential contribution to make to the delivery of Communities First within the Cluster. The partners have brought expertise and knowledge to add to that of the Cluster team, for example WEA Cymru have reportedly had a significant positive impact through their delivery of learning courses.

5.11 Partners can add value to Communities First by giving access to skilled staff who are already operating in the local communities and whose pre-existing networks, particularly with hard-to-reach groups, mean they are trusted in the local communities. The revisions made to the Communities First Programme have helped raise its strategic profile and Clusters are finding that partners (such as schools involved in the Pupil Deprivation Grant) are more open to working with them than has been the case in the past. In some cases other programmes are now approaching Communities First to partner, rather than Cluster teams having to search out delivery partners themselves.

5.12 Many of these relationships do, however, pre-date the reconfiguration of Communities First. While there are many examples of activities being developed specifically tailored to deliver against the current outcomes, some of the activities were already being delivered as part of previous iteration. It is clear that some partners see Communities First simply as an additional source of funding, enabling them to continue to deliver existing activities.

[Communities First is] *just another source of funding. We do what we want and then see if Communities First looks like it fits.*

**Communities First Delivery Partner**

- 5.13 As outlined above, the other Welsh Government programmes that Communities First most commonly interacts with are: Families First, Flying Start, Jobs Growth Wales and the Pupil Deprivation Grant. Stated benefits of working with Communities First include the ability to extend the reach of activities, due to the differing target audiences of the programmes. From a Communities First perspective, Families First was cited as being easy to work with due to the broad remit of the Programme, and lack of geographical restrictions. Cross-programme working varies across the Cluster areas, and the case studies suggest that the extent to which programmes work with Communities First is often driven by the personal relationships and pre-existing history between members of staff responsible for the programmes at a local level.
- 5.14 However, representatives of other Welsh Government programmes included in the evaluation also cited challenges to working with Communities First. One example of this is in relation to Flying Start, where in one LDB area it was stated that there was almost competitiveness, on the part of Communities First, over which programme would deliver activities when target groups overlapped. This led to concerns about the impact on the work that Flying Start has been doing in the area since its launch.

*You've got teams who are running away with developing services which are already in place, or they're not following the strategic direction of that work, or they might not have the right professionals in place to lead that... ..so what you then have are families who are getting very mixed messages across programmes about what is best practice and what they should be doing.*

**Operational Manager, Communities First Partner Programme**

## Community Involvement

- 5.15 The Programme logic model identified community involvement, in the planning, delivery and monitoring of Communities First, as a core activity for the Programme, on the basis that local people are the best placed to understand what is needed to improve their situations.
- 5.16 While all Clusters have produced Community Involvement Plans, they have interpreted the notion of Community Involvement in a variety of ways; from involving the community in the design and delivery of activities, through to having community members involved in providing oversight on a Cluster Board (which is discussed in more detail below).
- 5.17 Community Involvement can be seen as primarily feeding into Communities First to contribute to three key functions: design of activities; delivery of activities; and ongoing monitoring and oversight of local delivery. Clusters have adopted a variety of approaches to each of these components of community involvement. Overall, the evidence that community members have been effectively engaged in all stages of the Communities First Programme, at a local level, is mixed.
- 5.18 Clusters have attempted to engage their communities in ways that are suitable to local circumstances. This can mean adapting their approach to deal with challenges, such as geography in dispersed rural Clusters.
- 5.19 Cluster Boards are being used in many Clusters as a way to engage local residents, despite them no longer being a requirement of the Programme. Among the 45 Cluster Managers surveyed, 31 reported that they had a Cluster Board as a mechanism for ensuring community involvement. Attendance of these Boards tends to include elected local representatives, local councillors, providers and community development experts. However, this evaluation suggests there is a risk that these Boards may represent little more than a 'tick-box' exercise unless resident members are properly integrated and able to engage with the Programme. The overrepresentation on Cluster Boards of elected representatives, as discussed in the example below, is something Welsh Government was keen to avoid, when issuing guidance for community involvement. Therefore, to be effective both Cluster Boards, and their members, should have a clearly defined role and remit.

### **Local resident experience of Cluster Board – case-study example**

Joan sits on the local Cluster Board which meets monthly. She expects to sit on the board for 3-4 years and understands her role to be representing the view of the local community.

In this role, Joan has been invited to comment on the Delivery Plan. However, she finds the tone and content of the meetings too formal and high-level for her to contribute.

Joan states that the board has become too focused on “*Council-business*” with “*too many politicians on it now*”. For example, recent meetings have been dominated by discussions of Council-funding cuts rather than discussing Communities First projects and the local community.

Joan also reports that the evening-scheduling of the meetings means some resident members are unable to attend due to childcare issues.

5.20 Clusters have also been able to demonstrate some genuine examples of good practice with regard to community involvement, such as:

- The holding of large-scale public meetings to feed into the design of Cluster activities, which can be effective in prompting changes in plans for design and delivery in Clusters.

*We had a number of what I would call customers, genuine real community people that use the service. They were part of that process. They gave a lot to that process. They put their ideas in. We changed things as a result of them telling us, “Actually, I’m accessing the service and I won’t access it like that”.*

**LDB representative**

- Other Clusters have been able to engage local residents in acting as volunteers in the delivery of activities, identifying them through participation in Communities First activities. This can have benefits for both the Programme and the individual, in helping drive them towards improved outcomes, as highlighted by the case study below.

### **Encouraging community involvement through volunteering – case-study example**

One Cluster has a strong tradition of encouraging local people to help deliver Communities First activities through a volunteering role. A number of good examples were uncovered of how this has been of benefit to the Programme and the individual:

- One parent had been invited to volunteer at a play scheme. The parent described the sense of responsibility and pride this had given her, and the role it had played in helping her to overcome a previous alcohol abuse problem.
- A service user accessing a scheme about childcare was later invited to volunteer to help deliver a Communities First activity. This role ultimately led her to obtain a university degree in play work and a paid position as Playground Manager. She now works closely with the Cluster Manager to design the delivery plans, monitor outcomes and report to the LDB. Her success has also led others in the community to take on volunteering roles.

- However, the online survey highlighted the variability in the extent to which Clusters are able to secure volunteer support. 10 out of 34 responding Clusters reported that they had limited access to volunteer support (up to 9 days per month), whilst 11 Clusters benefitted from more than 25 days of volunteer time on a monthly basis.

### **Inclusion of hard to reach audiences**

5.21 The refocus of Communities First in 2012 brought with it the aim of targeting delivery on the most vulnerable groups, which are often the hardest to reach. To this end, Clusters should have given due consideration to methods for engaging those hardest to reach in the preparation of their Delivery Plans and CIPs.<sup>40</sup>

5.22 Targeting, and successful engagement of, hard to reach groups is a considerable challenge for Cluster teams. Only one in five (21%) of respondents to the online survey reported that they were engaging with the hardest to reach members of community to a great extent. Clusters that

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<sup>40</sup> Communities First Programme Guidance 2013 (Appendices), <http://gov.wales/docs/dsjlg/publications/comm/130905cfprogrammeguidanceappendices13en.pdf> accessed online 21st November 2014.

reported they were achieving this most successfully employed best practice techniques such as:<sup>41</sup>

- working closely with local partner organisations, often from the Voluntary and Third Sector (or schools), to make use of their embedded nature within the community; and
- maintaining a strong and consistent presence in the community, which can be used as a hook to engage hard to reach groups before getting them involved in more targeted activities e.g. door knocking or community events. Indeed in the online survey, respondents identified outreach, taster sessions, social media and community events as the top methods of engagement (Table 5.1 below).

Table 5.1: Top methods of engaging the hard to reach

<b>Method of engagement</b>	<b>Percentage citing method as one of most effective</b>
Outreach	100%
Taster sessions	96%
Community Events	87%
Social Media	87%

*Source: Ipsos MORI/Wavehill survey of 45 Cluster Managers and LDB representatives*

5.23 In targeting hard to reach groups, Cluster teams have given consideration to whether they market the Programme to the whole area, or focus on raising their profile amongst their primary target audiences. There are benefits to each approach: a wide marketing strategy can help to engage people who are not responsive to targeted approaches singling them out; while a focus on raising the profile amongst specific target audiences can help combat any stigmatisation being associated with participation in Communities First. The aims of the Communities First Programme include a stated focus on including a Cluster level communications strategy that *“should ensure that all key*

<sup>41</sup> Data for the beneficiaries reached, beyond the raw numbers, was not made available, so a quantitative assessment of the extent to which the hard to reach/most vulnerable groups has not been possible.

*stakeholders and local residents are kept informed about the work of the Communities First Programme in the area. It should also ensure that the achievements of the Cluster are publicised appropriately using a variety of media.*<sup>42</sup> Based on this, it would seem that a wide marketing strategy would be the most appropriate approach to delivering the aims of the Programme. A more extensive approach to profiling communities by Cluster teams, beyond analysis of the population data provided by Welsh Government would also help inform the development of marketing strategies. A range of marketing strategies, from mass to very specific were reported during the evaluation and examples of these are shown below.

#### **Marketing strategies for the hardest-to-reach – case-study examples**

- **Example 1:** Running community-wide events to raise awareness of Communities First. Once people attended they would target groups they particularly felt needed support from Communities First.
- **Example 2:** Targeting areas rather than cohorts of people. Combining programmes within these areas (e.g. Families First), to target people most in need
- **Example 3:** Using schools as a route to target families by engaging children first - either parents within a specific demographic, or individual parents known to be disengaged.
- **Example 4:** Raising awareness, and increasing uptake, of the primary – secondary school transitions project by conducting home-visits to target families.

5.24 In some areas the hardest-to-reach residents include those with a language need beyond English and Welsh. In some areas, for example, there are significant Polish, Portuguese or Asian communities, Clusters have tried to accommodate these language needs where possible in a pragmatic manner.

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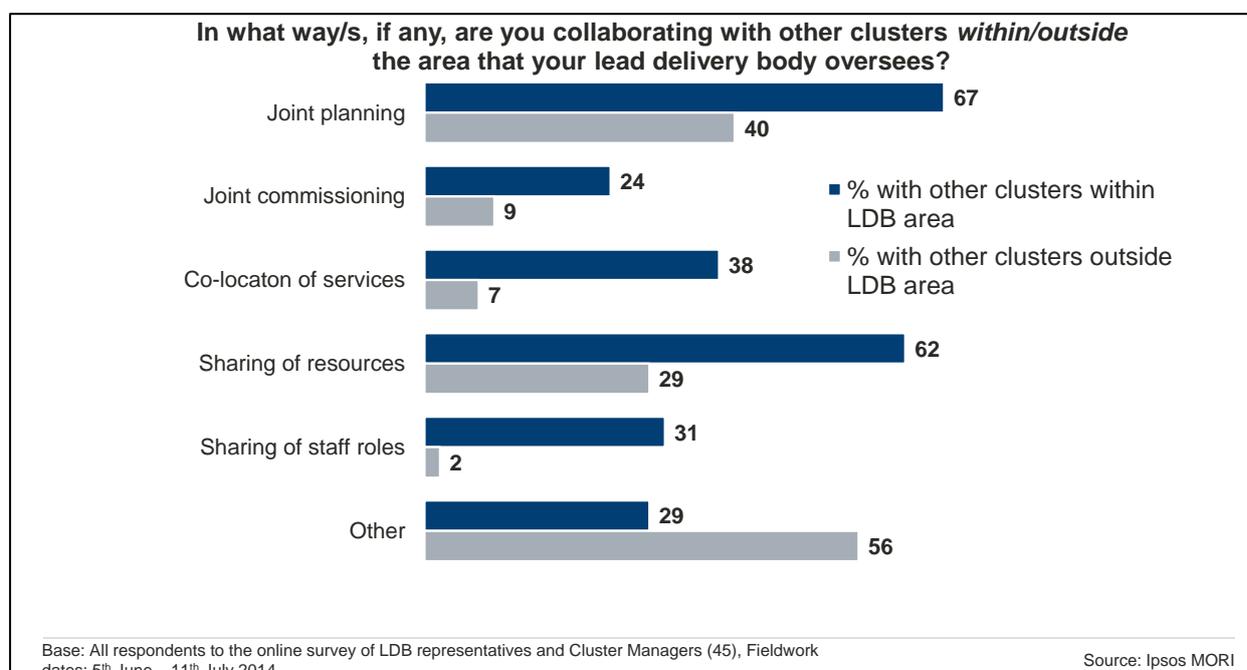
<sup>42</sup> Communities First Programme Guidance 2013, <http://gov.wales/docs/dsjlg/publications/comm/130905cfprogrammeguidance13en.pdf>, accessed online 21st November 2014.

## Cross-Cluster working and shared learning

5.25 Given the challenges faced by Communities First Clusters in designing and delivering activities at a local level since the restructure, as discussed in this and the preceding chapter, the facilitation of working and sharing of learning across Clusters spread across Wales is an important component of the continuous development of the Programme. Indeed this was a key ingredient among the successful ABIs reviewed at the outset of this evaluation (Appendix 1). Shared learning can come about in a variety of ways. This can come through local level cross-Cluster working, or through formal learning sessions organised by Welsh Government at either a regional or national level.

5.26 Cross-Cluster working is more prevalent within LDB areas, but there is also some evidence of cross-LDB working. Figure 5.2 below highlights the main ways in which cross-Cluster collaboration is reported as taking place. The majority of respondents reported that they work with other Clusters within their LDB area to conduct *joint planning* and *sharing of resources*.

Figure 5.2: Reported cross-Cluster collaboration



5.27 Mostly, this engagement is focused on collaborating to share ideas, experiences, learnings and best practice. For example, one Cluster is helping another from a different LDB to replicate its model for delivering a successful health engagement event. This is being achieved through meetings between respective Health leads. However, again, much of this rests on individual personal relationships rather than representing a common culture across all of the teams involved. Some Clusters within LDB areas do share staff, and this creates a more effective medium for sharing ideas and best practice. In a limited number of cases, Clusters had begun, or hoped, to share resources by delivering activities in collaboration across Cluster boundaries, as per the example mentioned below. The ability to do this would be particularly advantageous in more rural Clusters with smaller populations, where it is not always possible to deliver activities to particularly niche audiences.

*I have also just sent my draft DP to [named Cluster] because we are on the boundary with them and I am hoping to do some joint projects together.*

**Cluster Manager**

5.28 Beyond this there are also some processes and structures in place to facilitate cross-Cluster and cross-LDB working, but they could be further improved. For example, Welsh Government established regional meetings, which were intended to act as forums in which the sharing of knowledge and best practice between Clusters could take place effectively. While Welsh Government's intention is for Clusters to feel they have ownership of these meetings, Cluster Managers felt this had not yet been achieved and that the meetings currently represented an opportunity for Welsh Government to provide top-down updates and instructions,

### **Alignment with Welsh Language Strategy**

5.29 The aim of the Welsh Government (WG), through the Welsh Language Strategy,<sup>43</sup> is to encourage the promotion and facilitation of the use of Welsh and to 'strengthen the use of the Welsh language in everyday life'. The Welsh Language Strategy highlights the need to strengthen, in particular, the 'position

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<sup>43</sup> Welsh Language Strategy, <http://gov.wales/topics/welshlanguage/policy/living/?lang=en>

of the Welsh language in our communities'.<sup>44</sup> As stated in the guidance provided to Clusters, while the Welsh Government has not set-out a package of uniform requirements for the use of the Welsh language, it has laid-down both strategic and operational actions that Communities First Clusters are expected to observe, as outlined below:

**Strategic actions**, to contribute to the aim of strengthening the position of the Welsh language in the community, include:

- developing positive proposals to show how they can contribute to strengthening the position of the Welsh language within the community.
- thinking of how they can promote the Welsh language within their Community Involvement Plans;
- engaging with their local Menter Iaith (Local Language Initiative – see below) for advice and support on how best to develop the use of the Welsh language and, where appropriate, how to operate bilingually;
- staging events or other locally tailored activities through the medium of Welsh or staging an event in English or another language which will allow a greater knowledge and understanding of the Welsh language and the culture it supports;
- increasing understanding of linguistic and cultural needs (past and present) of individual Cluster areas by engaging at an early stage with their local Menter Iaith for advice and support on how best to develop the use of the Welsh language through the implementation of a language action plan; and
- building links with Welsh-speaking social clubs and institutions to support implementation of a language action plan.

**Operational actions**, with regard to the public image of Clusters and their communication with the public, include:

- having all public notices, adverts or promotional materials, for jobs or events, in both Welsh and English;

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<sup>44</sup> Communities First Programme Guidance 2013, Appendices, <http://gov.wales/docs/dsjlg/publications/comm/130905cfprogrammeguidanceappendicies13en.pdf>

- ensuring all wording in logos and “strap lines” used by a CF Clusters are either bilingual or have separate Welsh and English versions;
- ensuring all Clusters communications in general have and display a bilingual title;
- considering whether the ability to understand, speak and/or read and write Welsh should be a requirement for certain advertised posts – particularly where the post-holder will be dealing with a large number of Welsh speakers;
- considering interpretation facilities for Clusters meetings, and for public meetings, to allow equal opportunity for English and Welsh speakers in the community to contribute to Clusters business. Exceptions can be made whereby it is a clearly established meeting in which all those in attendance speak only one, and the same, language or nobody wishes to receive papers in both languages;

5.30 Clusters reported a high level of awareness and understanding of the Welsh Government’s aims, with regard to the Welsh Language, when the Welsh Language Strategy was discussed, and clarity about how the strategy relates to Communities First as a Programme. It is likely that this is aided by the high level of local authority involvement in delivering and managing Communities First. Local authorities, as partners of the Welsh Government, would be expected to be familiar with the Welsh Language Strategy, have experience in contributing the ‘*Programme for Government 2011-16*’.

5.31 Examples of Communities First Clusters contributing to developing the Welsh Language focused around the provision of bilingual printed materials (e.g. promotional flyers and information leaflets) and the recruitment of bilingual central team staff to respond to queries in Welsh. However, examples of activities and services being delivered bilingually were much less common. The evidence also suggests that in many cases Welsh language resources, for example telephone lines, were often made available only upon request, rather than a truly bilingual service being provided. These examples can primarily be classed under the Operational Actions within the Communities First Guidance, rather than the Strategic Actions.

*If we produce a leaflet then it would be bilingual, and our website has bilingual elements but we are not fully bilingual. It is only by request that we provide Welsh, because there is no demand, although we are not monitoring it.*

**Cluster Manager**

*We do not contribute a lot to the [Welsh Language] Strategy. It has not come out as important, or as a need, at any level. We have low numbers of Welsh speakers and it has not come out as a significant need.*

**LDB Representative**

5.32 It is important to note that this is likely to vary significantly geographically, with some areas of Wales having a much higher proportion of Welsh speakers than others. These limitations to Welsh language provision were linked to difficulties finding bilingual staff/delivery partners and the cost implications of providing a bilingual service. These concerns were used to justify a more reactive Welsh language approach especially in areas where the Welsh language was considered to be uncommon among the local community. Assessment of local language needs was based on local knowledge and occasional use of census data. However, there was little evidence of any formal assessment being made on the prevalence of the Welsh language in a Cluster, beyond use of the available Census data.

### **Summary of delivery effectiveness**

5.33 Across the board, feedback from Cluster teams and LDB representatives generally suggested positive progress was being made against Delivery Plans and CIPs, with many examples of activities that were perceived to be performing particularly well. The frameworks under which Communities First Clusters must operate, in designing the activities to be delivered, have largely been effective in facilitating the design of targeted activities. Indicators such as WIMD have been usefully employed to help identify local priorities and inform the design of activities. However, a number of challenges have also been identified at each stage of the process, such as how best to engage local residents in the design process, not all of which Clusters have yet found ways to overcome.

- 5.34 Genuine examples of good practice have been identified throughout, as outlined in this section, and it is very important that further shared learning is facilitated beyond LDB and Cluster boundaries to ensure that these practices can become embedded across the board.
- 5.35 Clusters are in many cases seeking to work with other Welsh Government programmes, such as Families First and Flying Start. While these collaborations offer opportunities to target those in need through a variety of means, some programme staff are keen to receive further advice, where there is overlap in target audience or desired outcomes, on how they might work most effectively in combination. Increased clarity, from Welsh Government, on the remit of each programme will help foster closer, and more effective co-delivery of services and help realise potential efficiencies.
- 5.36 A more detailed profiling by Clusters to help identify who are the most in need, and hardest to reach, in their areas, would help ensure they are well informed in targeting activities at these groups. This is likely to be addressed in the next round of Delivery Plan development, which will be able to make use of updated WIMD data.
- 5.37 Encouraging Clusters to undertake more formal assessments of Welsh Language needs would help move the Programme to a more proactive incorporation of the Welsh Language, helping Communities First to deliver a more comprehensive contribution to both the Strategic and Operational actions for the Programme with regards to the Welsh Language.

## **6 Monitoring and Reporting Processes**

- 6.1 This chapter assesses how effectively the Results-Based Accountability™ (RBA™) approach taken by Communities First contributes to the aims and objectives of the Programme and identifies areas for improvement in the monitoring and reporting of the Programme's outcomes. Evidence has been drawn from the Cluster case-study visits which engaged with a range of teams involved in monitoring and reporting as well as reviews of associated documentation.

### **Monitoring processes**

- 6.2 The Outcomes Framework for Communities First presents over 100 performance indicators which Clusters are required to monitor the performance of their activities against. These performance indicators are detailed under the three Outcomes and arranged in 17 priorities which are themselves spread across the three headline outcomes (to achieve prosperous, healthier and learning communities).
- 6.3 In line with an increased focus on evidence-based policy interventions, Communities First is using RBA™ as a performance management tool to monitor progress against the Outcomes Framework.
- 6.4 The Communities First Outcomes Framework and RBA™ have generally been well received by LDB and Cluster management staff. They report being clearer on the overall strategic direction of the Programme and the requirements of activities delivered within their local areas. The focus on outcomes has also been well received by Communities First's external stakeholders as it helps clarify the remit of the Programme and helps to align it with other programmes and policies. The monitoring requirements do represent a significant culture change for many involved in the Programme however – particularly for Third Sector delivery partners, but also for Cluster team staff who may come from a background of grassroots community development, or who have been transferred from other teams and do not bring with them experience in monitoring and reporting.

- 6.5 In order to assess the achievements of the Communities First Programme against its targets, the Theory of Change assumes strong performance management processes will be in place to enable success to be measured and attributed to the Programme. This includes an assumption that RBA™ will be used effectively and that qualitative assessments will also be captured to complement the hard monitoring data recorded.
- 6.6 Communities First teams are required to upload their performance measures onto a centrally managed software system, Aspireview; (previously referred to as Ffynnon). By uploading performance against the identified results (performance measures) the system is designed to enable Clusters, LDBs and Welsh Government to judge the performance of activity and progression against the targets set within their Delivery Plan. A scorecard is also included on Aspireview which provides a snapshot assessment of performance against each identified measure, applying a RAG (red, amber, green) colour coding system depending on how close the achievements are to targets.

### **Approaches to evidencing outcomes**

- 6.7 There is a highly varied approach to evidencing outcomes across Communities First Clusters. A significant degree of flexibility has been allowed in the monitoring approaches adopted by Cluster teams to collect the information used to provide progress updates of their performance against the outcome indicators. While Welsh Government has set clear performance measures for the Communities First Programme, Cluster and LDB teams have been largely left to use their own best judgement (although sometimes with external advice from WCVA or similar) to decide when, how and from whom to collect monitoring information.
- 6.8 While some Clusters have developed bespoke beneficiary questionnaires to capture self-reported impact information, others draw on administrative data (such as benefit recipient records) while some take into account the observations of delivery staff and other stakeholder groups such as teachers or health workers. In some instances (as illustrated in the case-study box below) a mix of all of these approaches is taken. This is likely to represent a degree of best practice given the triangulation it allows to build up a robust picture of the progress of an activity.

### Example monitoring process employed for child play scheme

Three main outcomes monitored:

- increasing physical activity;
- improving mental wellbeing; and
- reducing social exclusion.

Monitoring process:

- **Registration** of children to record frequency of attendance.
- **Questionnaire with children:** asked 18 questions every quarter e.g. how many people they know in group (this indicator is collected at beginning and end of Programme), how they feel in terms of happiness / stress, what they would have been doing with their time if they had not been at the play group etc.
- **Questionnaire with parents:** to check impact of activity on whole family, and to see if they corroborate the feedback given by children.
- **Consultation with teachers and health visitors:** views collected to corroborate the other pieces of evidence,
- **Staff reflection time:** staff diaries completed to help track changes in children's wellbeing by recording observations of changes that have been seen.
- **Triangulation:** evidence brought together to give robust picture of progress being made by activity.

6.9 There are likely to be issues with the robustness of the information being collected and recorded by Clusters. An examination of the way in which monitoring data is being collected highlights the issues set out below. In many cases, these issues could be overcome through the issuing of guidance and advice on the most appropriate methods for designing and administering monitoring tools:

- **Administration of beneficiary questionnaires:** members of delivery teams (including local resident volunteers in some cases) are often charged with conducting questionnaires with service users which record their levels of satisfaction with the support received, or course attended, and their perceptions of the extent to which it has impacted on their health and

wellbeing, skills or other intended outcomes. The administration of these questionnaires by delivery staff may result in more positive responses from participants, and delivery staff may have a vested interest in encouraging, or interpreting, a positive response;

- **Timing of questionnaires:** sometimes baseline information is being collected prior to the start of an activity, and this can then be compared against monitoring and impact information collected over the course of, and most importantly at the end of, the intervention. However, in other cases, this information is only being collected at the end with service users asked to retrospectively report the progress they feel they have made against the intended outcomes.
- **Tailoring of questions:** although bespoke questions are sometimes developed (for example, to adapt them to be suitable for children), the case-study visits also revealed instances of performance measures being read aloud as written by Welsh Government in the Outcomes Framework.
- **Nature of participation:** Clusters face many challenges designing robust monitoring processes as the nature of the activities being delivered often do not naturally lend themselves to such a requirement. For example, activities are nearly always voluntary, and can be drop in/drop out in nature, which offers limited ability to track the outcomes for the attendees over time.
- **Availability of secondary data:** some Clusters are using secondary and administrative data to help measure outcomes. While this can have advantages over self-reported data, given the issues highlighted above, it also brings with it challenges. One example of this is provided below:

#### **Challenges faced in collecting monitoring data - example**

##### ***Monitoring employment outcomes:***

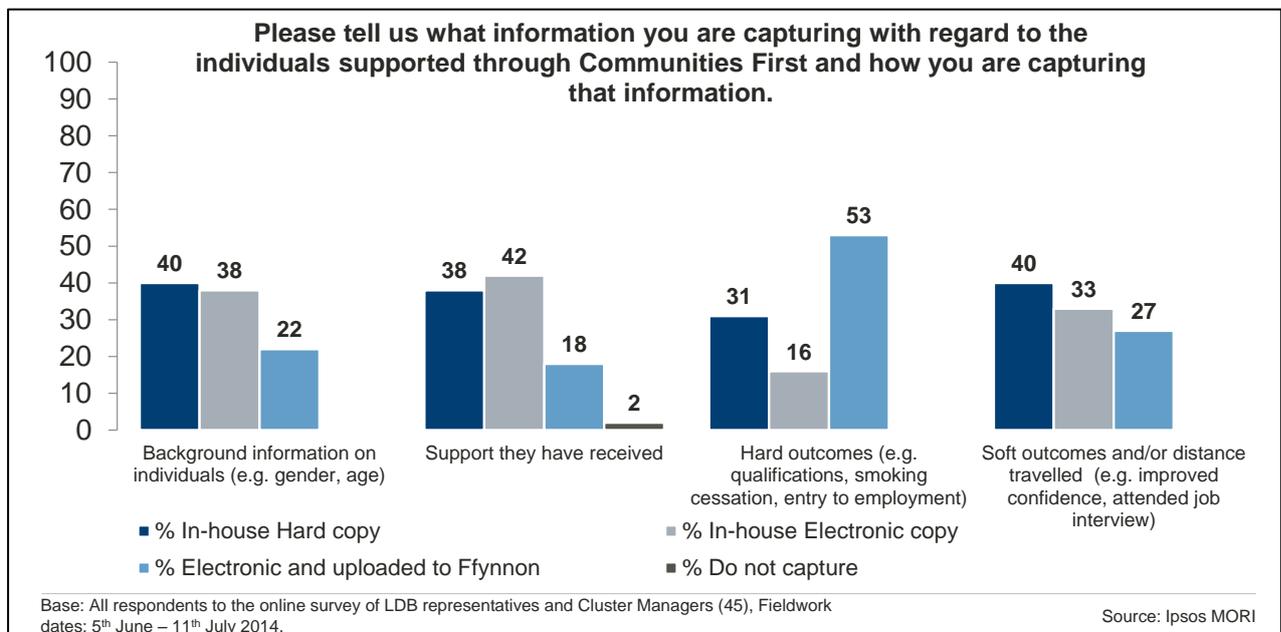
To check whether Communities First recipients have got into work (i.e. a successful outcome) the National Insurance (NI) numbers of participants are compared against those claiming unemployment benefits. However, participants are often suspicious that Communities First is going to affect their benefit payments and give false NI numbers to the Programme (estimate 50% are false) and so it becomes impossible to find out their outcome.

## Capturing beneficiary details

6.10 In addition to allowing a flexible approach to monitoring processes, there has been little in the way of guidance about the type of information that should be captured in relation to those in receipt of Communities First activities.

Consequently, the online survey identified little uniformity in the approach to data capture and it is assumed that this is also the case for the nature of information captured. By way of example, 40% (18/45) of respondents only capture background information on participants in hard copy format (on paper), and a similar proportion 39% (17/45) only record on paper the nature of support that these individuals have received, (one respondent stated that they did not record this information at all).

Figure 6.1: Monitoring information captured by Communities First teams



## Monitoring roles and responsibilities

6.11 It is clear that the monitoring and reporting of outcomes is a common source of concern for Cluster Managers and their teams, who feel under pressure to hit targets.

*The delivery staff are paranoid about performance because you end up red, and what's worse than looking red to the government that can cut your funding? But actually you're doing the job that you need to do to create a long-term sustainable change in someone.*

**LDB representative**

6.12 Clusters have employed different approaches to capturing monitoring information - ranging from employing dedicated monitoring officers with responsibility for collating data and entering it on to Aspireview, to Cluster Managers taking responsibility for this role themselves or in other areas, delivery staff recording all outcomes following each activity to a shared Cluster-tailored database, from which relevant data are uploaded to Aspireview. Reporting monitoring information has posed a challenge in Clusters with limited staff, or that had set out to deliver a large volume of activities, and this appeared to have been a learning process.

6.13 The systems used for monitoring and reporting were well received by some, especially LDB representatives who valued the ready access to summary data on delivery and outcomes. From the Cluster Manager perspective, views were varied, but generally less positive. In particular there were concerns around:

- Time taken to collect and enter data onto the system – taking time and focus away from delivery;
- The inability to track individuals over time – potentially causing issues for sharing outcomes with other programmes such as Families First;

*It's all about who sits on a seat and what they do then, but what about what's happening as a result afterwards?*

#### **Communities First Volunteer**

- A perceived lack of ability to record soft outcomes, such as distance travelled towards final outcomes in terms, for example, of increased confidence or social interaction (although it is understood that it is possible to upload qualitative elements in relation to these);
- An inability to link activities to performance measures across multiple areas (across Learning Communities and Prosperous Communities for example);
- Whether it was possible to generate the level of outcomes they felt were being expected by Welsh Government, and how Clusters would be judged on the basis of their monitoring results. While some Cluster Managers were

satisfied that recording 'amber' or even 'red' outcomes on Aspireview was justifiable (often because for many activity participants, the ultimate outcome had not yet been achieved but significant progress had been made moving a service user along a journey towards that outcome), others felt they had to record 'green' outcomes, and even spoke of ways the monitoring figures could be manipulated to ensure this was the result;

- Related to the above, a perceived inability to provide narrative as justification as to why performance against outcomes may be 'amber' or 'red'; and
- In some cases, it is felt that specialist organisations are the best suited to achieve the ultimate outcomes (i.e. Stop Smoking Wales in relation to smoking cessation) whereas the role, and added value, of Communities First should be to engage with potential beneficiaries of this service, educate them to want to receive support and generate a referral which results in them obtaining specialist help. It is understood that the level of funding available for the Programme demands it to achieve more than act as a sign-posting service however, creating a tension around what Communities First should ultimately be trying to achieve.

6.14 In addition to the regular uploading of activity onto Aspireview each Cluster Manager is tasked with providing a concise Cluster report on activity and progress within their Cluster every six months. The report should provide an overview of the work of the Cluster including levels of community involvement and partnership working, and an overview of any significant obstacles or problems encountered (in accordance with Welsh Government guidance and templates). The inclusion of case studies in this report on participants or individual projects supported through the Clusters is encouraged although some Cluster teams did not appear to be aware that this was a mechanism through which they could provide Welsh Government with these qualitative outputs. An additional Annual Report providing key information relating to the work of the Cluster not included in the other reports is also required. The six monthly and annual reports have not been available for this evaluation and so no further assessment can be made about the effectiveness, or quality, of this element of the monitoring and reporting process.

6.15 The significant role of local partner organisations, including voluntary and Third Sector organisations, in the delivery of activities mean they also need to play a role in monitoring and reporting. Some Clusters have faced challenges encouraging partner organisations to adopt a culture of robust and rigorous monitoring. This has especially been the case where these organisations were partnered under the previous Programme which did not place the same requirements of them.

*I spend more time in the office and less time helping people deliver services.*

#### **Communities First Delivery Partner**

6.16 Whilst it is recognised that monitoring systems can restrict service delivery (through the creation of an additional administrative burden), without an understanding of the key characteristics of participants engaged in the Programme it is difficult to verify whether the hardest to reach groups within each Cluster area are being engaged.

#### **Summary of monitoring and reporting processes in Communities First**

- 6.17 The introduction of the Outcomes Framework represents a significant improvement in the focus of the Programme on the outcomes it is aiming to achieve. The highly varied approach to monitoring outcomes that has emerged across Communities First Clusters is not providing a consistent and robust assessment of progress across the Programme as a whole however. This threatens to limit the value of having an outcomes framework.
- 6.18 Monitoring progress against the Outcomes Framework has undoubtedly been one of the more challenging aspects of Communities First for Cluster teams however. This centres on a lack of understanding of how to effectively monitor activity against some of the outcomes. While guidance has been given on what the target outcomes are, the Programme is missing support for Cluster teams to then robustly monitor their activities against those outcomes.
- 6.19 The application of RBA™ to the Communities First Programme enhances the risks associated with a lack of clarity on monitoring processes. The emphasis on outcomes combined with the application of a RAG approach to the dashboard on Aspireview increases the likelihood of influencing behaviour in

terms of the targeting of service provision to achieve a green status. This could lead to the population of Cluster areas as a whole being targeted (and particularly those representatives who are most likely to deliver on outcomes) at the expense of targeting the very hardest to help/reach in these areas.

6.20 For RBA™ to work most effectively there appears a need therefore for a robust and sophisticated framework to be in place for monitoring of activity through to the achievement of outcomes. An increase in administrative demands through the implementation of this framework is perhaps inevitable; however it would ensure the appropriate targeting of activity. There is a danger however that capturing data on individuals could (if it isn't planned carefully) undermine service delivery with some Cluster representatives highlighting the potential impact of asking what could be considered intrusive questions to better understand the profile of those participants engaged.

6.21 In light of these concerns, Welsh Government needs to be clearer on what the expectations are for the Communities First Programme against these outcomes. For example, Welsh Government has highlighted that, given the focus on engaging the very hardest to reach, it is recognised that hard outcomes of significant volume are unlikely to be achieved. However, Cluster Managers report challenges managing staff morale where delivery teams feel they are not delivering the scale of outcomes required. There are varying views among Cluster teams about whether it is sufficient to be making progress towards outcomes, or whether delivery is only considered acceptable if the ultimate outcomes are achieved. Clarity around this would assist Communities First teams in engaging more effectively with partners and also provide greater consistency in the way activities are being designed and the level of outcomes being reported.

## 7 Conclusions and Recommendations

### Headline conclusions

- 7.1 Communities First is regarded as a valuable Programme by many of the stakeholders involved in its delivery. The limited engagement this evaluation has had with the scheme's beneficiaries also suggests it is well received by local communities, with many examples of positive changes made to the lives of those in its target areas. The remit of this evaluation was an examination of the Programme's design and implementation however, and so no firm conclusion is drawn about the extent to which Communities First is achieving its aims. Indeed, an assessment of its outcomes is likely to be hampered by the availability of beneficiary data and robust monitoring information and by the design of an area based intervention to achieve individual-level change. These challenges, and recommendations for how an outcomes evaluation might be delivered, are discussed in Annex 1.
- 7.2 The changes made to the design of this latest phase of the Communities First Programme (starting in April 2012) have improved the chances of the Programme successfully meeting its aims, and managing effectively to monitor progress against these. Challenges levelled at previous iterations of the Programme have been addressed. This evaluation has reported evidence of: stronger central control through the establishment of LDBs and the requirements placed on reporting monitoring information; a clearer focus on outcomes among the wide range of teams and organisations involved in delivery; and an effective balance generally being struck between collective working towards national strategic goals and ongoing flexibility in how this is achieved at a local level.
- 7.3 Overall, the Communities First Programme is displaying a high-degree of fidelity to its intended model of delivery, as set out in the Programme logic model. For the most part, the Programme's key influencers play a positive role in shaping its delivery and the opportunities identified in the Programme's theory of change have been realised (such as setting tackling poverty as a high priority within Welsh Government, establishing a Combined Outcomes Framework with Families First and Flying Start programme, and maximising

the existing knowledge and relationships of local organisations). From the evaluation evidence available, the activities being designed and delivered through Communities First are generally in line with the intended design for the Programme. Some improvement is still possible here by encouraging LDBs to place firmer requirements on community and Third Sector delivery partners to prove the alignment of their activities to the desired outcomes (where this is possible in the wider context of external funder requirements). This will help tackle the interpretation of some of Communities First as a “funding pot” to extend the delivery of existing services.

- 7.4 The evaluation has highlighted that some significant challenges do remain for the effective delivery and monitoring of the Programme. Some of these are the realisation of challenges set out in the Theory of Change (such as austerity measures restricting the recruitment of external staff by local authorities), some test the feasibility of the assumptions on which the Programme was based (such as effective involvement of local communities in the design and delivery of the Programme), while others result from the culture shift demanded by the requirements of the new Programme design. The most critical role for Welsh Government going forward will be to encourage a more consistent approach to monitoring activities, currently highly varied across Clusters. This is needed to ensure comparability in the quality of outcomes recorded across activities and areas.
- 7.5 While the Programme is largely being implemented as intended, this does not mean that the intended model for delivery should be free from critical examination. The Programme is aiming to significantly improve the characteristics of an area by trying to influence individual-level outcomes in areas with concentrations of problems. However, this is based on the key assumption that through changing individual-level outcomes this will significantly impact on area-level characteristics. The testing of this assumption would be a key aim of any future outcomes evaluation.

### **Summary of good practice in implementation of Programme**

- 7.6 This section summarises the range of good practice in relation to implementing the Programme that this evaluation has uncovered. Examples are drawn from both how Welsh Government’s design of the policy represents

good practice, and how Clusters and LDBs have demonstrated good practice to effectively implement and deliver what is undoubtedly a complex Programme.

- 7.7 **Partnership working** is a definite strength of Communities First. The Welsh Government has encouraged and facilitated partnership working, both between Communities First and other Welsh Government programmes such as Families First and Flying Start, and with the Third Sector within local areas. Actions taken to encourage this include the ongoing work to develop the shared outcomes framework across Communities First, Families First and Flying Start. Beyond this, Clusters that have demonstrated good practice in partnership working have done so through making the most of established local partner organisations' existing networks and trust within the community to both find efficiencies in delivery and in targeting hard to reach groups. Collaboration with statutory services, such as health and education, is also key to the effective delivery of Communities First. This evaluation found many examples of schools, particularly, working closely with Communities First teams. Links with health services were also evident, although perhaps less well developed than those in the education sector. The 'health seminars' which are now being facilitated by WCVA are likely to be effective in helping to further foster these relationships. These seminars provide a platform for third sector health agencies to inform Communities First teams of the expertise and services they offer and represent a networking opportunity.
- 7.8 The **approach to delivering training** taken by Welsh Government, and training delivery partners such as WCVA, has benefitted the Programme. The model adopted to cascade support through workshops but also one-on-one sessions and follow-up consultations is effective and positive feedback was received about the impact of this training from the Clusters and LDBs. The ready availability of training has made a positive impact on the ability of Clusters to effectively design their activities, and therefore implement the Programme.
- 7.9 The evaluation has also identified examples of good practice when it comes to **shared learning** between Clusters, in particular examples of sharing across LDB boundaries are encouraging even if not widespread.

- 7.10 The **outcomes framework** set by Welsh Government for the Programme is also a key example of good practice to be drawn from the reconfiguration of Communities First. While the Programme itself is complex (leading the number of outcomes chosen to reflect this complexity being greater than ideal), having a set of overall outcomes has contributed to a better understanding of the Programme externally, and helped focus the design and delivery of activities within the Programme.
- 7.11 While **monitoring** is undoubtedly a challenge for Communities First Clusters, many are demonstrating good practice for collecting evidence of improvement in soft outcomes, primarily through the use of case studies. These are not, however, being effectively shared with Welsh Government as they are not being uploaded onto the Aspireview system by Cluster teams. Although Welsh Government have communicated that case-studies should also be included in other outputs too, such as the six monthly Cluster-level reports, Clusters do not seem to be clear on the mechanisms through which this valuable information can be provided. Further messaging may be needed to encourage this to happen.

### **Summary of areas for improvement in implementation of Programme**

- 7.12 As well as the examples of good practice outlined above, through the evaluation it has also been possible to identify key elements of the implementation of Communities First in which there is room, and need, for improvement, as outlined below.
- 7.13 LDBs must fulfil the complete remit of their role; that is acting as the body accountable to Welsh Government in ensuring that Clusters use the allocated funding to achieve the intended outcomes of the Programme. At the moment, there is a disconnect between the aim and reality of the LDB role. By ensuring that LDBs are more fully undertaking their role the Programme would benefit as follows:
- LDBs fielding all queries from Cluster teams in the first instance before liaising with Welsh Government would enable these to be turned around faster than currently, as Welsh Government would only have to communicate with 19 LDBs as opposed to with 52 Clusters individually.

- Clusters have experienced challenges in spending their full budget allocation. To combat this, LDBs have been empowered by Welsh Government to facilitate a more flexible approach to shifting spend around between specific activities, staff teams, based on ongoing evidence of what is working best on the ground and where resources are most needed. Implementing this approach would help deliver Welsh Government's goal that Delivery Plans should be subject to ongoing review and improvement.<sup>45</sup>

7.14 The catalyst for enabling LDBs to fulfil this role would be clear guidance from Welsh Government to ensure they are clear on the remit of their role and the extent of their autonomy over flexible budgetary decisions, along with effective resourcing within the LDB, especially those responsible for multiple Clusters.

7.15 The skillsets of the staff responsible for Communities First at Cluster level are fundamental to the efficacy with which the Programme is implemented. As such, matching staff and job requirement skillsets to ensure teams have sufficient focus on, and experience of, the kind of monitoring and reporting processes necessary for Communities First is crucial and could be improved. However, it is important to recognise the pressures external to the Programme that make resourcing Communities First Clusters difficult, for example the external context of recruitment freezes leading to requirement to staff posts internally before being able to conduct external recruitment. More job-specific training and tighter performance management processes may help maximise the value of existing staff in the roles now required of them.

7.16 Guidance provided by Welsh Government, both formally for the production of Delivery Plans and Community Involvement Plans, and ongoing throughout the course of implementation and delivery, is drawn on heavily by LDB and Cluster teams. Therefore the quality and accessibility of this is crucial in driving the successful implementation of the Programme. This evaluation highlights users concerns with the guidance issued initially, and while improvements to this have been made, it is critical that guidance is subjected to continual review and improvement. Responsibility also needs to be placed on LDBs and Cluster teams to ensure those best suited to lead these

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<sup>45</sup> Communities First Programme Guidance 2013 (accessed 17 November 2014)  
<http://gov.wales/docs/dsjlg/publications/comm/130905Communities Firstprogramme13en.pdf>

processes in future, particularly those familiar with Welsh Government's requirements from the initial round of Delivery Plan drafting, are involved again when necessary, or have a mentoring role, to ensure a more efficient process.

7.17 A key ongoing challenge for the Programme is obtaining robust, and consistent, performance monitoring data. While the establishment of an outcomes framework has helped to ensure activities are being designed and delivered which work towards these outcomes, there is still too much local variation in how progress against these outcomes is then measured and reported. There is a lack of guidance and support around appropriate ways of monitoring outcomes. Although the aim has been maintained of allowing some local flexibility, this is an area of the Programme where Cluster teams do not necessarily have the expertise to know how to design effective monitoring processes, and it means similar activities being delivered in different areas may be monitored in very different ways. Given the complexity of measuring some of the desired outcomes – either due to nature of outcome, nature of the participant, or the way in which activities are attended (e.g. voluntary, periodical etc.) this guidance is critically important if the Programme is to truly understand what it is achieving. Without this it threatens how able the Programme will be to demonstrate its impact robustly and how comparable the quality of outcomes will be across different activities and areas.

7.18 This evaluation also suggests that Communities First could go further to better address two of its underlying principles: community involvement; and targeting those most in need within Cluster areas. While Communities First has retained its ethos of encouraging community involvement in the design, delivery and monitoring of the Programme, genuine community participation is not always being achieved or is not being facilitated in a way that is of benefit to the implementation of the Programme or the meeting of its objectives. Communities First should strive to ensure that community involvement strategies:

- i. offer genuine opportunities for participation;
- ii. are of benefit to local residents; and
- iii. ideally also offers benefits to the delivery of the Programme

The final two objectives can be difficult to align in practice. There is a need to pool knowledge and experience of achieving this and to communicate more effectively what genuine community involvement stands to offer the Programme, and why it is still considered important despite the top-down setting of outcome measures. Indeed, the reinforced focus of delivery and outcomes for the Communities First Programme, following criticisms of earlier phases not being sufficiently strategic, led to Clusters ensuring they had staff in place to focus on these important Programme elements. However, Welsh Government note the importance of also retaining community engagement workers in order to meet all three of the Programme's key principles; good governance, improved outcomes, but also strong community involvement. Communication from Welsh Government is needed to remind LDBs and Clusters of the equal importance of community involvement with delivery, but also to help staff understand what this means in the context of needing to provide monitoring data on outcome measures.

7.19 In relation to the Programme's intended beneficiaries, while it is widely understood by delivery teams that activities should be aimed at those most in need, Clusters are not always clear on who these audiences should be. Some Cluster delivery teams are also struggling to conceive how they can effectively target these groups within the confines of the Programme budget, staff resources and requirement to provide outcomes data. Monitoring is again an issue here, with a lack of monitoring of participants to understand the extent to which Clusters are indeed reaching the target groups they are aimed at.

### **Key learning points for design and implementation of future programmes**

7.20 The LDB model is an aspect of Communities First which it is recommended should be replicated in other programmes. This model has the potential to straddle the distance between Welsh Government central control, and local level implementation and decision-making, whilst maintaining effective and efficient lines of communication. In order to maximise the value of such a model (and to build on the experiences of Communities First), LDBs must be given a clear steer on their expected roles and responsibilities. This should include: being the main point of contact for the central government policy team and then cascading information on to local level teams; taking

responsibility for quality assuring all documentation produced by local teams for submission to Welsh Government, such as delivery plans, monitoring data and progress reporting; and facilitating the sharing of best practice between local teams and beyond to other LDBs.

- 7.21 The provision of guidance at the outset of a programme needs to be based on a clear assessment of the knowledge gaps amongst the teams charged with drafting proposals on the basis of this guidance. The phasing of information is also critical, with guidance documents ideally released at the same time as monitoring frameworks and definitions of outcomes. It would also be of value to ensure a clear definition between guidance on the policy and strategy of the programme, and guidance on the various rules and instructions that might govern how it is intended to be delivered. Making all these supporting documents part of the consultation process during the programme design phase would help improve the quality of delivery plans submitted, thereby reducing the need for redrafting and increasing the efficiency with which the process is completed for both Welsh Government and area-based delivery teams. This would in turn have wider reaching positive effects by enabling final offer letters to be distributed more quickly and staff recruitment and delivery to get underway.
- 7.22 Guidance, ongoing support and training should be developed and rolled-out to ensure delivery staff are equipped to set-up and maintain effective monitoring processes. This is critical if they are to have the skills required to record the performance management data required under an RBA™ approach.
- 7.23 While RBA™ offers a lot of advantages in encouraging a focus on outcomes and ensuring activities are designed with these outcomes in mind, its implementation on a programme needs to be carefully considered to ensure its value is being maximised. The emphasis on results may encourage delivery teams to target the easiest to reach and treat within a community in order to achieve a green status on a RAG dashboard. Consideration needs to be given to how progress towards outcomes can be monitored and recorded, and communication needs to be clear on the extent to which distance travelled measures, as opposed to final successful outcomes, are acceptable outputs to record for a programme.

# 1 ANNEX 1 - Outcomes Evaluation: Scoping

## Introduction

- 1.1 This section sets out initial scoping of an outcomes evaluation of the Communities First Programme. Consideration is given to:
- the range of outcomes that may form the focus of an outcomes evaluation of the Programme;
  - the optimal unit of analysis for an outcomes evaluation;
  - how the evidence on the outcomes of interest might best be established;
  - impact evaluation strategies (including options for constructing a suitable counterfactual); and,
  - economic evaluation options.

## Guiding Principles

- 1.2 The driving assumption is an outcomes evaluation of Communities First would ideally establish the net causal effects of the activities funded in terms of its contribution to the three headline outcomes defined for the Programme – to create Prosperous, Healthier, and Learning communities. As such, it is anticipated that the outcomes evaluation will need to be quantitatively focused, and involve the identification of an appropriate counterfactual to establish robust results.
- 1.3 In addition, it has been assumed that an outcomes evaluation would also incorporate some form of economic evaluation in which the benefits of Communities First are related to its costs in order to appraise the value for money associated with the initiative. Consideration has been given both to cost-effectiveness analysis (in which the net outcomes achieved are related to the costs involved), and cost-benefit analysis (in which the net outcomes achieved are monetised to establish how far the value of benefits delivered exceed the resource costs expended).

## Evaluation framework

- 1.4 The first stage in the design of any outcomes evaluation is to identify the set of outcomes to be measured. It is important that this set of outcomes is defined in a way that, as far as possible, reflects the aims of the Programme overall and the breadth of projects funded. Secondly, the set of outcomes should be realistically quantifiable through either primary research or recourse to secondary statistics or sources of administrative data.
- 1.5 As set out in Chapter 2, the policy objectives for Communities First relate to three headline ‘outcomes’: to create Prosperous, Healthier and Learning communities. However, these policy objectives are not defined with sufficient precision for the purposes of an outcomes evaluation (as they do not lend themselves to quantification). That said, Welsh Government has been through a process of defining 102 Key Performance Indicators (across 17 priority outcome areas). These help to express the underlying theory of change and provide a quantitative framework of measures that might be exploited in an outcomes evaluation. These indicators define:<sup>46</sup>
- **Intermediate outcomes:** The Key Performance Indicators implicitly express the underlying ‘theory of change’ for Communities First by defining a range of linked intermediate outcomes, which are expected to lead onto the final outcomes desired. For example, under the ‘reducing re-offending’ sub-priority, KPIs have been defined for gaining an extra-curricular qualification, participating in a personal and social development opportunity, and engagement in a regular positive activity. Each of these intermediate outcomes might be expected to lead onto the final outcome of ceasing offending.
  - **Final outcomes:** In addition, the KPIs specify what might be termed as a ‘final outcome’ under most priority areas. As an example, completion of employment related courses or qualifications might be expected to lead on to further intermediate outcomes in the form of improved confidence about seeking work, and then on to the final outcome of entering sustained

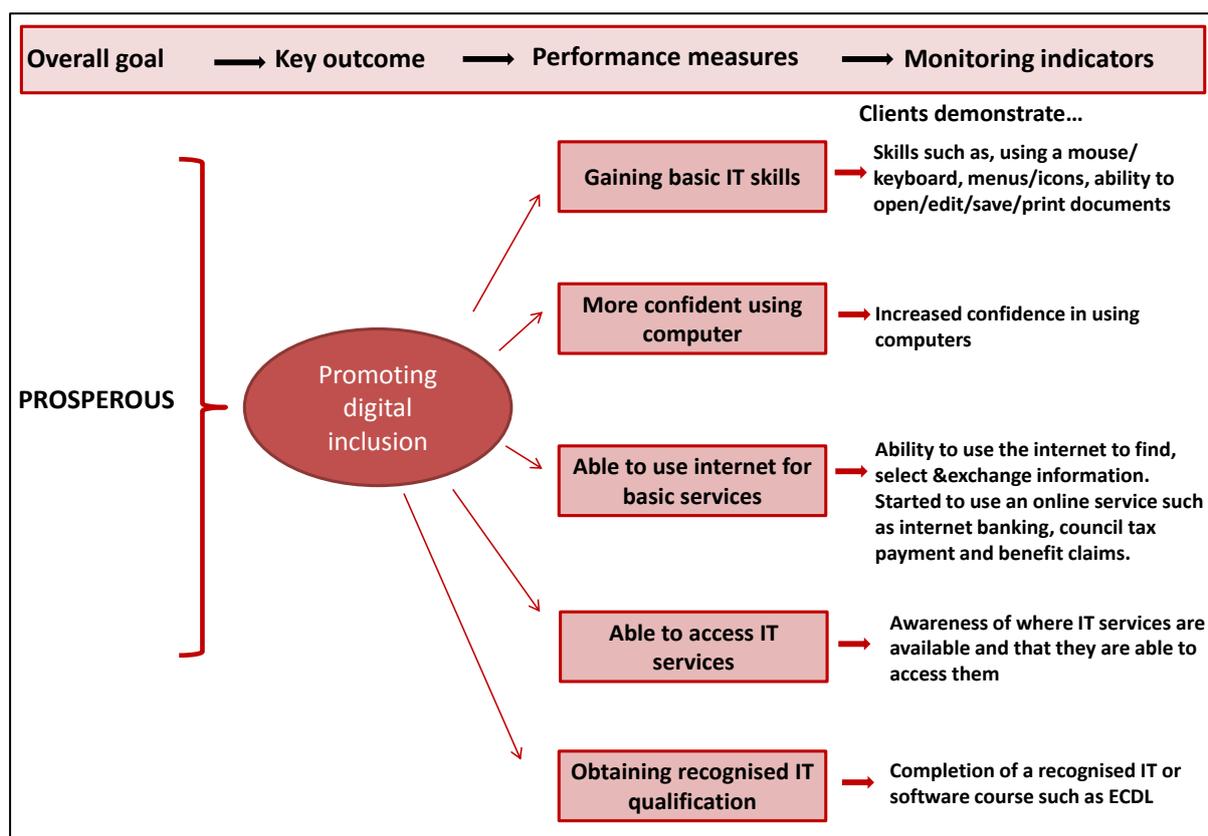
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<sup>46</sup> The distinction between intermediate and final outcomes has been specified by Ipsos MORI, rather than Welsh Government (and all KPIs have the same status as regards the monitoring of the Programme).

employment (under the 'Helping People to Develop Employment Skills and Work' sub-priority outcome).

- 1.6 Although the framework of indicators is relatively comprehensive, the KPIs do not always capture all of the social benefits that may be of interest. This is a particular issue for the KPIs defined under the health domain, in which a wide range of indicators have been specified relating to anticipated changes in individual behaviour and lifestyle choices, without capturing improvements in health or life expectancy. As an example, while participation in a smoking cessation programme and cessation of smoking (under the 'reducing risks' priority area). However, prevalence of smoking related health conditions (such as lung cancer) – which might be thought of as the final outcome of interest in relation to this type of behaviour - is not being monitored through the KPI framework.
- 1.7 It would not be practical to monitor these types of outcome with regard to health outcomes (and it is not suggested that KPIs of this nature are integrated into the monitoring framework). However, for the purposes of evaluation, an outcomes evaluation would need to incorporate appropriate measures in these areas (where feasible) to assess how the initiative has achieved its objectives. As such, one of the first tasks for an outcomes evaluation would be to extend the framework specified in the KPIs to cover any gaps in the causal pathway between the activities funded through Communities First through an extensive logic mapping exercise.
- 1.8 The three headline goals, and the key outcomes and performance measures that sit beneath these, are also substantially inter-linked (and this would need to be acknowledged within any outcomes evaluation of the Programme). As an example, efforts to raise school attainment amongst young people under the 'Learning' outcome are likely to lead onto a number of outcomes under the 'Prosperous' domain, through increasing the likelihood that the young people concerned move onto further and higher education, and ultimately their employability.

Figure A1.1: Identifying the Programme's monitoring indicators



### Key issues for an outcomes evaluation of Communities First

1.9 **Baseline Data:** An outcomes evaluation would ideally incorporate baseline measures against which progress can be measured (this is a minimum requirement for all but the weakest evaluation designs). However, as delivery has already begun, the opportunity to collect bespoke evidence from either Programme participants or residents of Communities First has passed. As such, in order to deliver any form of outcomes evaluation that explores the causal effects of the Communities First in achieving the outcomes of interest, the evaluation will need to either rely on secondary data at an individual or area level, or evidence on the characteristics of participants collected through monitoring.

1.10 **Monitoring Data:** The Communities First Cluster teams upload their monitoring data onto the Ffynnon system. The monitoring data provides aggregate figures on the number of participants engaged by the Communities First Programme (at a local level), and the number for whom outcomes can be observed (against the 102 performance measures). These monitoring records

will provide a measure of the *gross* outcomes achieved by the Programme (though as suggested elsewhere, there are questions about the consistency and accuracy of this data).

1.11 **Individual Data:** However, there is no systematic collection of contact details at an individual level (though paper and other records may be held by the Clusters). As such, an outcomes evaluation would need to undertake a comprehensive (and costly) data collection exercise to enable any primary research (or data-linking) to take place as part of a main-stage evaluation. Alternatively, Welsh Government could take corrective action to require Communities First to submit these details through the Ffynnon system (the evaluation team has not been given access to the system as part of this study, making it difficult to appraise the resource implications of such an action).

1.12 **Identification of an appropriate counterfactual:** A robust outcomes evaluation would need to integrate a counterfactual of non-assisted areas of individuals against which the causal effects of the Communities First Programme could be identified. However, the selective nature of resource allocation and the voluntary nature of participation in the Programme creates a number of challenges in the identification of an appropriate counterfactual:

- **Differences between areas:** The Communities First Programme was in principle targeted at the ten percent most deprived LSOAs in Wales. In practice, a large number of LSOAs outside of this threshold formed the target area for the Programme, to preserve natural community boundaries, align with the delivery boundaries of key partners, and other issues, such as targeting particular groups of disadvantaged individuals or families. Nevertheless, there will likely be systematic observed and unobserved differences between treated and untreated areas that will be correlated with the outcomes observed (with the potential to bias comparisons). For example, if Communities First areas are more likely to be subject to a process of long term economic decline than other areas of Wales (driven, for example, by the selective outmigration of skilled workers to growing economic areas), then comparisons between the two groups of areas would potentially lead to an understatement of the Programmes' effects in contributing to positive labour market outcomes.

- **Differences between participants and non-participants:** Participation in the activities funded by Communities First Programme will largely be voluntary, and as such, there is a strong expectation that there will be systematic differences between participants and non-participants. Again, these differences would have the potential to bias comparisons. For example, if Programme participants have more motivation to find work than non-participants then comparisons between the two are likely to overstate the effectiveness of the activities funded by Communities First on the employment outcomes observed.
- 1.13 **Overlap with prior Communities First Programme:** There is substantial overlap between the boundaries of the previous Communities First Programme and the current Programme (around 75 percent of the LSOAs receiving Communities First funding were beneficiaries of the precursor Programme). This could cause difficulties in detecting the effects of the current Programme if the activities funded have short term, rather than permanent effects. As an example, if a certain area was benefitting from local employment support activities funded through Communities First both before and after the current Programme, then it is possible that an evaluation would observe no change in local flows into employment, even if the Programme was effective in achieving its labour market objectives.
- 1.14 **Role of wider initiatives:** The Welsh Government is funding numerous initiatives with the potential to contribute to the same outcomes targeted by Communities First. For example, Jobs Growth Wales has specific target for placing Communities First residents into temporary vacancies created by the Programme. Equally, Flying Start is a spatial programme targeting the families with dependents aged 0 to 4, with the potential for a wide range of labour market effects. As the boundaries of these programmes overlap to some degree with those of Communities First areas, it is likely that some participants and any groups selected as a counterfactual will benefit from these wider initiatives. An outcomes evaluation would need to adequately control for the role of these programmes in order to separate the effects of Communities First from these other programmes. A mapping of possibly

relevant initiatives will be needed, as well as an examination of how far a realistic separation can be achieved.

- 1.15 **Factor market displacement:** The emphasis of many activities funded through Communities First on supporting individuals into employment means there is the potential for displacement effects in factor markets. In particular, if those individuals receiving training or other forms of employability advice are able to obtain employment at the expense of competing jobseekers (either within or outside Communities First LSOAs). These effects will need to be explored in order to understand the net effects of the Programme though they are typically the most challenging effects to measure robustly.
- 1.16 **Leakage:** Finally, the potential for leakage of benefits outside of Communities First areas (and Wales) would also ideally be accommodated within the outcomes evaluation. It is possible that improvements in the employability of individuals supported by the programme leads to the migration of labour from Communities First areas to key areas of offering greater employment opportunities (particularly if the increase in labour supply stimulated by the Programme is not accompanied by a parallel increase in local employment demand). While this could potentially be positive at the level of Wales as a whole, it would need to be considered as leakage in any analyses focused on the Communities First target areas. In addition, the possibility of leakage to the rest of the UK cannot be ruled out.

## Unit of Analysis

- 1.17 A key choice that needs to be made in the design of an outcomes evaluation is the selection of an appropriate unit of analysis around which to organise the evaluation strategy. As suggested above, there are two options available: the evaluation could attempt to understand the effects of Communities First on individual participants of the activities funded, or in terms of its aggregate effects on the residents of the areas of Communities First areas.
- 1.18 An approach focused on understanding impacts at an area level is recommended for the following reasons:
- **Difficulties gathering evidence of interest:** The absence of systematic and centralised records of the individuals participating in the Programme will create major challenges in collecting the evidence of interest via either

primary research or exploiting the availability of administrative data at an individual level. Records of the names, addresses and contact details of participants would be needed to implement any programme of survey research or link these records into wider administrative datasets (such as the DWP Work and Pensions Longitudinal Study that provides longitudinal records of benefit dependency, employment and income at an individual level).

- **Timing:** A strategy based on primary research would also be limited by timing issues. As Programme delivery has already begun, the opportunity to collect baseline observations has passed. As such, even if it were possible to take corrective action with regard to systematising the collection of contact details of participants, surveys would either have to reconstruct historical records of the outcomes of interest (and control variables) in order to re-construct a baseline for the evaluation (or focus on collecting self-reported views of the impacts of the Programme – the weakest form of evaluation design).
- **Selection bias:** As well as the practical difficulties in gathering the evidence needed to implement an outcomes evaluation; a focus on area level data simplifies the analytical challenges associated with addressing the issues relating to selection bias noted above. In particular, a focus on outcomes at an area level will include Programme participants and non-participants within the treatment group of interest (an ‘intention-to-treat’ analysis). This will avoid the need to address the likely intractable<sup>47</sup> problems of accounting for differences between Programme participants and non-participants that may bias results (limiting the challenge to accounting for differences in area level characteristics).
- **Factor market displacement:** Estimates of treatment effects at an area level will be net of any displacement in factor markets within Communities First areas. However, the evaluation would still need to account for any

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<sup>47</sup> While it may be possible to account for observed characteristics, there would likely be substantial unobserved and unobservable differences between the two groups – such as motivation and ability – that would be highly challenging to accommodate. This difficulty is exacerbated by the diversity of delivery mechanisms adopted at a local level which inhibit the exploitation of Programme design aspects in the construction of an appropriate counterfactual.

effects whereby Programme participants obtain employment at the expense of competing jobseekers outside of Communities First areas.

- **Leakage:** Additionally, estimates of treatment effects will also be net of any leakage effects whereby Programme participants leave Communities First areas as a direct consequence of the support received.

### **Measurement of Outcomes and Control Variables**

- 1.19 A focus on organising the outcomes evaluation at an area level implies a reliance on the use of publicly available datasets to provide observations on the outcomes of interest (as well as supply any variables to control for any observable differences between the treatment and comparison areas). In order to be exploited in an outcomes evaluation, this data must be available at an LSOA level on an annual basis (and pre-dating the start of the Communities First Programme in 2012/13).
- 1.20 An initial review of the available datasets for the 100+ outcomes specified for the Programme has been undertaken. This has identified some potential sources of data (as shown in Table A1.1) but a key task at the outset of an outcomes evaluation of Communities First will be to complete this mapping exercise. The majority of the core outcomes of interest can be measured using administrative or survey datasets, though in some cases data sharing agreements with the relevant data owners will be necessary.

Table A1.1 Initial Mapping of Outcomes to Data Sources (LSOA level)

Outcome	Sub-priority	Dataset	Measures
<b>Prosperous</b>	Helping People to Develop Employment Skills and find Work	Work and Pensions Longitudinal Study (DWP & HMRC)	- Benefits dependency - Income (PAYE) - Employment (P46)
	Reducing Youth Unemployment and disengagement	National Pupil Database (NPD)	- Educational attainment - Participation in FE
		Individualised Learner Record for Wales (ILRW)	- Participation in FE
	Promoting Digital Inclusion	ILRW and NPD	- Achievement of recognised IT qualifications
	Financial Inclusion	<i>None found</i>	
	Supporting Enterprise and Timebanking Building Social Capital	Business Structure Database (BSD)	- New businesses registered for VAT / PAYE (imperfect measure of social entrepreneurship)
	Reducing the Risk of Youth Offending	Police National Computer (PNC)	- Number of offences per 1,000 residents
<b>Learning</b>	Promoting Family Learning in the Early Years	<i>None found</i>	
	Supporting Young People to Do Well at School	NPD	- School attendance - Attainment
	Supporting Families to be Engaged in their Children's Education	ILRW	- Attainment of qualifications (it will be challenging to isolate parents in this dataset)
	Lifelong Learning in Communities	ILRW	- Attainment of qualifications at higher levels (note that data on prior attainment is not always robust in the ILR) - Participation in FE (as above)
HESA Student Record		- Participation in HE by ex-residents	

Outcome	Sub-priority	Dataset	Measures
	Improved Adult Basic Skills	ILRW	- Adults completing CDQW recognised literacy or numeracy qualifications (note that this does not measure the stock of individuals with these qualifications)
<b>Healthier</b>	Supporting a Flying Start in the Early Years (Ages 0-7)	<i>None found</i>	
	Promoting Physical Well Being (Ages 7 and above)	Sports Wales Survey	- Participation in physical activity (unclear if robust at an LSOA level)
		Patient Episodes Database for Wales (PEDW)	- Hospital admissions for inactivity related health conditions (e.g. cardiovascular problems)
	Promoting Mental Well Being	<i>None found</i>	
	Encouraging Healthy Eating	<i>None found</i>	
	Reducing Risks	PEDW	- Admissions for smoking, alcohol, drug, and sexual health related health conditions
Supporting People	<i>None found</i>		

1.21 For performance measures which can be measured by secondary administrative sources, the key challenge is the availability of this data at a low enough level of geography. To measure the outcomes of Communities First this data is needed at LSOA level. However, many sources are unavailable at this spatial scale. For example, the Annual Population Survey covers useful areas such as employment, unemployment, qualifications etc. but lowest level of geography is local authority (and the robustness of the data at even this level is challenged by the sample sizes available).

- 1.22 The impact evaluation would also ideally control for observed differences between the Communities First areas and areas acting as a counterfactual (except in the case of the Regression Discontinuity Design approach described below), that may also play an important role in determining the outcomes of interest. However, identifying appropriate control variables for regression analyses will be challenging as they would need to be uncorrelated with the activities and outcomes of the Communities First Programme. For example, while employment demand may be influential in determining the employment prospects of residents, the Communities First Programme may indirectly lead to effects on employment demand and inward investment through raising the skills levels of the resident population (and as such, including employment growth as a control variable would potentially bias results).
- 1.23 As such, controls should only be included on a pre-treatment basis (e.g. employment growth prior to 2012/13) or where there is substantial confidence that they can be considered exogenous. For example, physical topography is unlikely to be influenced by the Communities First, but could have an influence over the outcomes of interest by restricting development in those areas rendered inaccessible by the terrain (e.g. a dominance of steep terrain that are unsuitable for the construction of large plants). Equally, transport accessibility is likely to be influential in determining the job-search strategies of Communities First residents (though the activities of Communities First are unlikely to lead to changes in the rail and road network that might improve accessibility).

### **Impact Evaluation Options**

- 1.24 This section provides an overview of the potential evaluation options (from least to most robust).
- 1.25 **Before and after:** A 'before and after' strategy focuses on establishing measures of the outcomes of interest before and after the intervention (with no counterfactual). The feasibility of such an evaluation strategy depends on how far it is possible to observe the outcomes of interest pre- and post-intervention. As illustrated above, such a strategy will prove feasible using

secondary data for a sub-set of the outcomes of interest at an area level (though it would be highly challenging for any evaluation methodology organised around observations at an individual level). This evaluation methodology does not include any form counterfactual, and as such offers a low confidence that the changes observed can be attributed to the intervention of interest, unless there is a high degree of confidence that there are significant external factors likely to influence the results. Such an assumption is unlikely to hold with regard to Communities First, given the likely importance of both wider economic conditions and other Welsh Government policy initiatives in contributing to the changes that will be observed. As such, this strategy is not recommended for a main-stage outcomes evaluation.

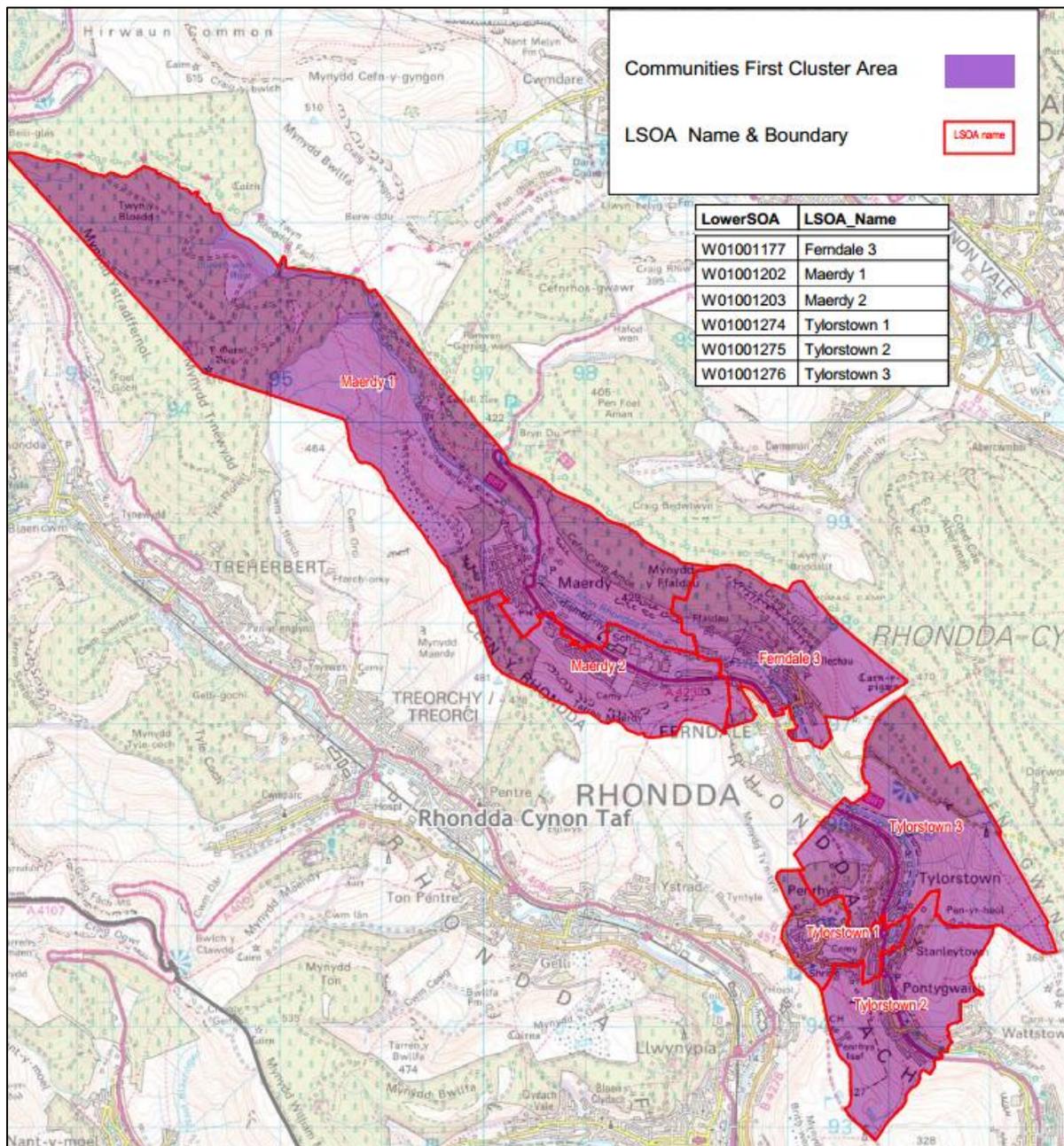
- 1.26 **Matched comparison areas:** A counterfactual could potentially be constructed by selecting a sample of LSOAs that have not received Communities First funding and comparing outcomes across the two groups. As noted above, given the way the Communities First funding has been targeted, it is likely that there will be systematic differences between areas receiving funding and those that did not that will bias results. These issues could potentially be minimised by selecting the comparison LSOAs where they share similar observable (pre-treatment) characteristics (such as levels of deprivation) to those funded by Communities First (for example, using a Propensity Score Matching strategy).
- 1.27 Such an approach would be problematic for two reasons. Firstly, such a matching strategy only addresses those factors driving selection into the Programme (i.e. levels of deprivation) that can be observed. There may be significant unobserved factors causing deprivation that may also be correlated with levels of deprivation with the potential to bias results. As an example, the physical topography of certain areas may inhibit the extent to which they can adjust to long term shifts in the industrial structure (such as the decline of the coal mining and manufacturing industry). If these physical characteristics cannot be observed and quantified, then estimates of impact are likely to be biased.
- 1.28 The availability of longitudinal data may help to correct for these difficulties. For example, the physical topography of an area might be assumed to be time

invariant, and its influence over the outcomes of interest constant over time. As such, the adoption of appropriate panel data techniques (difference-in-differences or fixed effects) would help minimise such concerns.

- 1.29 However, a more substantial difficulty is anticipated as a consequence of the targeting of the Programme. In principle, the Communities First Programme was targeted at the 10 percent most deprived LSOAs, though in practice a substantial number of LSOAs with lower levels of deprivation (as measured in the WIMD) were included within the Programme boundaries. The Propensity Score Matching algorithm will discard any treatment or comparison LSOAs for which a good match cannot be found. This region of 'common support' is likely to be dominated by those LSOAs outside of the top 10 percent of the most deprived: i.e. there will be no LSOAs within the top 10 percent most deprived that could serve as a viable match as they are all within the boundaries of the Programme. As such, an impact evaluation strategy would only be able to estimate the causal effects of the Programme amongst those Communities First areas that did not form part of the core target group for the policy (and therefore would offer limited insight into how far the scheme met its overall policy objectives).
- 1.30 **Spatial discontinuities:** The administrative boundary of Communities First Programme creates a discontinuity in the eligibility of neighbourhoods for support. These boundaries can be considered arbitrary in nature with regard to the outcomes of interest (LSOA boundaries are not set with regard to the socio-economic characteristics of the residents involved). As such, LSOAs adjacent to - or within a certain distance of - Communities First LSOAs are likely to share observed and unobserved socio-economic characteristics, and will be exposed to similar economic shocks. As such one possible evaluation strategy would be to construct a counterfactual group of LSOAs that are geographically proximate to Communities First Clusters (for example, those within 3km).
- 1.31 These areas could be assumed to be sufficiently similar in their underlying characteristics to Communities First LSOAs (for example, experience in the case studies suggested that such boundaries can split housing estates sharing deprivation characteristics), as well as share similar exposure to external economic shocks. However, the validity of such a strategy could in

some cases be questioned as case study evidence gathered has suggested that Communities First workers have allowed the support they provide to 'leak' outside of the targeted LSOAs in such cases. In other cases, the arbitrariness of LSOA boundaries has caused issues with Programme delivery (providing some support for the underlying methodological principles). In the example below, as shown in Figure A1.2 below, the Upper Rhondda Fach Cluster is comprised of six LSOAs, but the LSOA containing the central town in the area has not been designated as a Communities First area.

Figure A1.2: Upper Rhondda Fach Cluster map



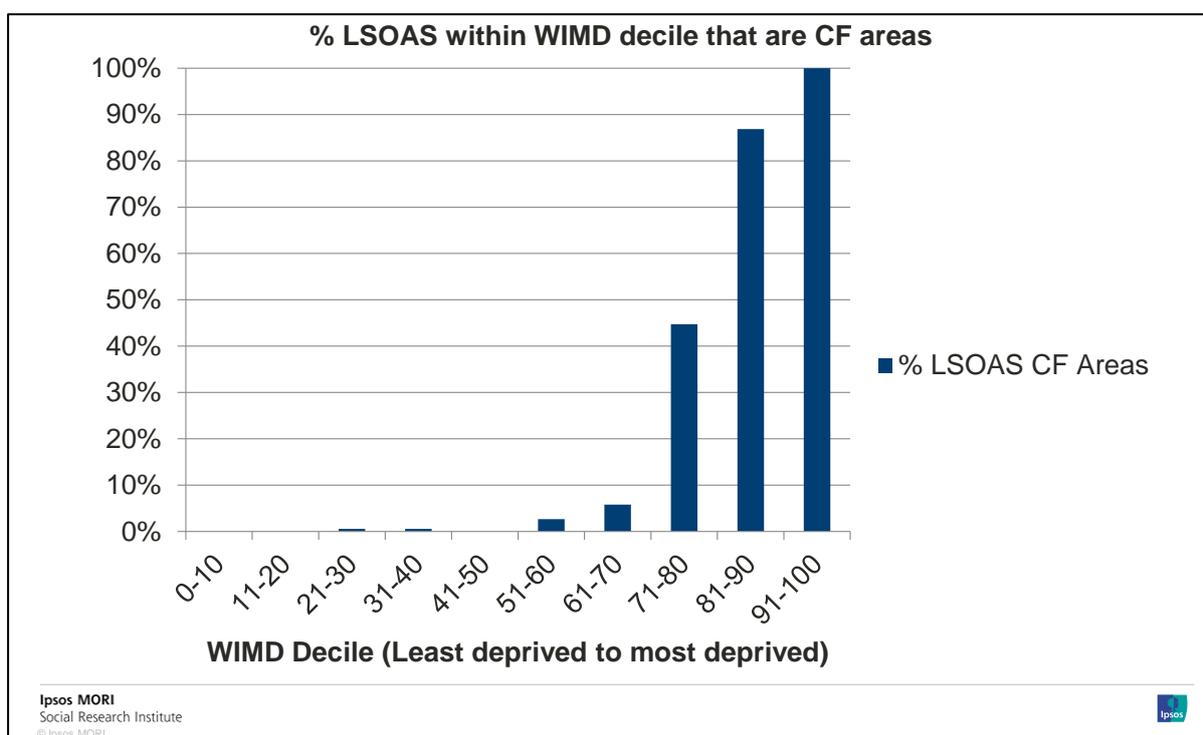
Source: Stats Wales, <https://statswales.wales.gov.uk/Catalogue/Community-Safety-and-Social-Inclusion/Communities-First/Cluster-Maps>, accessed 24<sup>th</sup> November 2014.

**1.32 Regression Discontinuity Design:** The design of the Programme, in which the resources were targeted (in principle) at the 10 percent most deprived LSOAs received Communities First funding, creates the potential to implement a Regression Discontinuity Design approach, in which those just below the funding threshold are compared to those just above. The assumption underlying this approach is that while those areas receiving

Communities First funding will systematically differ from those that do in general terms, differences in observed levels of deprivation will be close random in the immediate vicinity of this threshold. These methods are highly robust (comparable to an RCT), though do not give generalizable findings (they only measure effects at the threshold).

1.33 However, in practice, a large number of LSOAs outside of the 10 percent most deprived have received funding through Communities First. This is not necessarily problematic if there is a discontinuous jump in the probability that an area receives funding at the threshold (in which case a fuzzy RDD approach would be appropriate). However, an examination of the proportion of LSOAs receiving Communities First funding in each decile of the WIMD suggests that no discontinuity is present (the probability of assignment into treatment appears to increase continuously with deprivation). As such, a fuzzy RDD approach is unlikely to be a feasible option.

Figure A1.3: Communities First LSOAs to WIMD Deciles



1.34 **Randomised Control Trials:** A randomised control trial (RCT) is the most robust evaluation strategy, but would require the random assignment of treatment status. There has been no randomisation of resource allocation in

the design of Communities First, and these styles of approach cannot be replicated here.

### **Controlling for Wider Programmes**

1.35 The evaluation will also need to account for other national and spatially targeted interventions that have the potential to have a contributory role in delivering the outcomes of interest. With area level data, regressions would need to include a set of control variables defining how far a particular LSOA has benefitted from other programmes (which could be defined as the overall funding involved, as a means of describing the intensity of support), covering:

- Flying Start
- Vibrant and Viable Places

1.36 However, there are numerous schemes funded by Welsh Government at a national level with significant variation at a local level that are also likely to be influential. These include Families First, the Pupil Deprivation Grant, and Jobs Growth Wales, which may need to be accounted for in different ways:

- **Pupil Deprivation Grant** is a per-pupil allocation based on the numbers of learners from disadvantaged backgrounds and has the potential to influence the educational attainment and other related outcomes. The grant is provided on a school by school basis, each of which will likely serve a mixture of Communities First and non-Communities First LSOAs. As such, it may be feasible to develop an appropriate control variable at the LSOA level by assuming that each schools allocation can be apportioned equally to its pupils. The National Pupil Database provides postcode of residence for all pupils, and can be used to construct a measure of the overall funding that has reached residents of Communities First. A simpler - but less precise strategy - would be to assume that each LSOA benefits from the PDG funding associated with the nearest school to its centroid point.
- **Jobs Growth Wales** will help contribute to the employment outcomes targeted by the intervention by creating temporary vacancies (some of which are only open to Communities First residents). The Programme might be accounted for by defining the control variable as the number of JGW vacancies advertised within the Travel to Work Area of each LSOA

(with Communities First areas also benefitting from the additional vacancies ring-fenced for residents).

- **Families First** is allocated at a local authority level, and the only way of realistically accounting for this intervention would be to assume that funding can be apportioned equally across the LSOAs of interest. This approximation would be highly imperfect, as many Families First partnerships have used their funding to target particular areas of need. For example, some Local Authorities are targeting areas that they know are most likely to have families that will need support, or particular age groups. In one area, for instance, the initial roll out of Families First was only advertised strongly in areas of high poverty, although the overall vision is to eventually widen out eligibility to all following this initial prioritisation of certain groups.

### **Wider externalities**

- 1.37 As noted in the sections above, where Communities First has led to labour market outcomes (in the form of supporting individuals into work), there are the potential for displacement effects whereby the individuals obtaining employment have a negative effect on the employment prospects of competing jobseekers. While these effects are typically the most challenging to measure robustly in evaluation, there are a number of strategies that have been adopted in other evaluations of spatial programmes that could be replicated in an evaluation of Communities First.
- 1.38 **Spatial aggregation:** Factor market displacement effects could potentially be explored by increasing the level of spatial aggregation in the analysis (to local authority or Travel-to-Work Areas). For example, it would be feasible to define a treatment variable at the local authority level as the percentage of LSOAs receiving Communities First funding. If significant effects on unemployment are observed at the Cluster level, but not at the local authority level, it might be reasonably concluded that the main effect of the Programme is to support residents of Communities First areas into work at the expense of other jobseekers within the boundaries of the local authority. This strategy has been employed in some econometric studies (including a long term evaluation of

the Regional Selective Assistance Programme, with regard to net job creation outcomes<sup>48</sup>), and could be replicated in a main-stage study. However, there may be concerns that such an approach could lead to biased results in this instance: local authorities with higher proportions of Communities First LSOAs may also be expected to be those most likely subject to issues of long term economic decline (and least likely to see growth in employment demand, and reductions in short and long term unemployment, as the wider economy recovers). It is expected that such a strategy would understate the effects of Communities First (leading to an overstatement of the strength of the substitution effects involved).

**1.39 Control rings:** An alternative strategy was adopted in an academic evaluation of the Local Enterprise Growth Initiative.<sup>49</sup> The study employed a methodological approach based on exploiting the spatial discontinuities created by the targeting of the Programme, but allowed for the potential for displacement effects in LSOAs that varied with distance from the local authorities benefitting from the LEGI Programme (i.e. effectively constructing control ‘rings’ around the Programme boundaries). Again, such a methodology could be replicated in an evaluation of the Communities First Programme. While the results would be limited to displacement effects over a relatively small distance from the boundaries of the Programme, the methodology would be more robust (as by assumption, those areas within a short distance of LSOAs receiving Communities First funding can be assumed to share similar unobserved socio-economic characteristics).

**1.40 Assumption:** Finally, the DWP Cost-Benefit Analysis guidance<sup>50</sup> provides a range of assumptions for the plausible range of substitution effects that could be applied in a main-stage evaluation. However, such a strategy would not be grounded in empirical evidence relating to the Programme, and is not recommended unless confidence in other approaches is very low.

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<sup>48</sup> ‘The Causal Effects of an Industrial Policy’, Centre for Economic Performance Discussion Paper No. 1113, Criscuola, Martin, Overman, and Van Reenan, 2012

<sup>49</sup> ‘The Effects of Spatially Targeted Enterprise Initiatives,’ Einio and Overman, 2011. Available at <http://dev3.cepr.org/meets/wkcn/2/2434/papers/OvermanFinal.pdf>, (accessed November 2014)

<sup>50</sup> ‘Improving DWP assessment of the relative costs and benefits of employment programmes,’ Working Paper 100, Department for Work and Pensions, 2011. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/214397/WP100.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/214397/WP100.pdf) (accessed November 2014).

## Alternative to Impact Evaluation

- 1.41 Given the possible difficulties in adopting a quasi-experimental evaluation design, alternative (albeit less robust) evaluation strategy merit further consideration.
- 1.42 As noted above, the Programme is collecting evidence on 102 Key Performance Indicators describing the gross outcomes achieved by the Programme. This evidence could potentially be combined with wider evaluation evidence on the effectiveness of the different types of initiative being funded through Communities First to provide an assumption driven estimate of the potential impacts of the Programme.
- 1.43 This would require a systematic review of evaluation studies of comparable interventions to adopt a plausible range of values for ‘deadweight’ (and in the case of economic outcomes, displacement and other general equilibrium effects). Useful sources of evidence (alongside systematic review of the source literature) for such assumptions could encompass:
- **‘What works?’** centres have been established in England to synthesise the available evaluation evidence in relation to the effectiveness of different types of public intervention in delivering their anticipated outcomes. Of particular relevance will be the work of Education Endowment Fund (early intervention), the What Works Centre for Local Economic Growth (with respect to the labour market outcomes anticipated), the National Institute for Health and Care Excellence (health outcomes), and the What Works Centre for Crime Reduction (crime outcomes).
  - **CBA guidance documents** developed by central Government have often involved systematic reviews of similar interventions. Of particular relevance will be the Department for Work and Pensions guidance to improve the application of CBA methods<sup>51</sup> for interventions designed to support individuals into employment. This provides a review of the academic literature with regard to the range of wider externalities involved (including

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<sup>51</sup> ‘Improving DWP assessment of the relative costs and benefits of employment programmes,’ Working Paper 100, Department for Work and Pensions, 2011. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/214397/WP100.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/214397/WP100.pdf) (accessed November 2014).

displacement and substitution effects) and makes recommendations for adjustments in appraisals where such effects cannot be estimated directly.

- 1.44 The evidence gathered through the process evaluation suggests that there is limited evidence of Communities First funding being 'matched' with other funding sources to fund projects in a systematic fashion. However, there are some instances where Communities First funding was being integrated with Pupil Deprivation Grant funding. In such cases, it is unclear how far the reporting of KPIs has been designed to avoid the double counting of outputs under separate programmes. Equally, the Communities First Programme has KPIs for supporting young people into vacancies funded through Jobs Growth Wales (the cost of which will be supported by Welsh Government through Jobs Growth Wales, rather than Communities First).
- 1.45 Further investigation will be needed through a main-stage study to resolve these issues, though it is suggested that where multiple sources of public funding have been used to fund particular projects, that the outputs and outcomes reported are apportioned to Communities First on the basis of its share of overall project costs (aligning with the general approach to apportioning outputs between public sector partners specified for the ERDF and RDA Single Pot Programmes).<sup>52</sup> Such an exercise may not be straightforward if it is not possible to obtain information on KPIs at a project level (this is unknown at this stage, as the evaluation team have not had access to the Ffynnon system).

### **Economic evaluation options**

- 1.46 It is anticipated that an economic evaluation of Communities First may be a desirable component of an outcomes evaluation of the Programme. An economic evaluation would seek to establish how far the costs of the Programme were justified by its benefits. As set out in the HM Treasury Magenta Book, there are two forms of economic evaluation that merit consideration:

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<sup>52</sup> 'Technical Note of Combined Indicators for RDA Single Budget and ERDF Programme 2007-13,' OffPAT, 2008. Available at <https://support.erdf.communities.gov.uk/User Manual/Chapter 11 - Combined Indicators Technical Note.doc> (accessed November 2014)

- **Cost-effectiveness analysis** in which the net outcomes of the intervention are related to their costs (e.g. cost per net individual supported into work).
- **Cost-benefit analysis** in which the net outcomes of the Communities First are assigned monetary values to produce a benefit to cost ratio (i.e. £s of benefits per £1 spent).

1.47 **Costs:** It is anticipated that the net resource costs of Communities First will be captured through the financial monitoring of the Programme. Although the Programme involves ‘programme bending,’ in which the resources associated with other initiatives are diverted or otherwise influenced to address the objectives of Communities First Programme, it is likely that these wider resources would have been expended regardless of any interventions supported through Communities First. Communities First is not expected to lead to any leverage of private resources.

1.48 **Benefits and disbenefits:** A CBA would need to value the benefits and disbenefits associated with the following outcomes:

- **Improved employability and productivity:** Communities First is likely to deliver economic impacts through two main mechanisms. Firstly, interventions to raise the skills of individuals (including interventions designed to raise school attainment amongst younger residents) could be anticipated to improve both employability and productivity, which will in turn lead to greater income for residents (net of any displacement effects in the labour market). Interventions designed to place individuals in employment might be expected to have similar effects.
- This additional income can potentially be measured directly through analysis of the Work and Pensions Longitudinal Study (which can be aggregated to an LSOA level). However, this would only capture short term effects on earnings, while the benefits of Communities First might be expected to endure over the lifetime of the individuals concerned. As such, it may be preferable to use a combination of the Welsh ILR and DfE school statistics to estimate the effects of Communities First on the qualifications obtained by residents and estimate the income and employability effects on the basis of the secondary literature, examining the links between skills, employability and earnings. For example, the Department for Business,

Innovation and Skills has developed a large body of work looking at the earnings premia associated with various types of vocational qualifications.

- Where Communities First has led to an increase in the number of individuals entering employment, it will also be important to account for the economic costs associated with these outcomes (including the consumption of childcare and travel costs). The DWP CBA guidance provides guidance on how these effects should be treated (and have been applied in practice in the evaluation of the Future Jobs Fund).<sup>53</sup>
- **Better management of debt:** The Communities First Programme has specified KPIs relating to better management of debt. These effects may be expected to be largely welfare neutral at the level of the UK: while this may lead to reduced interest payments in servicing debt for the relevant beneficiaries of the Programme, this will also come at the expense of loss of profits for financial institutions. At the level of Wales, these displacement effects may be less pronounced (as the headquarters of many of the relevant financial institutions is in London). Nevertheless, with taxpayers (and therefore residents of Wales) representing a large shareholder in some of the largest retail banking institutions, as well as the complexity of the effects involved (for example, such displacement effects may lead to loss of profits – and jobs – amongst debt collection agencies based in Wales), it is recommended that these effects are ignored in any CBA.
- **Reduced offending:** Activities designed to reduce offending (or re-offending) will lead to a reduction in the negative externalities associated with crime (accruing to victims) as well as costs to the criminal justice system. On the basis that these effects can be measured through an outcomes evaluation, they can be valued using the Home Office value for money toolkit (which provides a framework for monetising the costs of a variety of types of crime).<sup>54</sup>

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<sup>53</sup> 'Impacts and Costs and Benefits of the Future Jobs Fund,' Department for Work and Pensions, 2012. Available at [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/223120/impacts\\_costs\\_benefits\\_ffj.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/223120/impacts_costs_benefits_ffj.pdf) (Accessed November 2014).

<sup>54</sup> See 'Integrated Offender Management Efficiency Toolkit, Phase 2 Value for Money tool,' Home Office, 2011. Available at <https://www.gov.uk/government/publications/integrated-offender-management-efficiency-toolkit-phase-2-value-for-money-tool> (accessed November 2014).

- **Health outcomes:** Improvements in health outcomes may lead to an improvement in social welfare that can be valued through two main mechanisms:
  - **Improved health:** Improved health amongst residents of Communities First has the potential to lead to an improvement in the quality of life of residents. These improvements are typically quantified in terms of Quality Adjusted Life Years or Disability Adjusted Life Years (which equate to the gain in health to the gain in years of life expectancy, adjusted for health conditions that might reduce the quality of life). The value of one year of one additional QALY is generally assumed to be £20,000 (which is the assumption adopted by NICE in the appraisal of new health technologies, though there is health economics research to suggest that this is also what the average individual would be willing to pay for such a gain). In order to monetise the health outcomes observed (and it needs to be acknowledged that these will likely not arise except in the long term), secondary evidence on the QALY gain associated with different types of health outcome will be needed. A systematic review of this secondary evidence has been provided by Matrix Consulting, which could be exploited for these purposes.<sup>55</sup>
  - **Reduced costs to the NHS:** Improved health outcomes may also lead to reduced costs to health services, though these are typically more difficult to handle in cost-benefit analysis (as improved lifestyles will often postpone consumption of health services, rather than lead to the avoidance of these costs in the full). While postponement of health expenditures will be potentially welfare improving (as it is likely that productivity in the NHS will continue to go, enabling health conditions to be treated more efficiently in the future), the complexities involved in dealing with such issues are likely intractable. As such, it is suggested that such effects are ignored for the purposes of a CBA.

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<sup>55</sup> See <http://help.matrixknowledge.com/page/Data-extraction.aspx> .

## Conclusions and Recommendations

- 1.49 **Outcomes:** The current framework of 102 KPIs should serve as a platform for defining the key outcomes that would need to be explored through an outcomes evaluation. However, there are some areas in which further work may be needed (in particular, identifying the anticipated downstream health benefits of the activities being funded through the Communities First Programme). As such, it is suggested that the first task for an outcomes evaluation would be to develop detailed logic models mapping the anticipated causal pathways between the activities funded through Communities First, its interim or intermediate outcomes, and the final outcomes (representing the improvements in social welfare being targeted through the Programme).
- 1.50 **Unit of analysis:** It is recommended that an outcomes evaluation is driven by area level data (at an LSOA level) rather than attempting to gather evidence from participants (or residents of Communities First areas). Such an approach will be preferable for both practical reasons (it will be highly challenging to implement a robust survey of Programme participants), and analytical reasons (it will not be feasible to address the issues associated with self-selection into treatment in a robust manner). While a general residents survey (in treatment and control areas) may be feasible, this would likely be costly and the opportunity to collect baseline data has passed.
- 1.51 **Measurement of outcomes:** LSOA level data will be available for the majority of the core outcomes being targeted by Communities First Programme (though clearly there will be some gaps with regard to some of the intermediate outcomes of interest). However, some of this data may be challenging to access (such as PNC data on the location of crimes) and it is suggested that Welsh Government explores entering into appropriate data sharing agreements with the data owners of interest (where necessary) before commissioning a main-stage study.
- 1.52 **Impact evaluation strategy:** There are features of the design of Communities First that are favourable with regard to the potential to develop a robust quasi-experimental impact evaluation. In particular, the evaluation should seek to adopt two strategies to identify a counterfactual:

- **Spatial discontinuities:** The evaluation should exploit the arbitrariness of LSOA boundaries (using LSOAs adjacent to Communities First boundaries as a comparison area, on the basis that they will share similar unobserved socio-economic characteristics).
- **Matched comparison areas:** A second strategy, based on matching Communities First LSOAs to non-Communities First LSOAs should be adopted to act as a cross-check on results. This analysis will like be restricted to those LSOAs outside of the 10 percent most deprived.

1.53 **Risks:** The existence of a precursor Programme with similar characteristics and spatial targeting to Communities First raises a potential risk that a main-stage study fails to detect an impact associated with this iteration of the Programme (since the effects of the pre-cursor initiative will potentially already be present in the area level statistics). This could be addressed by both (1) looking at Communities First in the round (i.e. from 2001 onwards) where data permits, or (2) controlling for the extent to which particular LSOAs were targeted in the pre-cursor Programme by adding appropriate controls in regressions (and in this case, the impacts of the Programme would be identified by changes in Programme boundaries).

1.54 **Modelling:** Given these risks, it may also be worth considering an alternative evaluation strategy driven by the KPIs reported by the Clusters. This would focus on using secondary evidence on the effects of comparable interventions to derive assumptions on deadweight, displacement and other factors of interest.

1.55 **Economic evaluation:** Provided it is possible to monetise the key causal effects of interest, a CBA of the Programme would potentially be attainable through exploiting a range of secondary evidence on the monetary value of the education and training, crime, and health outcomes anticipated.