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Evaluation of Communities for Work

Stage 3: Emerging Outcomes and Impacts Report

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Evaluation of Communities for Work: Assessment of Emerging Outcomes and Impacts

Einir Burrowes, Dateb / OB3

Dr Duncan Holtom, People and Work

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

For further information please contact:

Siân Williams

Communities Division

Welsh Government

Rhyd-y-Car Business Park

Merthyr Tydfil

CF48 1UZ

Email: Sian.Williams50@gov.wales

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Glossary

Acronym/Key word	Definition
ALMP	Active Labour Market Provision
BME	Black and Minority Ethnic
CAB	Citizens' Advice Bureau
CF	Communities First
CfW	Communities for Work
CSCS	Construction Skills Certification Scheme
CQFW	Credit and Qualifications Framework for Wales
CV	Curriculum Vitae
DBS	Disclosure and Barring Service
DWP	Department for Work and Pensions
EBS	Electronic Booking System
EI	Economically Inactive
ESA	Employment and Support Allowance
ESF	European Social Fund
ESOL	English for Speakers of Other Languages
EU	European Union
EW	East Wales
FSF	Flexible Support Fund
HGV	Heavy Goods Vehicle
IS	Income Support
JSA	Job Seekers Allowance
JCP	Jobcentre Plus
LDB	Lead Delivery Body
LTU	Long Term Unemployed
NEET	Not in Employment, Education or Training
PaCE	Parent Childcare and Employment
SIA	Security Industry Authority
ToC	Theory of Change
WEFO	Wales European Funding Office
WWV	West Wales and the Valleys
YEPF	Youth Engagement and Progression Framework

1. Introduction

- 1.1 In September 2016, the Welsh Government appointed OB3, Dateb, People and Work and the Institute for Employment Studies to undertake an evaluation of its Communities for Work (CfW) programme, an active labour market provision (ALMP) supported by the European Social Fund (ESF).
- 1.2 The aims of the evaluation are:
- to elucidate the theory of change for CfW and develop the logic model underpinning the programme
 - to assess how the programme has been set up and how it is being operated
 - to provide an indication of the programme's overall effectiveness.

- 1.3 The evaluation has been undertaken in three stages between October 2016 and February 2018. The Stage 1 report setting out a theory of change and logic model for CfW was published in April 2017 and a Stage 2 process evaluation report in December 2017¹. This is the third and final report, and draws upon the theory of change in assessing outcomes delivered by the programme to date and its emerging impacts.

Method

- 1.4 This phase of the evaluation programme was undertaken between October 2017 and February 2018. It encompassed seven main elements of work:
- A review of programme documents.
 - A review of two research reports which provided an insight into the costs of delivery attached to other publicly funded interventions with similar ambitions to CfW, specifically:
 - WEFO 2007-13 European Social Fund (ESF) Priority Paper relating to Convergence Priority 2 and Regional Competitiveness and

¹ Available at <http://gov.wales/statistics-and-research/evaluation-communities-Work/?lang=en>.

Employment Priority 1 (Increasing Employment and Tackling Economic Inactivity) interventions (2017)²

- A literature review undertaken to inform the development of the new adult employability programme (2017)³.
- Analysing the database of participants as updated in January 2018. The database is updated on an incremental basis, with records for participants in East Wales being updated approximately a month after those for participants in West Wales and the Valleys. This is done in order to smooth out the workload for Welsh Government, Lead Delivery Bodies (LDB) and Department for Work and Pensions (DWP) administrative teams involved in collating and processing data. It does mean, however, that the database, at the point of analysis, included records in respect of East Wales participants up to November 2017 and for West Wales and the Valleys participants up to January 2018.
- Undertaking telephone interviews with three external stakeholders.
- Undertaking a mixture of face to face and telephone interviews with 14 operational managers with oversight of CfW.
- Undertaking a package of qualitative fieldwork in 10 out of 52 CfW areas. The sample of areas selected was designed to provide a balance in terms of geographic distribution, the quality of partnership working at a local level (using Welsh Government assessments) and performance in terms of numbers of participants engaged and outcomes achieved across the different target participant groups⁴. The sample cannot be considered statistically representative, but provides an indication of the programme's performance across different parts of Wales. Within each selected area, the fieldwork undertaken included:

² Yet to be published at the time of writing.

³ <http://gov.wales/docs/caecd/research/2015/151021-review-development-new-adult-employability-programme-en.pdf>

⁴ The sample purposefully included a mix of high and lower performing clusters.

- selecting a sample of former and current participants. The samples selected were structured to include:
 - participants who the programme database indicated had progressed into employment
 - participants who had not progressed into employment, but who the programme database indicated had achieved intermediate outcomes (e.g. improved employability, job search)
 - participants who, despite participating in CfW for at least 6 months, had not progressed into employment or who were not noted to have achieved intermediate outcomes upon leaving.
- Contacting a total of 336 selected former and continuing participants to ask them to contribute to the work. In order to encourage individuals to engage with the research, CfW front line staff were also asked to contact their (former and continuing) participants to provide reassurance as to the research team's credentials and to encourage participation.
- Interviewing LDB and DWP delivery managers. In all, 12 individuals contributed to this element of the fieldwork.
- Holding one to one discussions with CfW delivery staff with whom selected participants had worked. In all, 37 CfW delivery staff were interviewed.
- Holding discussions with 70 former participants and continuing participants.
- Reviewing the portfolios of 60 of the participants interviewed.
- Drafting internal cluster and participant working papers which triangulated the evidence gathered from the various individuals interviewed and participant portfolios reviewed.
- Synthesising the findings of the fieldwork undertaken.

- 1.5 The sample of participants selected was purposively skewed towards those who had achieved job outcomes or intermediate outcomes, so cannot be considered fully representative of all participants. It is possible that other factors may have introduced an element of selection bias into the sample of participants interviewed, for example:
- the possibility that those who felt they benefited from the programme were more likely to respond to requests for interviews than individuals who felt less well served
 - the fact that CfW staff were used to encourage engagement with the research possibly means that those interviewed had better/more enduring relationships with CfW staff than the population as a whole
 - individuals for whom the benefits of the programme may not have lasted may have been reluctant to engage.
- 1.6 It had been envisaged when the research first commenced that data from the ESF Participant survey would be available to inform this phase of the evaluation. It was anticipated that ESF Participant survey data would provide information about individuals' motivation in participating, employment history prior to engagement and factors that prevented them from taking up work. It was also expected to provide some insight into the skills acquired by former participants (other than those evidenced by qualifications), the benefits which participants felt they derived from CfW (e.g. confidence about their abilities, clarity about their options), the perceived effect of CfW upon participants' chances of finding a job in future and information about the conditions under which those who find jobs are employed (including earnings levels).
- 1.7 Delays to launching the ESF Participant Survey meant that data were not available in time to inform this report. In order to capture information along the lines of that described above, research instruments designed to guide qualitative discussions with former and current participants were adapted to include an element of closed questioning designed to emulate that built into the ESF Participant Survey. Whilst data captured in this way cannot substitute

for survey data (in terms of volume, coverage or reliability), it has been used to help identify and illustrate themes which are discussed in this report.

Structure of this report

1.8 This report is presented in seven chapters as follows:

- chapter one: this introduction to the report
- chapter two: an introduction to CfW and developments to the programme since the Stage 2 process evaluation
- chapter three: programme performance to date - engagements
- chapter four: participants' barriers, aspirations, motivations and the support received
- chapter five: programme performance to date – outcomes
- chapter six: programme costs and value for money
- chapter seven: conclusions and recommendations.

2. Introduction to Communities for Work and Developments since the Process Evaluation

2.1 In this chapter, we provide a brief overview of CfW and touch upon developments to the programme since the Stage 2 process evaluation. The chapter is presented in four sections as follows:

- an overview of CfW and the agencies involved in its delivery
- delivery model
- programme targets and budgets
- developments to CfW since the Stage 2 process evaluation.

Communities for Work and the Agencies Involved in its Delivery

2.2 CfW is a Welsh Government sponsored labour market intervention designed to increase the employability and employment of those furthest away from the labour market. The programme targets three distinct groups of participants:

- long-term unemployed people aged 25 and over
- economically inactive people aged 25 and over
- young people aged 16-24 not in employment, education or training (NEET).

2.3 The expectation is that the programme will support people from each of these groups who face some the following barriers to work:

- those with low or no skills
- those with work limiting health conditions (including substance abuse)
- those from Black and Ethnic Minority (BME) groups (East Wales only)
- those with care or childcare responsibilities
- those from workless households.

- 2.4 In addition, the programme aims to support economically inactive people over 54 years of age.
- 2.5 CfW is focused upon individuals living in 52 areas, which between them represent the 10 per cent most deprived communities in Wales, as defined by the Welsh Index of Multiple Deprivation (WIMD) 2011⁵.
- 2.6 CfW is funded under the 2014-20 European Social Fund (ESF) Programmes for East Wales (EW) and West Wales and the Valleys (WWV), under two separate priorities:
- Priority Axis 1: ‘tackling poverty through sustainable employment’. More precisely, CfW seeks to address Specific Objective 1.1 within the EW Programme and Specific Objective 1.2 within the WWV Programme, both of which aim ‘to increase the employability of economically inactive and long term unemployed people aged 25 and over who have complex barriers to employment’⁶
 - Priority Axis 3: ‘youth employment’ in the EW Programme and ‘youth employment and attainment’ in the WWV Programme. More specifically, CfW seeks to address Specific Objective 3.1 in both programmes, which aims ‘to reduce the number of 16-24 year olds who are not in employment, education or training (NEET)’⁷.
- 2.7 CfW is also intended to address the ESF cross-cutting themes of equal opportunities and gender mainstreaming; sustainable development; and tackling poverty and social exclusion.
- 2.8 The Welsh Government is the ‘lead beneficiary’ for CfW whilst the DWP and LDBs are ‘joint beneficiaries’, though only the DWP provides matched funding alongside the Welsh Government. CfW operates alongside other provision targeted at those who are not in employment, including the DWP’s Work

⁵ WIMD was revised in 2014.

⁶ Welsh Government, Operational Programme for the European Social Fund in East Wales, p.95.

⁷ Welsh Government, Operational Programme for the European Social Fund in East Wales, p.95.

Programme^{8 9}, the Welsh Government’s PaCE¹⁰ programme and, from April 2018, Communities for Work Plus (formerly the Employability Grant).

- 2.9 Services are delivered at a local level by teams made up of ‘seconded’ DWP advisers and by staff employed by 19 LDBs (mentors and triage workers). These local teams are located in community settings, frequently co-located with other services, in order to make the service as accessible as possible to target participants.

Delivery model

- 2.10 Figure 2.1 provides an overview of the journey which participants are expected to take through CfW, whilst the paragraphs that follow discuss some elements of this journey in a little more detail¹¹.
- 2.11 It is intended that CfW should provide a holistic and seamless service from engagement to employment, recognising that the nature and length of support required to move participants into employment will vary from one individual to another, depending upon their needs and their distance from the labour market upon joining. The support is centred on the needs of the client and whilst this can be from engagement to employment, teams are encouraged to refer participants onto other support where that is more appropriate.
- 2.12 It is intended that advisers should principally work with participants who are closer to the labour market and offer work-related support including ‘better off calculations’, referral to short training courses, job search and CV/application support.

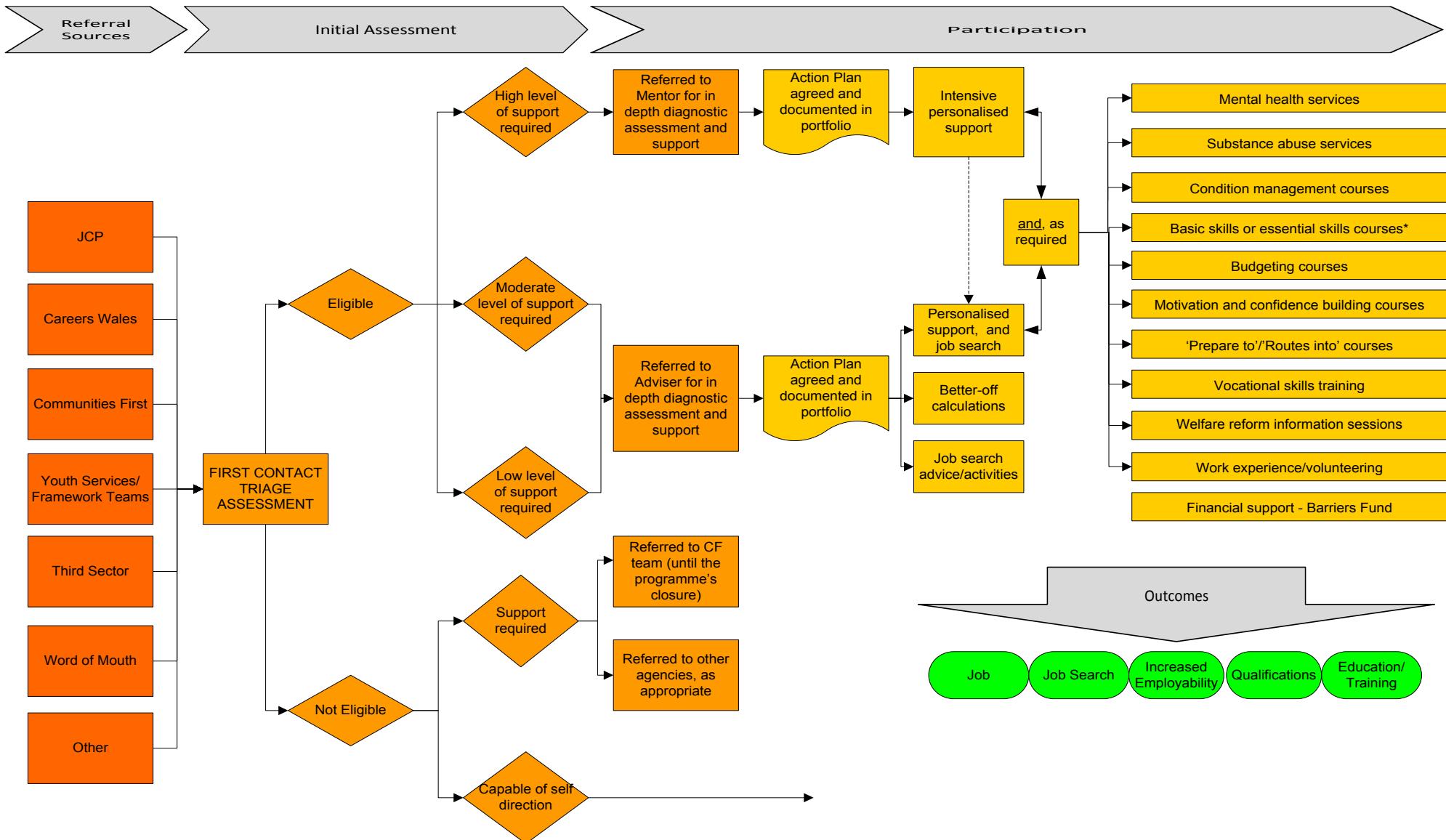
⁸ Work Programme participants are not eligible to participate in CfW.

⁹ Referrals to the Work Programme ceased in April 2017.

¹⁰ PaCE aims to move unemployed and economically inactive parents (including young people who are not in employment, education or training) into work. It operates outside CfW areas and specifically targets parents whose main barrier to employment is childcare.

¹¹ A more detailed account of participants’ journey through CfW is given in the Stage 2: Process Evaluation report.

Figure 2.1: Participant journey



- 2.13 Mentors are intended to focus on participants who are further from the labour market and face more complex barriers which may require referral to specialist intervention e.g. housing, mental health, personal issues (low self-esteem, anger management, substance misuse) or other barriers. Accordingly, the duration of mentor support is generally intended to last longer than adviser support.
- 2.14 Participants are able to access existing flexible training programmes delivered locally through mainstream sources. In addition, where nothing appropriate is available through existing or mainstream sources, participants, via their mentor or adviser, are able to request procured and centrally managed training programmes delivered by a provider retained by the Welsh Government specifically to deliver training to CfW and PaCE participants.
- 2.15 A barriers fund is available to help participants overcome final barriers to employment by enabling the purchase of, for example, interview clothing or tools to start work or to meet travel costs or short-term childcare costs.
- 2.16 A participant completes the programme once they have become employed, have entered full-time education, or decide that they no longer wish to participate. There is also an option for advisers or mentors to terminate a participant's programme if, for example, their barriers are considered so great so as to be insurmountable within CfW support. However, the length of time over which advisers and mentors are able to work with participants is not prescribed: rather it is determined by the individual's needs and willingness to engage constructively.

Programme Targets and Budgets

- 2.17 CfW was launched in May 2015, with the intention that the programme would run until at least March 2018. In January 2017, the Cabinet Secretary for Communities and Children announced that CfW would continue until March 2020.
- 2.18 Tables 2.1 and 2.2 summarise the primary outcome targets agreed for Priority 1 and Priority 3 respectively over the programme's five year life period.

Table 2.1: Priority 1 Primary Outcome Targets 2015-2020

Priority 1 Primary Outcome Targets	West	East	Wales	All Wales
	2015-20	2015-20	2015-20	2015-20
Economically Inactive (aged 25 and over), not in education or training who have complex barriers to employment.				
1 Participants	7,540	22,355	29,895	
2 Outcome: entering employment including self-employment upon leaving	1,317	3,900	5,217	
3 Outcome: engaged in job search upon leaving	533	1,588	2,121	
4 Outcome: gaining a qualification or work relevant certification upon leaving	1,318	3,906	5,224	
Outcome: increasing employability				
5 through completing work experience placement or volunteering opportunity	1,487	4,400	5,887	
Long-term unemployed (aged 25 and over), not in education or training who have complex barriers to employment				
6 Participants	3,772	11,177	14,949	
7 Outcome: entering employment including self-employment upon leaving	649	1,919	2,568	
8 Outcome: gaining a qualification or work relevant certification upon leaving	608	1,807	2,415	
Outcome: increasing employability				
9 through completing work experience placement or volunteering opportunity	701	2,077	2,778	

¹² CfW Operational Extension Business Case v2.0, p21

¹³ CfW Operational Extension Business Case v2.0, p.22

Total (aged 25 and over), not in education or training who have complex barriers to employment.

1	Participants	11,312	33,532	44,844
2	Outcome: entering employment including self-employment upon leaving	1,966	5,819	7,785
3	Outcome: engaged in job search upon leaving	533	1,588	2,121
4	Outcome: gaining a qualification or work relevant certification upon leaving.	1,926	5,713	7,639
	Outcome: increasing employability			
5	through completing work experience placement or volunteering opportunity	2,188	6,477	8,665

Table 2.2: Priority 3 Primary Outcome Targets 2015-20

Priority 3 Primary Outcome Targets	West		
	East	Wales	All
	Wales	and	Wales
Valleys			
16-24 year old NEETs			
1	Participants	1,758	5,679
2	Outcome: gaining qualifications upon leaving.	343	1,102
3	Outcome: in education or training upon leaving.	169	917
4	Outcome: entering employment upon leaving.	503	1,582
			2,085

- 2.19 Tables 2.3 and 2.4 set out the budgets agreed for Priority 1 and Priority 3 respectively over the life of the CfW programme.

Table 2.3: Priority 1 Costs and Sources of Funds 2015-20

Priority 1	East Wales	West Wales and Valleys	All Wales
Costs			
Total operation Cost	£12,798,075	£38,584,486	£51,382,561
Source of funds			
Welsh Government	£5,915,059	£12,438,480	£18,353,539
Department for Work and Pensions	£483,978	£1,451,935	£1,935,913
ESF	£6,399,038	£24,694,071	£31,093,109
Intervention Rate ¹⁴	50%	64%	60%
Cost per participant	£1,311	£1,151	£1,146
Planned cost per participant progressing into employment	£6,510	£6,631	£6,600

Table 2.4: Priority 3 Costs and Sources of Funds 2015-20

Priority 3	East Wales	West Wales and Valleys	All Wales
Costs			
Total operation Cost	£4,871,978	£14,741,289	£19,613,267
Source of funds			
Welsh Government	£2,314,994	£4,943,880	£7,258,874
Department for Work and Pensions	£120,995	£362,984	£483,979
ESF	£2,435,989	£9,434,425	£11,870,414
Intervention Rate	50%	64%	60%
Cost per participant	£2,771	£2,596	£2,637
Planned cost per participant progressing into employment	£9,656	£9,318	£9,407

¹⁴ This relates to the ESF contribution to the net eligible costs of the programme, expressed as a percentage

Developments since the Process Evaluation

- 2.20 Although the focus of this element of the evaluation is upon programme outputs and outcomes, we touch here upon points made by operational managers and front line delivery staff about the programme's development since the process evaluation was completed.
- 2.21 There is evidence to suggest that the programme has further developed and matured since the process evaluation fieldwork was undertaken. In particular:
- Operational Guidance: the process evaluation reported that whilst it was generally felt the Operational Guidance was clear and useful, front line delivery staff thought there might be scope for refreshing aspects in light of experience. An updated Operational Guidance document was issued in October 2017 and front line staff very much welcomed this. It was felt that the revised document is considerably more comprehensive than the earlier edition and provides greater clarity in a number of key areas.
 - Programme documentation: front line staff welcomed the introduction of an 'official needs assessment tool', though some were candid that they had yet to start using it in earnest.
 - Integration of CfW delivery teams: the process evaluation noted that front line delivery teams did not work together as a cohesive whole in a number of areas, with the allocation of separate engagement and outcome targets to advisers and mentors seen as a particularly divisive feature of the programme. The situation seems to have improved somewhat in this regard, thanks in large part to an emphasis upon 'team targets' and stakeholder events hosted by the Welsh Government allowing practitioners to share good practice and discuss problematic issues.
 - Booking and managing training provision: the process evaluation pointed to a number of problems in booking and accessing training from the provider retained by the Welsh Government to deliver training specifically to CfW and PaCE participants. An electronic booking system

(EBS) has now been put in place and this allows front line staff to view the kinds of courses on offer, to book participants onto specific provision and to see the progress made or qualifications achieved by participants. Front line delivery staff felt that this has been a huge step forward.

- Delivery of training: there has been an increase in the uptake of centrally procured and managed training provision. However provision remains patchy, with some areas better served than others. The procured provider continues to work with CfW mangers and front line teams to find ways of putting on viable training provision across the whole of Wales, but work remains to be done to achieve universal coverage, particularly in less populous areas.
- Closure of Communities First: the process evaluation noted that the imminent closure of the CF programme was a source of concern for many CfW staff. The level of concern surrounding the closure of CF appears by now to have dissipated and some front line staff saw an opportunity to build upon CfW to develop an integrated suite of employability support, following the introduction of Communities for Work Plus in April 2018¹⁵.

2.22 The Welsh Government holds comprehensive database records of participants' details, as required by WEFO. These participant records are held in Excel spreadsheets, the format prescribed by WEFO. Given the great and growing number of participants engaging in CfW, we question whether Excel is the most appropriate software for this purpose. We believe that there is a case for migrating participant records into a purpose built database and, thus, ease the processes of checking, normalising and interrogating data.

¹⁵ Communities First Plus (initially referred to as the Employability Grant) will provide funding from April 2018 to ensure that the local infrastructure and support mechanisms underpinning CfW are preserved following the closure of CF. It will also make available additional mentoring support aimed at those out of work, but who do not meet CfW eligibility criteria. Like CfW, the emphasis of Communities First Plus will be very much upon moving individuals into employment and services will generally be accessed via the CfW triage process.

3. Programme Performance to Date – Engagements

Introduction

- 3.1 In this chapter we consider the extent to which CfW has engaged the participants intended and discuss performance in relation to particular participant groups. We also consider the likelihood that the programme will achieve its engagement targets by its closure in March 2020.
- 3.2 This chapter is presented in three sections as follows:
- Performance against headline engagement targets
 - Engagements by CfW area
 - Engagements by target participant groups/protected characteristics.

Performance against headline engagement targets

- 3.3 By October 2017, over 12,000 individuals had engaged with CfW since the programme's launch in May 2015, composed of over 2,500 in East Wales and over 9,500 in West Wales and the Valleys^{16 17}. Figure 3.1 shows the proportion of the participant engagement profile numbers achieved by October 2017, distinguishing between participants recruited under Priority 1 and Priority 3.

Engagement of economically inactive participants

- 3.4 The overall numbers of economically inactive participants recruited stood at 78 per cent of the numbers profiled by October 2017. Performance in West Wales and the Valleys was rather stronger than in East Wales, at 82 per cent as compared to 62 percent.

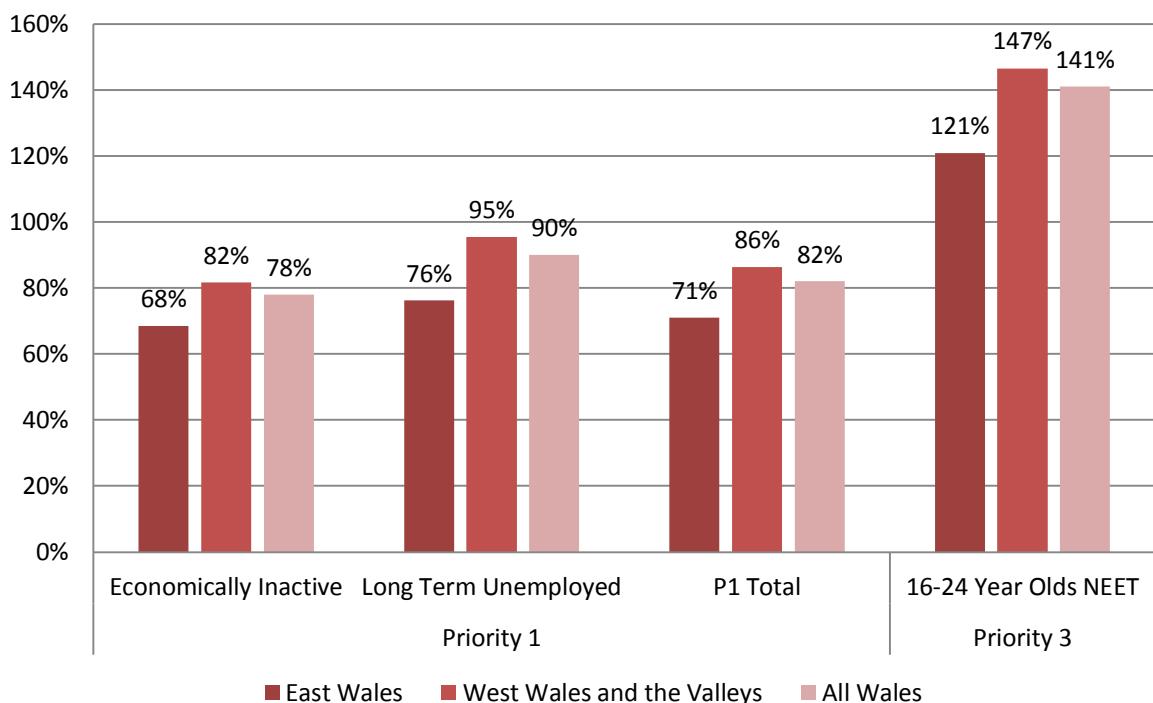
¹⁶ CfW Monitoring Information Pack, November 2017: these figures are based on monthly management information submitted to the Welsh Government by the DWP and LDBs and do not correspond to the latest figures reported to WEFO via the participant database. Participant database figures tend to lag management information and are not, therefore, as up to date.

¹⁷ This had risen to 13,530 by the end of February 2018, though the figure were still in the process of being verified at the time of writing.

Engagement of long term unemployed participants

- 3.5 The overall numbers of long term unemployed participants recruited were a little stronger relative to profile, compared to economically inactive participants, and stood at 90 per cent of the profiled engagements by October 2017. Again, performance in West Wales and the Valleys was rather stronger than in East Wales, at 95 per cent as compared to 76 percent.

Figure 3.1: Proportion of profiled engagements achieved by priority and target group



Source: CfW Monitoring Information Pack, November 2017

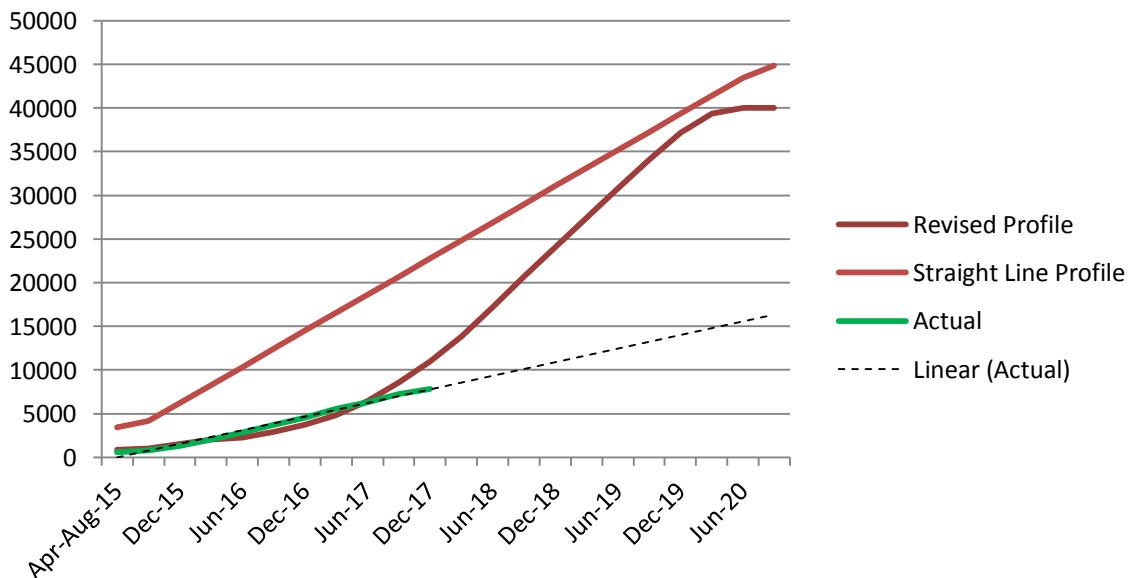
Engagement of young people who were NEET

- 3.6 The picture in relation to Priority 3 participants (young people who are NEET) was particularly encouraging with engagements standing at 141 per cent of the numbers profiled. Here again, performance in West Wales and the Valleys was somewhat stronger than in East Wales, with the numbers achieved in West Wales and the Valleys equating to 147 per cent of profile whilst those in East Wales reached 121 per cent.

Prospects for achieving the 2020 programme targets

- 3.7 The profiles set assume a steep rise in engagements between mid-2017 and the programme's closure in 2020. In assessing the likelihood that the targets for engagement will be achieved, we consider how performance to date compares to a straight line profile of engagements (i.e. assuming that engagements remain constant across the programme's life-span), as well as to profiles. This provides a measure of the increase in engagements required to meet the 2020 targets.
- 3.8 Figure 3.2 shows that the overall numbers of Priority 1 participants engaged by October 2017 fell some way short of the numbers necessary to achieve the programme's overall engagement targets¹⁸ and is also below the profiled targets to this point.

Figure 3.2: Numbers of Priority 1 participants engaged by October 2017 relative to the profile set and a straight line recruitment profile across the programme's life-span¹⁹



Source: Welsh Government, March 2018

- 3.9 Performance against the 2020 targets was stronger in East Wales for Priority 1 participants, both economically inactive and long term unemployed, despite

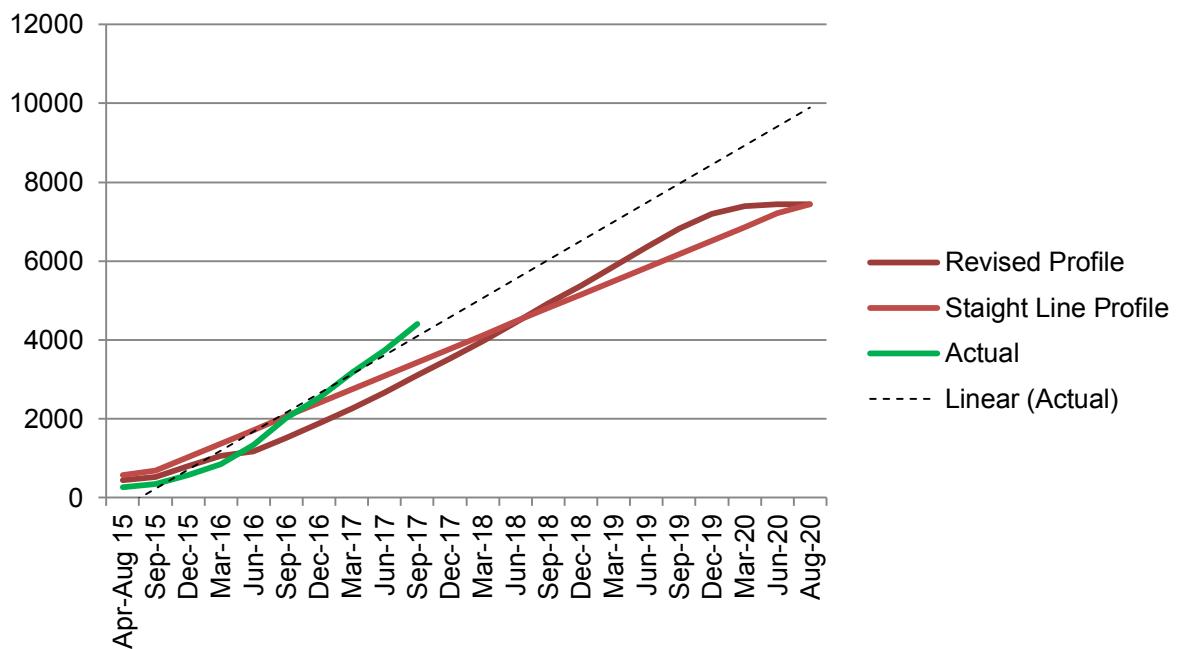
¹⁸ i.e. 29,895 individuals who are economically inactive and 14,949 long term unemployed people.

¹⁹ The profiled figures for East Wales fall some 1,280 short of the target set in the Business Plan (at 10,032 as opposed at 11,312) and the figures for West Wales fall 3,532 short (at 30,000 as opposed to 33,532).

being weaker relative to the profile of engagements to date. This reflects differences between the curves of engagement profiles for East Wales and West Wales and the Valleys, with engagements in West Wales and the Valleys profiled to accelerate at a slightly later point than in East Wales.

- 3.10 Figure 3.3 shows that the picture in relation to Priority 3 participants (young people who are NEET) is rather more encouraging in that engagements to date represented 62 per cent of the 2020 programme targets²⁰ and 123 per cent of the numbers required by October 2017 in order to meet the programme end target.

Figure 3.3: Numbers of Priority 3 participants engaged by October 2017 relative to the profile set and a straight line recruitment profile across the programme's life-span



Source: Welsh Government, March 2018

- 3.11 Performance in West Wales and the Valleys was somewhat stronger than in East Wales in relation to Priority 3, with the numbers achieved in West Wales and the Valleys equating to 120 per cent of the engagements needed by October 2017 compared to 82 per cent in East Wales.
- 3.12 Whilst engagement numbers for long term unemployed and economically inactive participants are clearly behind where they need to be in order to meet

²⁰ i.e. 7,437 young people who are NEET.

the programme's 2020 targets, there was a degree of optimism among CfW managers and front line delivery staff that the rate of engagements will increase over the lifetime of the programme and that this will go some way to closing the gap with the programme end targets. A number of reasons were given for this:

- Programme implementation: performance to date has been constrained by delays in rolling the programme out to all areas. Whilst it was intended from the outset that CfW would be rolled out on an incremental basis, it took rather longer than expected to put arrangements in place in some areas. It was also reported that the CfW 'brand' has taken time to become established, but is now more widely known among partner organisations/referral agencies and word of mouth continues to gather momentum as a source of referrals.
- Changes to welfare benefits: the effects of benefits reforms such as changes to the Child Tax Credit are already driving new clients towards CfW teams. As one interviewee put it: 'people who've never accessed us before ... now they have to because work's their only choice'. It was also expected that the roll out of the Universal Credit, would make life 'much harder' for people on benefits and force them to look for work, thus pushing people towards CfW.
- It was expected that there would be a greater focus on CfW as employment support previously available via CF ceases, the complementary Communities for Work Plus Programme is introduced and as the Lift programme draws to a close. It was also thought that there will be a greater focus on CfW among referral agencies such as JCP and Careers Wales as the Welsh Government's 'employability agenda' gathers momentum.

3.13 However, it was recognised that there are countervailing factors that might constrain recruitment during the coming months:

- The roll out of the Universal Credit could serve to divert JCP front line staff's attention from referring clients to CfW, at least in the short term.
- Competition for clients from other ESF funded programmes and projects, though it was notable that where triage arrangements extended beyond the boundaries of CfW, this was not considered a threat to the same degree.
- The need to wind the programme down in 2020, with the consequence that recruitment will need to be discontinued or reduced substantially during the last year or so.

3.14 It is interesting to note, given the concern that was reported in the process evaluation report about the potentially negative impact of the closure of CF, that very few contributors spoke of the winding down of CF impacting adversely upon recruitment into CfW over the last few months.

Engagements by CfW areas

3.15 The headline picture presented above obscures considerable variation across CfW areas in performance in relation to engagement profiles. There have also been differences in performance within CfW areas in terms of engaging particular participant groups (economically inactive, long term unemployed and 16-24 year olds who are NEET).

3.16 The evaluation was not able to definitively identify why there was so much variation. However, factors associated with strong performance seemed to include:

- Skilled, experienced and well connected front line delivery teams. Staff who joined the programme with a track record of working in the employability or youth work fields were able to capitalise on existing connections and trade on their reputations to aid CfW engagements.

- Individual CfW team members' ability to connect with clients and to build a reputation within communities quickly, thus generating word of mouth referrals.
- Conducive relationships between CfW delivery team members, allowing effective client referral and appropriate (sufficient but manageable) caseloads.
- Strong links to partner organisations and, in particular to CF, JCP and Youth Engagement and Progression Framework (YEPF) partnerships (or equivalents). This helped to raise and maintain awareness of CfW in some clusters and, thus, helped generate referrals, though links with different organisations varied in strength even at a cluster level.
- Access to suitable community outreach premises that are visible within communities, accessible, informal and trusted by target participants.
- Serving areas with high population densities was said to make it easier and less time consuming to reach potential participants.
- The programme having had the time to become established. A number of the areas in the upper quartile in terms of engagements were early to establish the programme, whereas a number of the areas in the lower quartile were later to implement the programme fully.

Case Study – Imran²¹

Imran is a disabled young man who arrived in the UK as a 16 year old refugee. Having learnt English, Imran attended a local college and completed a level 3 qualification. Alongside this, he participated in community activities and volunteered for a local charity in order to improve his English and develop interpersonal and work related skills. It was during this period that Imran met the youth mentor, who was then working in the local youth service team. Imran grew to respect the youth mentor and to regard him as someone he could turn to.

Having completed his qualification, Imran started to look for work, turning to organisations such as Careers Wales for help. By that time, the youth mentor had left the youth service team to take up his job within CfW, but Imran

²¹ Pseudonyms have been used throughout the case studies presented in this report

contacted him by e-mail to ask for a character reference in support of one of the many job applications he was submitting.

The youth mentor immediately responded to Imran and asked him if he would like help in finding work. Imran was only too glad of the offer of assistance, having found the support received from other agencies superficial and less than helpful - 'no offence, but they helped me in the way they do ... send a link to this and that ... they don't help properly ... they tell you the tricks, but they don't help you to do it'.

Imran was candid that he was not too sure at that point how the youth mentor could help him, but from already knowing how the youth mentor approached things, Imran had faith that he would do his best to help. The youth mentor described starting to work with Imran under the CfW programme as 'picking up where we left off'.

- 3.17 However, there did not appear to be any obvious relationship between these factors and performance, and for example some clusters with poorly integrated delivery teams still performed strongly. Similarly, engagements were high in some more sparsely populated/rural areas.

Engagements by target participant groups

- 3.18 Beyond the three main groups that CfW aims to support (people aged 25 and over who are economically inactive or long term unemployed and young people who are NEET), the programme targets a number of sub groups as set out in chapter two. No specific engagement targets were set for these sub-groups, so it is not possible to assess progress against profile. However, for some groups, the proportion of participants from each group engaged in the programme can be compared with the general population and, in some instances, with the population in the specific areas within which CfW operates.

Gender

- 3.19 The balance of men (48 per cent) and women (52 per cent) engaging with CfW largely mirrors the wider population within CfW areas and Wales as a whole. The balance of men and women participating in West Wales and the Valleys reflects the all Wales pattern, but women represent a slightly higher proportion of participants in East Wales (at 55 per cent) and men a slightly lower proportion (at 45 per cent).
- 3.20 Women (at 56 per cent) also represent a slightly higher proportion of Priority 1 participants than men (at 44 per cent). This links to women making up 66 per cent of economically inactive participants, which our fieldwork would suggest is partly attributable to mothers looking to enter work after a period of caring for their young children, with some advisers (Parent Employment Advisers) primarily dedicated to working with parents. The converse is the case for Priority 3, with young men representing 54 per cent of participants and young women 46 per cent. This larger proportion of male participants in Priority 3 may be attributable in part to a greater proportion of young men (aged 16-24) not being in education, employment or training than young women²² and, therefore, looking to CfW for help. It is also possible that young men in particular are attracted to CfW by the possibility that the programme can support them to acquire work related certifications needed for certain types of jobs e.g. in the construction or security industries. As will be seen later, a greater proportion of male than female Priority 3 participants achieve work related certifications.
- 3.21 It was also intended that the programme would ‘challenge occupational segregation by increasing the numbers of women and men training or re-training in non-traditional areas’²³. The CfW database does not provide information about the nature of training undertaken by individual participants and it is not, therefore, possible to determine from the database whether participants undertake training in non-traditional areas. However, our

²² Stats Wales (July 2017) Estimated 16-24 year olds not in education, training or employment in Wales, by gender, economic activity, and selected age groups shows that 12.5 per cent of males aged 16-24 are NEET compared to 8.2 per cent of females

²³ WWV Business Plan P1, V1.0, p.22

qualitative fieldwork would suggest that, by and large, the training undertaken tends to follow fairly established patterns, with women more typically undertaking training in care related fields, often in order to qualify for work that will fit in with their childcare responsibilities. Men, on the other hand, are more likely than women to pursue training in fields such as construction and security. There were, nevertheless, a few exceptions to this among the participants interviewed.

Case Study: Helen

Helen is a woman in her late thirties with a troubled past. She had been a victim of domestic violence and a heavy drug user and still has only partial access to her child. All this had taken its toll on Helen, and when she met with the CfW adviser for the first time, she was suffering from severe depression and had little confidence in herself.

Despite her rather precarious situation, Helen had a very clear goal – she wanted to be a Heavy Goods Vehicle (HGV) driver. Before Helen could take any meaningful steps towards achieving her goal, however, she required a good deal of help from her adviser just to get her life in order. Helen commented that ‘just meeting with [adviser] helped me emotionally ... she’s like an auntie’.

Despite her troubled past, Helen felt that the CfW adviser took her seriously from day one and this served to encourage her to push herself too. After a few weeks, the adviser organised HGV training for Helen, as well as funding to pay for a licence and the test. Organisations with which Helen had previously worked had not been able to fund this kind of activity or provide the level of support received from the adviser.

Having passed the HGV test, Helen and the adviser set about looking for driving jobs in the area. She was offered a job by a company based very near her home and she was due to take up her post shortly after we met. In the meantime, she was undertaking CSCS training with help from CfW to ensure that she would be fully qualified should her HGV driving job take her to construction sites.

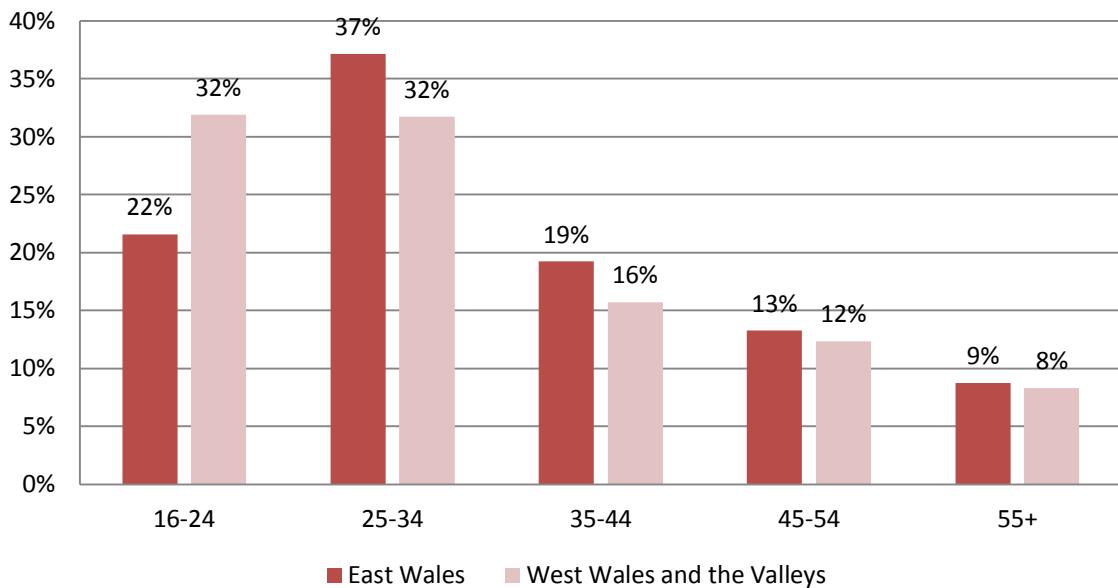
Helen was very clear that she would not be embarking upon a career as a lorry driver without the adviser's openness to her ideas and her willingness to help Helen find a way of achieving her rather unusual ambition.

Age

- 3.22 Figure 3.4 shows the age distribution of all CfW participants across both Priority 1 and Priority 3 in East Wales and West Wales and the Valleys. It shows that young people make up a greater proportion of participants in West Wales and the Valleys than in East Wales (as manifest in the higher proportion of Priority 3 participants in West Wales and the Valleys) and that people aged 25 to 54 make up a greater proportion of participants in East Wales. People over 54 years of age represent eight per cent of all CfW participants. Given that this is a specific target among economically inactive participants, this level of engagement is somewhat lower than might be expected, considering that those aged 50 to 64 make up 31 per cent of economically inactive people in Wales²⁴.
- 3.23 Indeed, economically inactive participants make up a smaller proportion of participants aged 55 and above than long term unemployed participants, at 44 per cent compared to 56 per cent of all participants in that age group. Economically inactive individuals make up an overwhelming majority of participants aged 25 to 44, however, whilst long term unemployed participants represent a small majority of all participants aged 45 and over.

²⁴ Stats Wales, Annual Population Survey / Local Labour Force Survey: Summary of economic activity, January 2017

Figure 3.4: Distribution of CfW participants by age groups



Source: Participant database: February 2018

- 3.24 Beneath this headline age profile of participants, there are some notable differences in the age distributions of men and women. Men make up a higher proportion of 16-24 year old participants (as already discussed at item 3.17), whilst women make up a larger proportion of participants aged 25 to 44. Overall women aged 25 to 44 represent 59 per cent of all females participating in the programme, compared to 39 per cent of all male participants. This figure rises to 68 per cent of all female participants in East Wales. This, together with a concentration of economically inactive participants in the 25-34 age groups may well reflect the programme's success in engaging economically inactive mothers whose children are approaching school age.

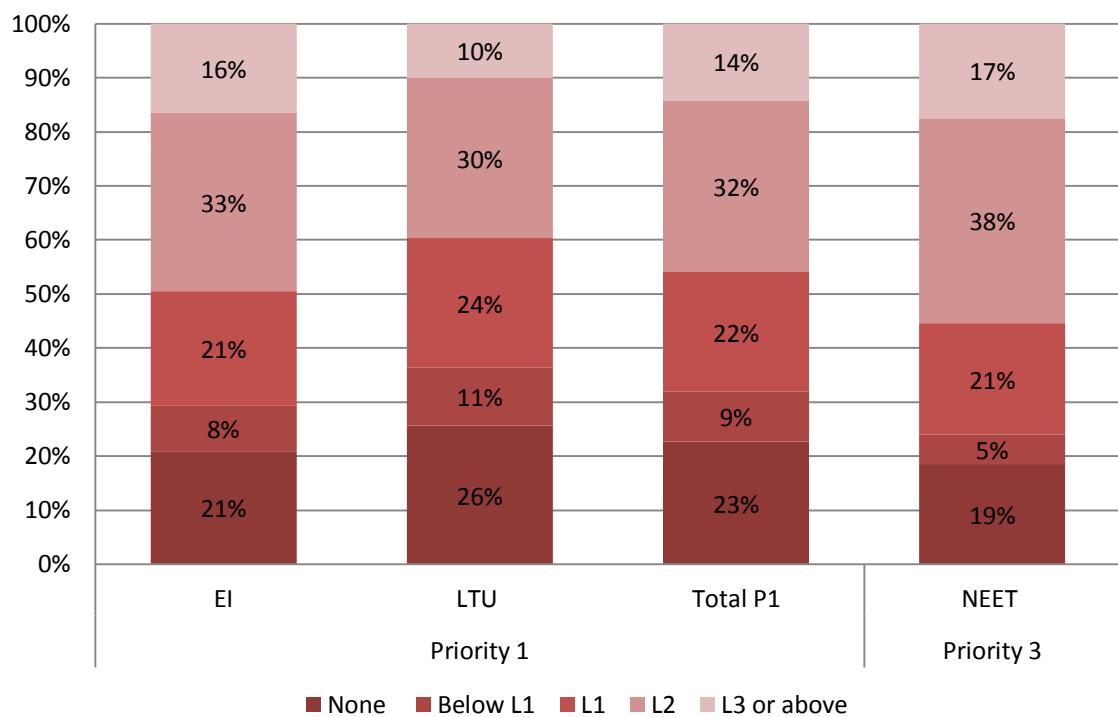
Low or no skills

- 3.25 Whilst recognising that the two things do not always equate, the absence of qualifications has been adopted as a proxy measure for a lack of skills among those entering the CfW programme. On this basis, it is accepted for CfW that 'a person with low skills would not have a qualification exceeding a Credit and Qualifications Framework for Wales (CQFW) level 2'²⁵.

²⁵ CfW Operational Guidance (2017) p.42

- 3.26 Figure 3.5 shows the proportion of participants holding their highest qualification at each level. It shows that 86 per cent of Priority 1 participants held no qualifications above level 2 and would, therefore be deemed to have low skills according to the definition adopted for CfW. A slightly higher proportion of economically inactive than long term unemployed participants held qualifications above level 2.
- 3.27 A similar picture emerged in respect of Priority 3 participants, with 87 per cent having no qualifications above level 2. A slightly larger proportion of Priority 3 than Priority 1 participants did, however, hold qualifications at level 2.

Figure 3.5: Proportion of participants with their highest qualification at each level



Source: CfW database, February 2018

- 3.28 Overall, women were slightly more likely than men to hold qualifications at or above level 2.

Work limiting health conditions

- 3.29 The proportion of CfW participants who have work limiting health conditions (at 26 per cent) is higher than the general population (17 per cent)²⁶, but the difference (at nine percentage points) is not as great as might be expected, given CfW's focus upon economically inactive individuals.
- 3.30 Looking forward, it was thought that the roll-out of the Universal Credit may lead to an increase in ESA claimants looking for help to prepare them for work.

Black and Ethnic Minority groups

- 3.31 The programme specifically aims to 'work closely with BME communities to overcome barriers to training or employment opportunities'²⁷. The business plan notes that the programme will operate in five areas with the highest density of BME residents in Wales and it is, therefore, reasonable to assume that CfW should attract disproportionately high numbers of participants from BME backgrounds. This has been the case in East Wales, where 19 percent of participants are drawn from BME backgrounds, exceeding the representation of BME people within the wider East Wales population (at 8 per cent²⁸) by some margin. Performance had been a little more muted in West Wales and the Valleys, with 2 per cent of participants coming from BME backgrounds, compared to 3 per cent²⁹ across the region's wider population.

Care or childcare responsibilities

- 3.32 Overall, 37 per cent of participants had care or childcare responsibilities upon joining CfW, with the overwhelming majority of those (96 per cent) being the primary carers of children under 18 years of age. However, there was a stark difference in the proportion of male and female participants with care responsibilities, with 60 per cent of female participants having care responsibilities compared to only 13 per cent of men. The proportion of

²⁶Using the 'work limited only' category and the "DDA and work limited disabled"

²⁷WWV Business Plan P1, V1.0, p.21.

²⁸Stats Wales, Local Labour Force Survey/Annual Population Survey: Ethnicity by Welsh local authority, January 2017.

²⁹Ibid.

women with care responsibilities was slightly higher in East Wales than it was in West Wales and the Valleys.

Workless households

- 3.33 Overall, 69 per cent of participants lived in workless households though this proportion was somewhat higher for women than men at 73 per cent compared to 63 per cent. Both male and female participants in East Wales were slightly more likely to live in workless households than those in West Wales and the Valleys.

4. Participants' barriers, aspirations, motivation and support

Introduction

- 4.1 In this chapter we discuss the different types of barriers that participants faced and their relationship to participants' motivations and aspirations. We then consider the different types of support provided and how effectively this support addressed barriers and enabled participants to realise their employment, education and/or training aspirations.
- 4.2 This chapter is presented in three sections as follows:
- Barriers to employment, education or training
 - Participants' motivation and aspirations
 - Support provided and activities undertaken.

Barriers to employment, education or training

- 4.3 The Theory of Change underpinning the CfW programme identified a range of barriers to work which participants might face, including:

Situational or indirect or barriers such as:

- childcare responsibilities
- transport barriers
- a lack of qualifications
- a lack of basic and essential skills
- a lack of effective job search and job application skills
- drug and alcohol misuse
- physical disabilities

Psychological or direct barriers such as:

- mental health issues
- a lack of confidence/self-esteem

- entrenched worklessness and benefits dependency
 - unrealistic expectations
 - a lack of hope and aspirations.
- 4.4 Our qualitative fieldwork (both during stage 2 process evaluation and stage 3 emerging outcomes and impacts evaluation) showed that the barriers which participants face vary considerably and are often multiple, reflecting the sheer diversity of individuals taking part in the programme.
- 4.5 Whilst the information gathered during our qualitative fieldwork needs to be treated with a degree of caution given that it is not statistically robust, it does suggest that barriers are often interrelated and also points to some differences in the extent to which particular types of barriers affect men and women. For example, the women we interviewed were more likely to have care responsibilities and, possibly related to that, to lack relevant or recent work experience. Low levels of self-confidence also seemed more prevalent among women as did issues to do with depression and anxiety, including anxiety about money and whether work would pay enough to make up for lost benefits.
- 4.6 The men we interviewed, on the other hand, seemed more likely to face situational barriers such as a lack of transport to get to work, being limited in their job choices by physical health conditions and not having the accreditations or licences needed to do certain jobs. It is, of course, possible that men too faced softer barriers, but were more reticent about disclosing a lack of confidence or mental health issues, for example. This is borne out by the wider literature, which shows that men who experience mental health problems are less likely to seek medical support³⁰

Situational or indirect barriers

- 4.7 Among the most common barriers faced by those we interviewed were the very practical ('situational') barriers of having care responsibilities

³⁰ See, for example, <https://www.mentalhealth.org.uk/news/survey-people-lived-experience-mental-health-problems-reveals-men-less-likely-seek-medical>

(overwhelmingly, childcare) and lacking transport (both public and private) that would allow participants to access jobs available.

Care responsibilities

- 4.8 Over a third (38 per cent) of the participants interviewed during stage 3 of the evaluation regarded care responsibilities as a barrier to work. This represents a lower proportion than the 47 per cent of all CfW participants who have care responsibilities.
- 4.9 A majority (41 or 59 per cent) of interviewees who saw care responsibilities as a barrier to work were female and almost two thirds of those (26) were single mothers. Participants in this group generally wanted to find work that would accommodate their childcare responsibilities, though a number were clear that they did not really plan to work until after their youngest child had started school. Some participants felt unable or unwilling to place younger children with childcare providers, preferring instead to care for their children themselves.

Transport

- 4.10 Just under a third of the participants we met saw a lack of transport as a barrier to employment. Men (at 62 per cent) were considerably more likely to see a lack of transport as a barrier than women (at 18 per cent), possibly reflecting the nature of work to which men and women aspired. It is not surprising perhaps, that participants living in more remote and less populous areas were more commonly affected by transport and travel barriers.

Case Study: Gareth

Gareth is a single man in his mid-fifties who lives in a largely rural area. He does not drive and is reliant on public transport, which is limited in his locality.

Gareth served his early career in the forces, but had since worked in industry and on construction sites for a number of years. The jobs he had held became increasingly short-term over recent years and Gareth had found himself out of work for some 18 months when he was referred to CfW by JCP. Gareth had

applied for a number of construction and security jobs in his local area, but been turned down because he could not travel independently. In essence the jobs available were inaccessible by public transport i.e. buses would not allow him to get to work sites in time, or required that he could drive between sites in order to do the jobs.

- 4.11 In some cases, perceptions that they faced travel related barriers tied in with a view among participants that there were no suitable job opportunities available locally.

Qualifications, skills and experience

- 4.12 Amongst those interviewed, a lack of relevant or recent work experience was also a common barrier to work as was a lack of relevant qualifications or accreditation/licences required to access certain jobs e.g. Construction Skills Certification Scheme (CSCS) cards and Security Industry Authority (SIA) licences.
- 4.13 Several of the participants we interviewed were from BME backgrounds and had poor English language skills. It was argued that for BME participants in general, ‘the language barrier is a massive thing’, compounded by the fact that ESOL provision is often oversubscribed and insufficiently intensive to allow learners to acquire English language skills rapidly.

Work limiting health conditions

- 4.14 A quarter of the participants we met noted that they had work limiting health conditions. These ranged from physical conditions such as arthritis and poor eyesight to low level mental health issues such as anxiety. A slightly greater proportion of the men than women had work limiting health conditions, and particularly so physical health conditions.
- 4.15 A small number of those interviewed had barriers linked to drug and/or alcohol misuse, although in most cases they had put these problems behind them. In some cases, CfW staff actively encouraged participants they were referring for

training to refrain from using recreational drugs, at least for the duration of their engagement in that training.

Direct (social and emotional skills and mental health) barriers

- 4.16 Softer barriers identified by participants and CfW delivery staff interviewed and also noted in participants' portfolios included low levels of self-confidence and mental health issues, most commonly feelings of anxiety and/or depression.

Participants' motivation and aspirations

- 4.17 Whilst all the participants we interviewed seemed interested in finding work when they joined CfW, it was clear that the motivation levels varied from one individual to another. In some cases motivation was linked to barriers. Often, those who felt they faced overwhelming barriers were demotivated or discouraged. Conversely, perceptions that barriers could be addressed increased motivation.
- 4.18 CfW is more easily able to help participants overcome some barriers than others. For example, it is able to meet the costs of training, equipment or clothing required for work. However, overcoming other barriers requires participants to understand the nature of the barriers they face and to demonstrate considerable commitment to overcoming them. Examples might include participating in volunteering activities in order to overcome social anxiety and gain experience or using public transport to access jobs.
- 4.19 In some cases, the barriers faced were insurmountable in the short term, but there was evidence to suggest that even in these cases, involvement in CfW may have laid the foundation for progression into work at a later point in participants' lives.

Case Study: Ellen

Ellen is a single mother in her late twenties. Although she had done well at school, Ellen dropped out of university and found herself drifting from one casual job to another, before falling pregnant in her mid-twenties. When Ellen's baby was born, she started to claim Income Support.

Ellen was referred to CfW by JCP, though in reality, she saw no realistic prospect of getting into employment at that point, given her childcare responsibilities. Nevertheless, the CfW adviser talked to Ellen about the possibility of preparing for the point when she would no longer qualify for Income Support, once her child turned five.

As a result of discussing her interests with the adviser, Ellen decided to embark on a Level 1 Employability and Childcare Certificate course, which involved undertaking work experience at a local school one day a week. The adviser arranged support through CfW to meet the costs of childcare whilst Ellen undertook her placement at the school.

Ellen thoroughly enjoyed the course and was inspired to enrol onto a part time degree course (using her earlier qualifications to gain entry). The adviser undertook a better off calculation for Ellen which showed that she would benefit from coming off Income Support and accessing student finance support instead.

Ellen continues to work towards her degree and anticipates moving into work when her child reaches school age.

- 4.20 In many cases, participants' commitment to finding work was conditional, with conditions generally relating quite clearly to the barriers identified. For example, some individuals were eager to find work that would fit around childcare commitments or to find particular kinds of jobs. Their motivation to find work was, therefore, quite narrowly focused, and this limited their options. Where barriers such as childcare responsibilities could not be eliminated, the

challenge for advisers/ mentors was to change participants' aspirations, so that they were achievable given the barriers they faced.

- 4.21 Overall, (and as might be expected) the fieldwork suggested a degree of correlation between participants' motivation to find work and the achievement of job outcomes. Indeed, delivery staff in two clusters noted that they could usually tell which clients are most and least likely to progress into jobs 'straight away', with those most likely to progress generally being more eager, having a clear idea of what they want to do and to have done some research into their target jobs beforehand. In contrast, those less likely to progress are often less aware of the barriers they face and/or to have unrealistic expectations.

Motivations for engaging with CfW

- 4.22 The impact of welfare cuts and conditionality³¹ emerged as an important factor influencing engagement with CfW. Some of the participants interviewed had been triggered initially to engage with CfW as a result of changes to their benefits entitlements. Examples included being transferred from Income Support to JSA when their youngest child turned five or being told that they were likely to transferred from ESA to JSA. Delivery staff in some clusters also noted that there has been an increase in the numbers of mothers engaging with the programme, in the wake of changes to Child Tax Credit eligibility.
- 4.23 The impact of welfare cuts and conditionality upon participants' motivation could be doubled edged. For some, it had been a 'real rocket' spurring individuals to engage with CfW because they 'didn't want to sign on' or did not relish the prospect of being 'sanctioned' by JCP. However, it was clear that having started with CfW individuals in this category often engaged enthusiastically and found themselves developing a genuine desire to find work. In contrast, at the other end of the spectrum, there was a degree of scepticism on the part of some advisers and mentors we spoke to about the motivation of some of the participants interviewed for engaging with CfW. Delivery staff noted that some programme entrants have been 'around the

³¹ Participation in CfW is wholly voluntary though participants may cite involvement as part of their claimant commitment.

employability programme block before' and approach CfW in a rather routine way, engaging in certain activities but without any real intention of progressing into work; doing so 'just to get the benefits people off their backs'.

- 4.24 Delivery staff in one area were candid that there is an element of 'bed blocking' going on in that they sometimes feel a moral obligation to continue working with clients who have little realistic prospect of progressing into paid work. There was a strong suggestion, however, that this is less of an issue now than it was in the programme's early days, as advisers and mentors' growing caseloads force them to be more selective.

Case Study: Susan

Susan is a middle aged woman living in a jobless household. She worked many years ago, but gave her job up to care for an elderly relative. Susan struggles with depression and, over the years, has found herself struggling to do very much and became increasingly unsure of herself and withdrawn.

Susan engaged with CfW with a vague idea of finding a part time caring job, which she thought might allow her to use skills she has and give her a sense of purpose. Since then she has met with an adviser every fortnight or so to 'talk about personal problems' and discuss possible options. Susan commented on how the adviser 'understands without passing judgement'.

With the adviser's help, Susan applied successfully for work with a care provider, but felt unable to take the job for various reasons to do with her mental health.

More recently, Susan has started volunteering at a community facility a couple of days each week. She enjoys the work and, equally importantly, the interaction with other people.

The adviser was candid that because of the complex barriers she faces, Susan 'probably won't get a job' in the foreseeable future, but the adviser was reluctant to 'abandon her'. The adviser noted that 'coming in to see me and doing the voluntary work is getting her out of the house ... I can't just drop her'.

Support provided and activities undertaken

4.25 Table 4.1 shows the types of support and activities most commonly received/undertaken by the participants within our sample. It shows that the kernel of the CfW programme for most participants was the support they received from their advisers/mentors, with between a half and two thirds receiving intensive personal support, help to develop their CVs and personalised job search support.

Table 4.1: Number and proportion of participants receiving particular types of support/undertaking particular types of activity

	Number of participants	Proportion of participants
CV building	45	64%
Personalised job search support	44	63%
Intensive personal support	42	60%
Vocational training	38	54%
Volunteering/work experience	25	36%
Interview preparation	22	31%
Help with matters not directly related to work	21	30%
Better off calculations	16	23%
Motivation/confidence building training	13	19%
Barriers Fund	10	14%
Childcare to facilitate participation in CfW activities	5	7%
All	70	

Source: OB3 Sample of interviewed participants

Personal support

- 4.26 The personal/'human' relationship advisers/mentors had with participants was typically at the heart of the support offered. Such relationships:
- enabled advisers/mentors to get to know and understand participants' aspirations in relation to employment, education and/or training and the

- barriers they faced that were stopping them from realising these for themselves
- enabled advisers/mentors to cultivate the trust and confidence necessary on the part of participants to enable them to advise, support, broker access to support services and training, and where appropriate, to challenge participants
 - encouraged participants to engage with advisers/mentors in an open and respectful way.
- 4.27 Whilst there might be parallels between this kind of support and mainstream provision available from JCP, the intensity and flexibility of support available from CfW was seen as a distinct advantage over mainstream provision. Participants very much valued the support offered by advisers/mentors and almost without exception, participants who had experience of JCP said that the time CfW advisers/mentors were able to dedicate to them meant that those advisers/mentors developed a real understanding of their situations and the barriers preventing them from finding work. Participants found the less hurried and less pressured approach taken by CfW advisers/mentors far less stressful and therefore, more enabling. Given that participation in CfW is voluntary, it is arguable that there is a more equitable power relationship between participants and their advisers/mentors and the mutual reliance that this brings about results in high levels of trust and respect for CfW staff among participants.
- 4.28 Of course, the fact that CfW is a voluntary programme also means that individuals who are referred to CfW and might well benefit from participation, are not obliged to engage. It was argued by one delivery team that ‘significant number are referred in [by JCP], but don’t continue’, sometimes because they fail to recognise that they need help.
- 4.29 The bonds that develop between participants and their advisers and mentors do not, however, seem to prevent advisers and mentors from challenging participants, encouraging them to consider options that they might not consider for themselves or giving them a ‘kick up the behind’ when necessary. The fact that participants remain in control of what they do, and when, allows

them the needed time to think through options and to engage in particular activities when they feel able to do so.

- 4.30 It was clear that CfW advisers/mentors became central to several participants' lives, with individual participants commenting that their adviser/mentor had become 'friends' or was 'like a big sister' to them. A third of the participants we interviewed remained in touch with their advisers/mentors after leaving CfW, with a number saying that they would feel able to turn to the adviser/mentor should they need help in the future.

Case Study: Bryn

Having been referred to CfW for support by a JCP work coach, following a period of unemployment and depression, Bryn began to enjoy walking down to the local community centre to meet his adviser on a regular basis.

The adviser explained that she spends a lot of time getting to know participants and keeps in regular touch through text, email and phone calls, making a point of enquiring about the things that are important to the participants and referencing recent developments in their lives. This genuine interest helped to establish a strong and positive rapport between Bryn and the adviser.

After a few weeks, Bryn's partner began to walk down to the centre with him, saying 'hello' to the adviser initially and then staying for a brief chat, before eventually referring herself to the programme. After a further few sessions, Bryn's partner encouraged her adult son to refer himself to the programme.

All three secured paid work having been supported with different aspects of job search. All three still call in to the community centre to say 'hello' to the adviser when they have the opportunity and, when issues around their employment arise, they feel able to seek further support from the adviser.

Training

- 4.31 Half of the participants within our sample undertook some form of vocational training, most commonly short courses that provided basic accreditation relevant to a range of workplaces e.g. First Aid, Health and Safety, Food Hygiene. Participants were often enrolled onto these courses not only to afford them work relevant accreditations, but also in order to build their confidence, shape their mind-set and get them started on a journey towards employability and employment. Some undertook slightly longer courses linked to particular types of employment, most typically childcare, but also photography, web-design and hair and beauty.
- 4.32 Nine participants within our sample undertook training that led to their securing licences necessary to work in certain industries (CSCS, SIA). These courses were described as ‘nice and quick’, at four or five days’ duration. Indeed, they were seen by CfW delivery staff as a useful tool for recruiting participants, with the prospect of receiving support to acquire CSCS or SIA cards seen as something that appealed to younger men in particular. In referring participants for such training, however, CfW staff require them to engage with the programme more widely and, thus, address other barriers to employment. Participants within our sample who had undertaken training that led to the acquisition of licences all faced other barriers to employment and had all worked with CfW staff to try to address those barriers.

Preparation for job interviews

- 4.33 Roughly a third of participants within our sample received help to prepare for job interviews, which generally involved advisers/mentors talking to participants about the types of questions they might be asked, rehearsing responses, conducting mock interviews, advising them on interview etiquette and appropriate clothing and encouraging participants to do some background research into employer organisations. Participants contributing to our fieldwork found this element of the support invaluable in that it prepared them to speak to employers and to give a good impression of themselves.

Volunteering or work placements

- 4.34 The CfW database of participants would indicate that only four per cent of all CfW participants completed volunteering placements and two per cent completed work experience placements. However, a third of participants within our sample had undertaken some form of volunteering or work experience placement, possibly suggesting that delivery teams may not record the completion of volunteering/work experience placements in the database as punctiliously as they might.
- 4.35 The vast majority of placements undertaken by participants we interviewed involved them volunteering or working in fields directly related to the kinds of jobs to which they aspired, in some cases as part of a course leading towards particular vocational qualifications. Some volunteering placements were less specific in nature, however, but were intended to help participants gain greater vocational focus, build their confidence, develop certain skills, demonstrate their reliability or to simply have something to put on their CVs.
- 4.36 Some volunteering and work experience opportunities were undertaken with organisations which offered individuals the chance of applying for jobs at the end of the placement period. Such placements were mostly (but not exclusively) offered by public sector organisations, or in some cases, these arrangements were the result of community benefit clauses within procurement contracts.

Case Study: Sophia

Sophia came to the UK to work in 2012, taking up agency work, initially in nursing homes and then as a domiciliary care worker. The hours Sophia was given were irregular and insufficient and she ended up giving up agency work and claiming JSA whilst focusing on finding ‘a regular job with regular money ... paying the rent and bills was a struggle and I needed something permanent and more stable’.

Sophia was referred to CfW by a friend and started to work with a mentor.

She undertook a number of activities within a short space of time, including attending training courses, revising her CV and, crucially, learning how to tailor the way in which she completed job application forms to reflect job and person specifications.

Sophia's mentor also suggested that she might do some volunteering with a local authority agency, but she was candid that this idea did not appeal much to her much a) because she already had considerable experience of work and b) because she could not see 'why [she] should work for free'. The mentor persevered, however, because although Sophia had no experience of the type of work done by the local authority agency, she perceived that the work would play to her strengths. Sophia eventually agreed to volunteer two days a week for a period of three months with a local authority agency.

At the end of the three month placement period, Sophia applied for a permanent, full time paid position with the agency and, although she did not perform as well as expected in an assessment test, she secured the job on the strength of her performance whilst volunteering. Sophia was clear that that volunteering helped her secure the job because 'I'd proved myself, literally practicing my skills ... I gained so much confidence'.

Sophia remains in the role seven months later and, although she would like to earn a little more money, she described it as 'the job of my dreams'. She hopes to continue in the role in the immediate future, but envisages that she will look to progress within the next few years.

- 4.37 It was clear that volunteering or work experience are not seen as an acceptable means to developing employability skills or finding a job by all participants, however. Individual participants were reluctant to 'work for [their] dole' and delivery staff spoke of some participants' disinclination 'to do something for nothing'.

Other types of support

- 4.38 Advisers/mentors provided almost a third (21 or 30 per cent) of the participants we interviewed with help in dealing with problems not directly related to finding work. In the main, this involved dealing with participants' financial worries, particularly those relating to housing benefit and unpaid utility bills. In several cases, advisers/mentors drew on other organisations' expertise to help clients e.g. CAB and CF financial inclusion officers. Allied to this, advisers in particular undertook 'better off calculations' with clients, which seemed to provide many of the participants interviewed with a degree of assurance that they would be better off in work, or often more crucially, that they would be no worse off. As one adviser put it, 'being able to talk to people with authority about what will happen to their benefits if they take particular courses of action is really reassuring'.

Barriers Fund

- 4.39 Some 14 per cent of the participants (10) within our sample benefited from Barriers Fund support. Given the range of barriers identified by the participants interviewed and, on the basis that barriers hindering participants' progression into work may also hamper participation in, for example, training, volunteering or work experience, the use made of the Barriers Fund may seem rather low³². However, it may reflect CfW teams' ability to draw upon other sources of support to address barriers, for example, the DWP's Flexible Support Fund (FSF) and various CF funding streams. Whilst the Barriers Fund has not thus far been accessed to the degree initially anticipated, it was expected that demand might increase now that the application process has been simplified and other funding streams become less accessible.
- 4.40 Similarly, some seven per cent of the participants (five) within our sample received help with childcare whilst undertaking training or other CfW activities. This appears low, but may reflect CfW teams' ability to draw upon training delivered under the auspices of CF, which was typically delivered very locally, often during school hours. Following the closure of CF, we would anticipate

³² It should be noted that the Barriers Fund cannot be used to meet the costs of, for example, travel to a place of work once individuals have progressed into employment.

greater recourse to training procured from ACT and potentially, greater demand for childcare support, where training is not delivered in participants' immediate localities and/or not delivered within school hours.

The link between barriers identified and support provided

- 4.41 There were clear linkages between barriers identified and the support received or activities undertaken by some participants. For example, a number of those we interviewed undertook training that enabled them to acquire licences needed to qualify for jobs they aspired to (e.g. CSCS, HGV and SIA), some volunteered in order to gain work experience and a large number worked with advisers/mentors to develop job-search skills that they lacked. Very often, however, the connections between barriers (expressly mentioned during interviews with participants or advisers/mentors or identified in portfolios) and CfW support were more oblique and subtle in nature. Few participants who lacked confidence were enrolled onto motivation/confidence building course, for example, but individuals' confidence and motivation was built through a combination of CV building, attending bite-sized vocational courses and working with advisers/mentors to address barrier, search and apply for jobs. Thus, multiple and often interrelated barriers were addressed simultaneously without necessarily emphasising the issues impeding individuals' progression towards employment. The approach taken was essentially determined by individual participants' circumstances and preferences.
- 4.42 Although a matter of subjective judgment on the researchers' part, there seemed to be a close relationship between the extent to which the support and activities offered could be seen to link to barriers faced and the degree to which participants engaged with the programme. Where the activities undertaken seemed to link more clearly to barriers identified, participants seemed to engage more enthusiastically in those activities. This may be because it increased participants' motivation (by reducing barriers) and/or encouraged engagement, as the support was seen by participants as relevant/helpful.

5. Programme Performance to Date - Outcomes

Introduction

- 5.1 In this chapter we consider the extent to which CfW has delivered the outcomes sought and discuss performance in relation to particular participant groups. We also consider the likelihood that the programme will achieve its outcomes targets by its closure in March 2020.
- 5.2 This chapter is presented in six sections as follows:
- performance against job outcomes targets
 - performance against qualifications targets
 - performance against targets for progression into education or training
 - performance against job search activity targets
 - intermediate outcomes achieved
 - soft outcomes achieved.

Performance against job outcomes profiles and targets

- 5.3 Since the programme's launch in May 2015, a total of 3,467 individuals have progressed into work having engaged with CfW, comprising 742 in East Wales and 2,725 in West Wales and the Valleys. This equates to 30 per cent of all participants. Performance in relation to Priority 3 (at 36 per cent) was rather stronger than Priority 1 (at 27 per cent).
- 5.4 Figure 5.1 shows the proportion of the job outcomes profile achieved by October 2017, distinguishing between participants recruited under Priority 1 and Priority 3.

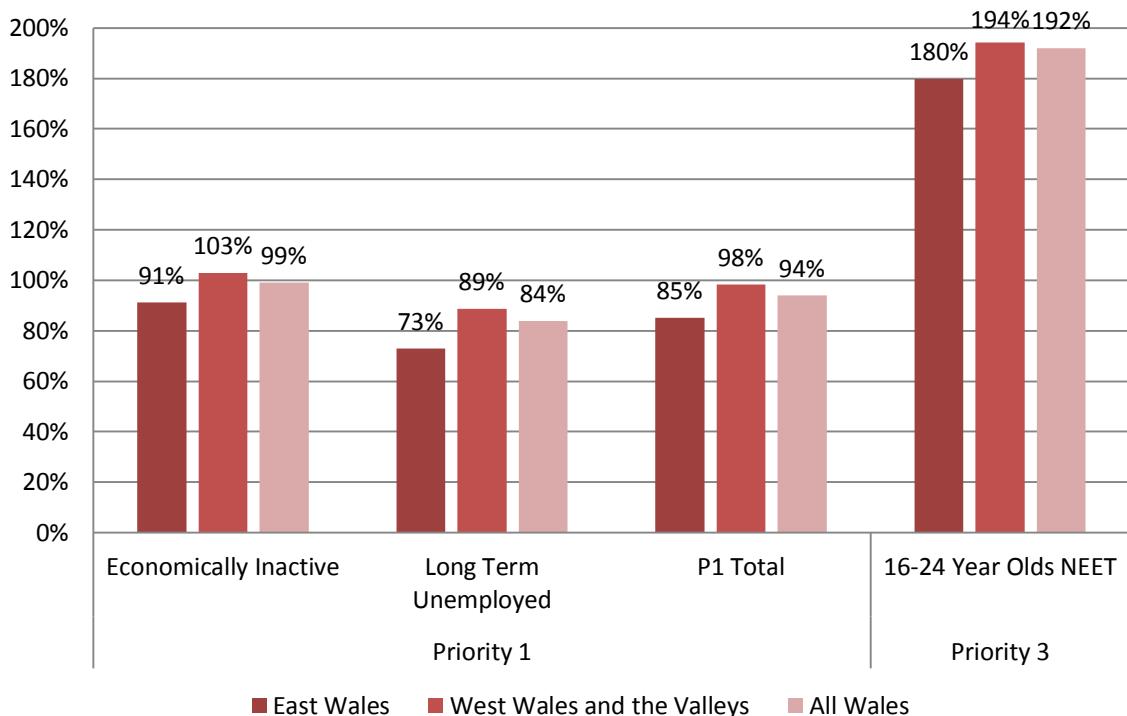
Job outcomes achieved by economically inactive participants

- 5.5 Overall, job outcome achievement in respect of economically inactive participants stood at 99 per cent of the profiled numbers. Performance in West Wales and the Valleys (at 103 per cent) was somewhat stronger than in East Wales (at 91 per cent).

Job outcomes achieved by long term unemployed participants

- 5.6 Performance against profiles was rather weaker in respect of long term unemployed participants gaining job outcomes, at 84 percent of the outcomes profiled across the whole of Wales. Again, performance in West Wales and the Valleys was stronger, with 89 per cent of the job outcomes profiled achieved, compared to 73 per cent in East Wales.

Figure 5.1: Proportion of profiled job outcomes achieved by priority and target group



Source: CfW Monitoring Information Pack, November 2017

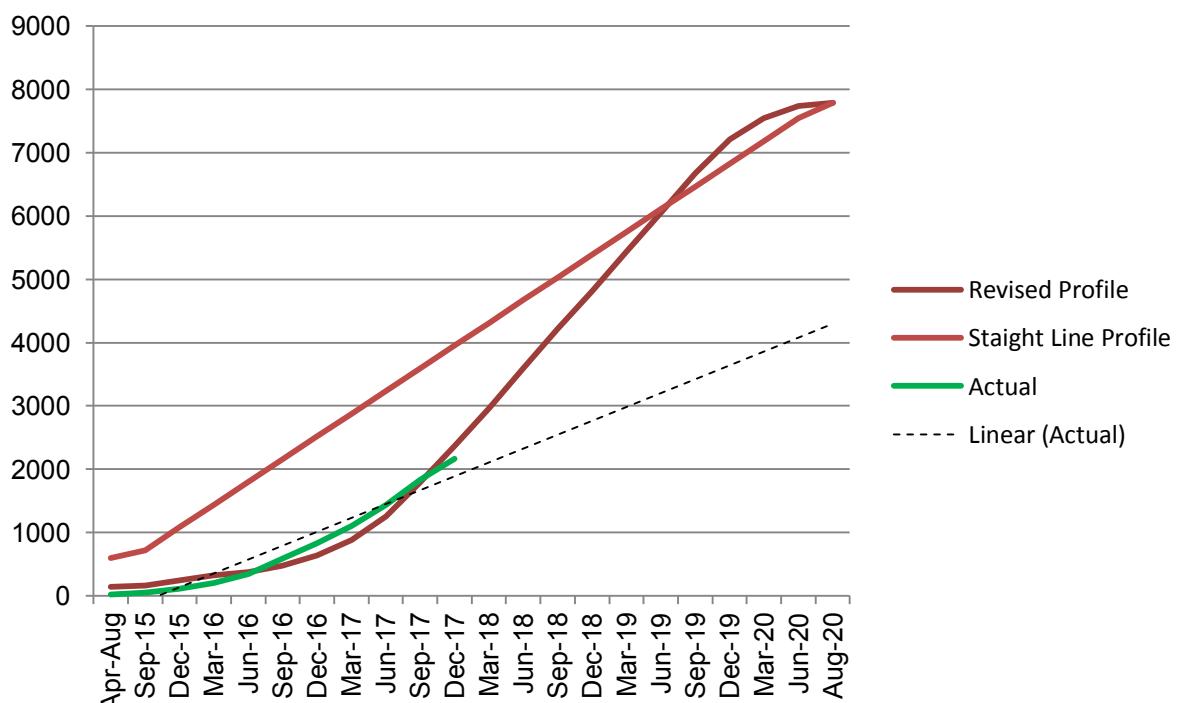
Job outcomes achieved by young people who were NEET

- 5.7 Achievement in relation to Priority 3 (young people who are NEET) was significantly higher (at 192 per cent) than the profiled level across both East Wales (at 180 per cent) and West Wales and the Valleys (at 194 per cent) as at October 2017. It was thought by some contributors that the stronger job outcome performance among younger participants might owe something to having specialist youth mentors working on the programme.

Prospects for achieving the 2020 job outcome programme targets

- 5.8 As was the case for engagements with CfW, the profiles set assume a steep rise in outcomes between mid-2017 and the programme's closure in 2020. Figure 5.2 shows that the job outcomes achieved to date across Priority 1 fall some way short of the numbers necessary to achieve the programme's overall 2020 job outcome targets, but are in line with the profiled targets. Job outcomes across Priority 1 stood at 56 per cent of the level required by October 2017 in order to achieve the 2020 targets, assuming a straight line profile across the programme's life-span. As was the case in relation to engagement profiles, performance in relation to 2020 targets has been stronger among economically inactive participants than those who were long term unemployed (at 60 per cent of the October 2017 benchmark compared to 48 percent). When considered in the context of 2020 job outcome targets, performance has been a little stronger in East Wales than in West Wales and the Valleys, highlighting differences in the curve of job outcome profiles for the two regions.

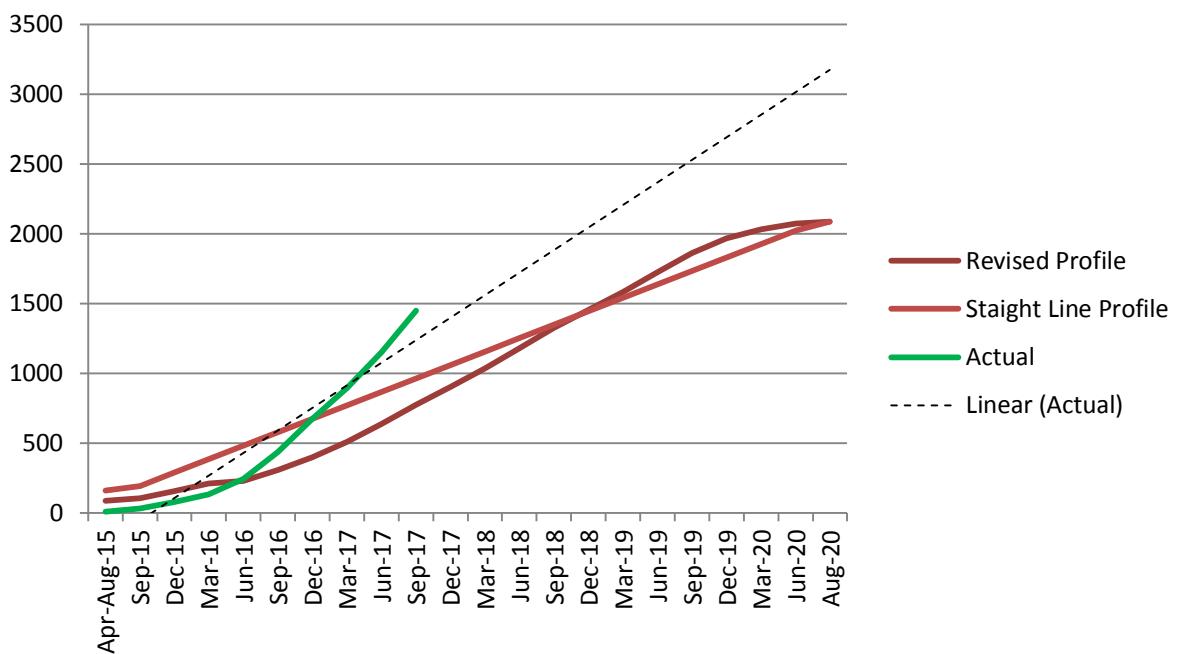
Figure 5.2: Numbers of Priority 1 job outcomes achieved by October 2017 relative to the profile set and a straight line job outcome profile across the programme's life-span



Source: Welsh Government, March 2018

- 5.9 Figure 5.3 shows that the situation in relation to Priority 3 is rather more robust, with 76 per cent of the job outcomes required across the programme's whole life already achieved. Performance in relation to the 2020 targets has been considerably stronger in West Wales and the Valleys (at 196 per cent of the October 2017 benchmark) compared to a still very respectable 110 per cent for East Wales. At current achievement levels, it seems likely that Priority 3 job outcomes targets will be exceeded by at least 75 percentage points and probably more by 2020.

Figure 5.3: Numbers of Priority 3 job outcomes achieved by October 2017 relative to the profile set and a straight line job outcome profile across the programme's life-span

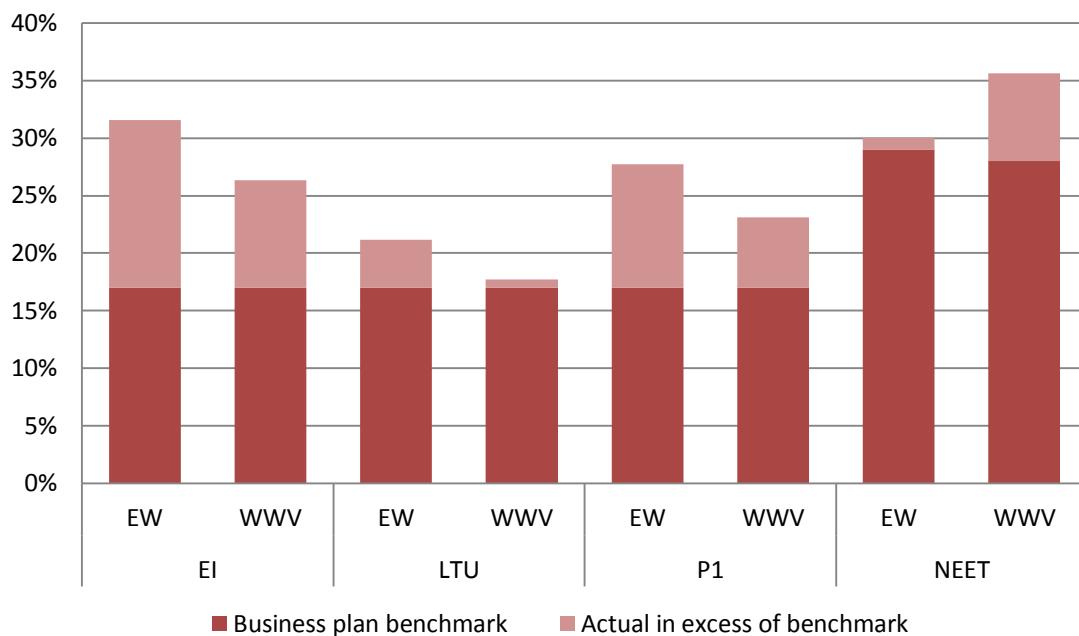


Source: Welsh Government, March 2018

Ratio of job outcomes to engagements

- 5.10 Crucially, as shown in Figure 5.4, the proportion of Priority 1 participants progressing into jobs (the 'conversion rate') is higher across the board than that anticipated when the programme was developed.

Figure 5.4: Job outcomes achieved compared to benchmark conversion rates implied in business plans^{33 34}



Source: CfW Monitoring Information Pack, November 2017

- 5.11 Almost a third (32 per cent) of economically inactive people engaging with CfW in East Wales progressed into employment, substantially above the 17 per cent anticipated. The conversion rate for economically inactive participants in Wales and the Valleys was also well above expectations at 27 per cent.
- 5.12 The conversion rate among long term unemployed participants was above expectations, though closer to the 17 per cent expected in both East Wales and West Wales and the Valleys (at 21 per cent and 18 per cent respectively).
- 5.13 This level of performance also compares favourably to performance across employability projects funded under the 2007-2014 ESF Programmes in Wales, where 25 per cent of participants in East Wales and 22 per cent of participants in West Wales and the Valleys achieved job outcomes³⁵.

³³ CfW Monitoring Information Pack, November 2017.

³⁴ Based on information contained in the CfW Operational Extension Business Case V2.0, p.24.

³⁵ See OB3 (2017) Wales Ex Post Evaluation Priority Review Paper: Increasing employment and tackling inactivity. Cardiff, Welsh Government pp.15-16.

- 5.14 Over a third of Priority 3 participants (35 per cent) in West Wales and the Valleys progressed into jobs, considerably above the 28 per cent aimed for. The proportion of young people progressing into jobs in East Wales (at 30 per cent) also exceeded expectations, though not by the same margin as in West Wales and the Valleys.
- 5.15 Given that CfW is primarily expected to work with people at some distance from the labour market, job outcome rates might be expected to be lower during the programme's early months, build to a plateau during its mid-life and build again towards programme closure, as engagements wind down but job outcomes continue to be delivered. Bearing in mind that the programme has only recently been fully rolled out in all areas, we believe that there is room for optimism that this already encouraging rate of job outcome achievement can be sustained or even improved upon.
- 5.16 One factor which was thought to be helping drive strong job outcome performance of late was the move by WEFO to accept participant 'self-declarations' of employment. It was argued that this change to the programme had made evidencing job outcomes much more straightforward and also freed up valuable CfW staff time to engage and work with participants rather than chasing up employer declarations and other forms of evidence.

Job outcomes by CfW area

- 5.17 Like engagements (see chapter three), job outcomes by CfW area vary considerably, but the evaluation was not able to identify definitively why there was so much variation. Factors associated with strong performance seemed to include:
- Strong performance in relation to engagements. A number of front line delivery staff argued that securing a throughput of engagements is critical to ensuring that job outcomes targets are met and there was a correlation between strong performance in relation to engagements and strong job outcomes performance among Priority 3 participants. The relationship was not as strong in the case of Priority 1 participants, however.

- The existence of a buoyant labour market locally, with jobs available suitable to participants' skills, ambitions and needs.
 - Skilled and experienced staff who are able to support participants to make the transition into work.
 - Effective team working between front line staff, leading to participants being referred to the most appropriate person and to a more seamless service e.g. as advisers undertake 'better off' calculations to help convince mentors' clients of the merits of working.
 - Strong partnerships with the wider support system, not least to help tackle barriers such as housing and financial problems.
 - The availability of relevant and accessible training provision e.g. CSCS courses.
 - CfW staff being in post long enough to allow time for engagements to be translated into outcomes.
- 5.18 As was the case for engagements, however, beyond a degree of correlation between engagements and outcomes as noted above, there was no clear systematic relationship between these factors and performance. For example, areas in which CfW had only recently been fully rolled out featured in both the upper and lower quartiles for job outcome performance. Similarly, advisers, triage workers and mentors in some areas which performed strongly in terms of job outcomes appeared not to work well together as a team.
- Job outcomes by time spent on programme*
- 5.19 Figure 5.5 shows the proportion of participants progressing into work according to the time they spent on CfW. Overall, it shows that a greater proportion of those who engaged with CfW for three months or less progressed into work than participants who stayed on the programme for longer. This is likely to be attributable to two main factors:
- Advisers, who it was intended would work with individuals deemed to be less than 12 months from employment³⁶, were appointed some time before mentors. Indeed, mentors have only very recently been

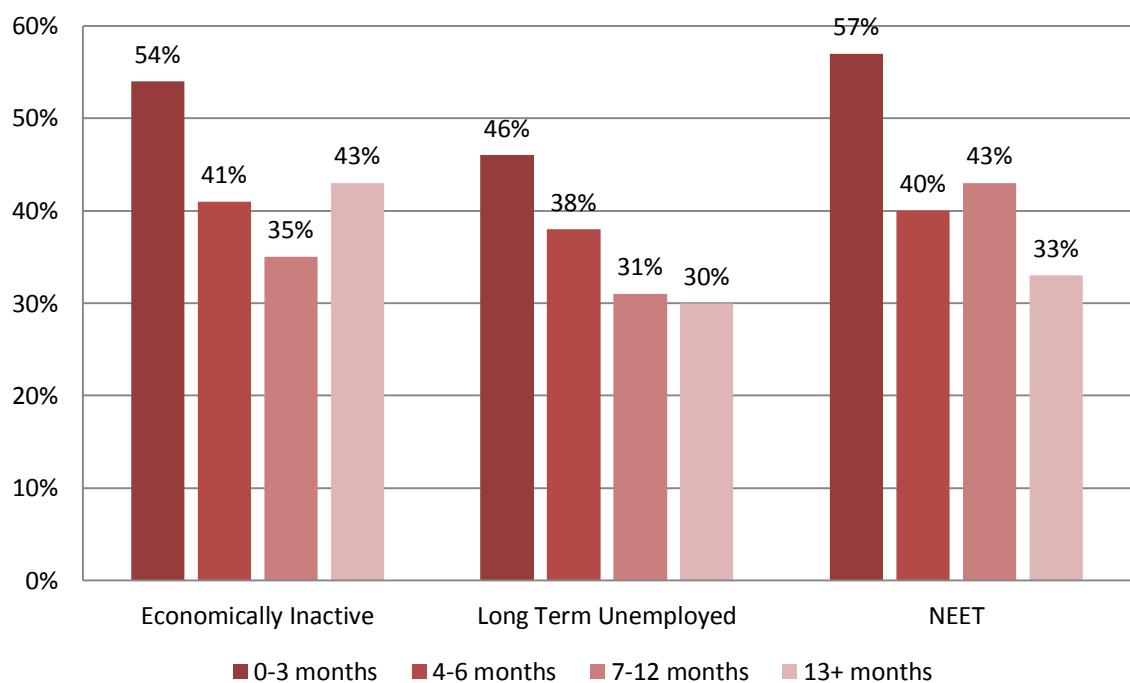
³⁶ WWV Business Plan P1 V1.0, p.32.

appointed in some areas. It is, therefore reasonable to expect that more adviser clients, who by implication should progress into work sooner, would have done so at this point in the programme's life.

- It was intended that mentors would work with clients deemed to be 12 months or more from employment³⁷. Given that most mentors were only appointed during the latter half of 2016 (and some appointed after that), insufficient time has elapsed for mentor clients, who implicitly need longer on the programme to become work ready, to have progressed into jobs.

- 5.20 The rapid progression of some clients into work might indicate that CfW is engaging some individuals who would be able to progress into work with less support and who could be served by mainstream sources such as JCP and Careers Wales. Having said this, however, it was clear from our qualitative fieldwork that participants valued and benefited from the depth and intensity of support available from CfW, something that mainstream providers are not able to offer.

Figure 5.5: Proportion of participants progressing into employment by the time spent on CfW



Source: Participant Database, February 2018

³⁷ Ibid.

Job outcomes by target participant groups

- 5.21 As previously noted, CfW aims to target people aged 25 and over who are economically inactive or long term unemployed and young people who are NEET. Within these groups it aims to target sub groups of individuals at particular disadvantage in the labour market. As was the case for engagements, no specific job outcome targets were set for these sub-groups, which means that it is not possible to comment on job outcome progress relative to profile. It is, nevertheless, possible to compare the proportion of participants from each group achieving job outcomes with programme participants more widely.

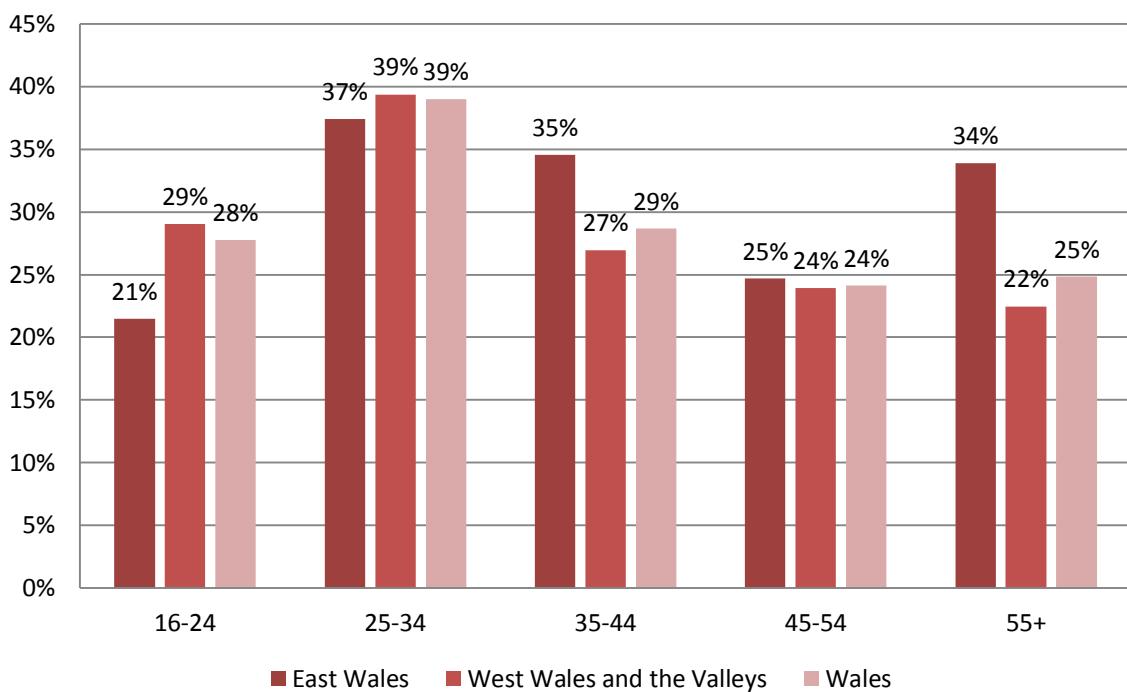
Gender

- 5.22 A greater proportion of men than women (at 33 per cent compared to 28 per cent) progressed into employment upon leaving CfW, with little difference in the proportions progressing between East Wales and West Wales and the Valleys.

Age

- 5.23 Figure 5.6 shows the age distribution of participants who achieved job outcomes across East Wales and West Wales and the Valleys. It shows that proportionally more participants in the 25-34 age group found jobs, followed closely in East Wales by participants aged 35-44. It is notable that over 25 per cent of all participants aged 55 and above achieved job outcomes, with that proportion extending to 34 per cent among participants from East Wales. This is particularly important given this age group's place as a target group among the economically inactive.

Figure 5.6: Age distribution of participants achieving job outcomes



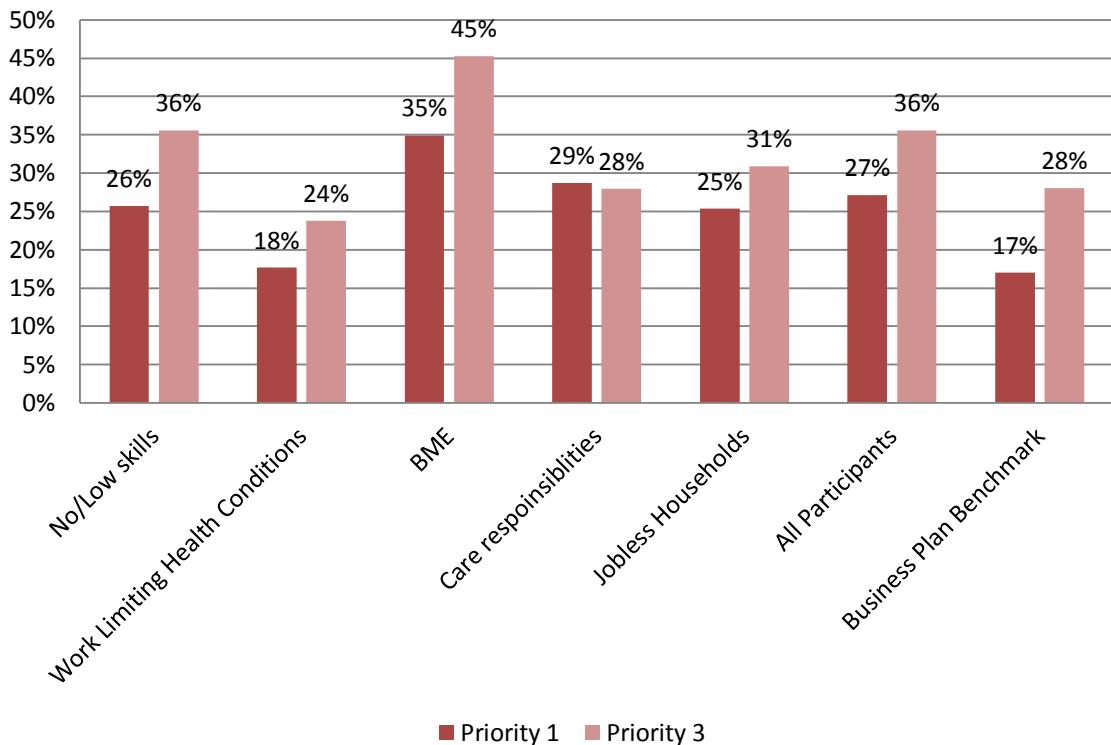
Source: Participant Database, February 2018

- 5.24 Figure 5.7 shows the proportion of participants from CfW target participant groups progressing into employment across Priority 1 and Priority 3. It also shows job outcome rates for all participants as well as the benchmark job outcome level implied within the business plan. As can be seen, job outcomes for almost every group of participants have exceeded the programme's benchmark level, in some instances by a considerable margin. We touch briefly upon performance in respect of each target group below.

Low or no skills

- 5.25 As noted in chapter 3, the proxy measure used for CfW participants having low or no skills is that they are have no qualification above level 2. Overall, 26 per cent of Priority 1 participants and 36 per cent of Priority 3 participants entering CfW with no or low skills entered employment. However, there was a close relationship between the highest qualification held by participants upon joining CfW and progression into work. Some 43 per cent of those entering the programme with qualifications at level 3 and above achieved job outcomes, compared to 32 per cent of those with qualifications no higher than level 2 and 17 per cent of those with no qualifications at all.

Figure 5.7: Proportion of participants from CfW target groups progressing into employment



Source: Participant database: February 2018

Work limiting health conditions

- 5.26 Performance in relation to participants with work limiting health conditions was rather weaker, with 18 per cent of Priority 1 participants progressing into jobs (which still exceeds the 17 per cent benchmark by one percentage point) and 24 per cent of Priority 3 participants, compared to a benchmark figure of 28 per cent.
- 5.27 In comparison to job outcome achievement rates across all CfW participants, that for participants with work limiting health conditions is the weakest, possibly suggesting that such barriers are more challenging to address than others.

Black and Ethnic Minority groups

- 5.28 The proportion of participants from BME backgrounds progressing into work was particularly impressive, with 35 per cent of Priority 1 participants (over twice the benchmark figure) entering employment and 45 per cent of Priority 3 participants doing so. Whilst these progression figures are most encouraging,

some care should be taken when interpreting the data given that the numbers of participants from BME groups are relatively small.

Care or childcare responsibilities

- 5.29 Overall, 29 per cent of participants with care or childcare responsibilities progressed into work compared to 30 per cent of all participants. Performance in relation to Priority 1 participants was again impressive, at 29 per cent compared to 27 per cent of all programme participants and a benchmark figure of 17 percent. Whilst the job outcome rate for Priority 1 was very similar across both East Wales and West Wales and the Valleys, performance in relation to Priority 3 was stronger in West Wales and the Valleys, at 29 per cent compared to 24 per cent in East Wales.

Workless households

- 5.30 Overall, 27 percent of participants from workless households progressed into employment, compared to 30 per cent of all participants. The proportion of Priority 3 participants from workless households progressing into jobs (at 31 per cent) was slightly higher than the proportion of Priority 1 participants at 25 per cent. Both these conversion rates compare well to the benchmark conversion rate implicit in the business plans (at 17 per cent for Priority 1 and 28 per cent for Priority 3). Performance across both Priorities was slightly better in East Wales than in West Wales and the Valleys. The proportion of participants from workless households progressing into work was slightly lower in East Wales (at 37 per cent) compared to 40 per cent in West Wales and the Valleys.

Quality and sustainability of job outcomes achieved

- 5.31 It had been anticipated at the research design stage that ESF Participant Survey data would be available to show the proportion of participants who progressed into jobs remained in employment six months later. It was anticipated that this would provide an indication of the sustainability of job outcomes over time and, thus enable inferences to be drawn about the effectiveness of CfW in preparing individuals for work.

- 5.32 Given the absence of reliable survey data, we sought to establish the employment status of the individuals interviewed as part of our qualitative fieldwork. It must be remembered, however, that our sample was selected purposively to target a disproportionate number of individuals who had progressed into employment and the findings of our fieldwork cannot, therefore be considered representative. Subject to this caveat, however, the fieldwork points to some illuminating findings.
- 5.33 A significant majority (35) of the participants we interviewed who had entered employment (40) remained in work six months later. Two others were still in employment at the time of the fieldwork, but had not yet reached the six month milestone. Over three quarters of those who progressed into work (33) said that they were satisfied with their jobs whilst almost two thirds (25) said that they were satisfied with the level of their income since starting work. Three fifths of those who had entered employment (24) had hopes of progression. This would suggest that employment was a sustainable outcome for almost half of the participants interviewed.
- 5.34 A third (10) of those who remained in work had actually moved on to other jobs since leaving CfW. Two had moved into what they deemed to better jobs and felt more satisfied with either the job or their income as a result of moving. Five had moved from temporary into permanent jobs and two had moved from part time into full time jobs. In one case, this meant moving from a ‘bank’ job within the NHS to a permanent contract which guaranteed a regular income, which the ‘bank’ job had not. It is notable in this context that the bank job essentially amounted to a ‘zero hours contract’, which the CfW Operational Guidance makes clear ‘are not acceptable’ for employment outcomes purposes³⁸. In this case, however, the ‘bank’ job represented a stepping stone into permanent employment with the same employer, which was a legitimate programme outcome.
- 5.35 This point illustrates a dichotomy faced by CfW teams. Whilst strongly endorsing the WG’s policy in relation to job outcomes and zero hours contracts and wanting to help clients find ‘the right job’, it was felt that local

³⁸ CfW Operational Guidance (2017) p.45.

labour markets often offer only insecure or short term agency work. This was particularly so among sectors such as care, retail and hospitality and for the relatively low level jobs into which CfW participants typically progress. A handful of contributors noted that the introduction of the Universal Credit may alleviate the problems of variable hours working in terms of compromising individuals' eligibility for certain benefits and ironing out inconsistencies in income.

- 5.36 Seven individuals had left the jobs they secured but had not gone on to find other jobs. The reasons for leaving jobs varied, but included the jobs taken being temporary, the recurrence of mental health problems, losing a driving licence and, in one case, the individual concerned did not feel that the extra income earned was sufficient to make up for the stress which the job caused. All but one of these individuals hoped to find work in the near future.
- 5.37 Whilst advisers/mentors work hard to steer participants towards jobs they can manage, it is inevitable that a proportion of participants will end up in unsuitable posts that they cannot sustain. Delivery staff argued that CfW needs to allow flexibility for such individuals to re-engage with the programme should they need to and to recognise the workload implications that this will have for advisers/mentors³⁹.
- 5.38 Indeed, three participants who left the jobs they secured sought to re-engage with the programme. In two of these cases, CfW staff worked with their former clients to help them find alternative employment, despite not being 'able to claim job outcomes' when these participants found alternative employment. Indeed, the inability to claim more than one job outcome in respect of individual participants was a source of frustration for several CfW front line staff, though it was noted by Welsh Government officials this is not permissible under ESF rules. In this context, it was speculated that re-engagements could become a more common feature of the programme as it matures and increasing numbers of participants progress into jobs⁴⁰.

³⁹ We understand that the Welsh Government will be introducing Communities for Work Plus in April 2018 which will ensure staff are in place in all teams to undertake this work.

⁴⁰ In addition, the introduction of CfW+ is expected to strengthen teams with staff who are able to undertake this work.

- 5.39 Where participants had re-engaged with the programme, the level of support they actually required in order to find alternative employment was considerably less than the support needed to secure their first job. For a couple, it seemed that participants needed little more than encouragement and reassurance that they were going the right way about looking and applying for jobs.

Case Study: Steve

Steve, a single man in his mid-forties, had worked most of his life in industry. A combination of a company relocation and physical ill health led to Steve losing his job of nine or more years. A period on ESA followed, during which Steve's physical health condition was treated.

About year after losing his job, Steve started to attend a job-club adjacent to his doctor's surgery and whilst there, met the adult mentor. At this point, he was clear that he 'just wanted a job', though he also recognised that he might need some training to enable him to renew a forklift licence. Having held the same job for several years, Steve lacked an up to date CV, had very limited IT skills and had little idea where or how to start looking for work on-line.

Steve felt that the mentor understood his situation and this put him at ease. The mentor set about introducing him to a number of on-line job-search sites, helping him to update and improve his CV and supporting him to prepare and submit job applications. At no point did Steve feel pressurised into doing things he did not feel comfortable doing, though the mentor did encourage him to think about possibilities (such as looking for call centre jobs and attending IT training) which had not occurred to him to do. Steve said that 'it was really nice to talk to someone who listened ... who didn't look upon you as a number ... who made time to have a chat ... to ask you how you are'.

Steve engaged enthusiastically with the mentor and was offered a part time job within six weeks, working 24 hours a week. Whilst he would have liked

longer hours, Steve accepted the job and exited CfW. After a few weeks, however, it became clear to Steve that this was not the job for him, both because the hours were too few and because he found the manual work involved too heavy. When Steve experienced a recurrence of his earlier medical condition, he was obliged to ‘sign back on the sick’.

Nine months later, after his medical condition had been treated, Steve was told by JCP staff that he was likely to be transferred from ESA onto Universal Credit. He realised that this would lead to a drop in his income, but more importantly for Steve, he balked at the prospect of being on UC – ‘I suffer from anxiety and depression … and [the worry of] whether they’d sanction me … it was doing my head in’. At this point he decided that he would search for work and returned to his mentor for help.

Although he had already exited CfW, the mentor helped him once more (given that an active ESA claim made him eligible) to update his CV and to look for jobs on-line. Alongside this, Steve dropped his CV off with a number of local employers and one of these drops proved fruitful within a relatively short period of time. Steve was adamant that working with the mentor had increased his motivation to find work and had given him the ‘get up and go’ to be more proactive in looking for work the second time around.

Steve remains in that second job now, five months later, describing it as a ‘good number’ and one that provides him with a level of income with which he is satisfied.

- 5.40 Whilst we did not come across any examples of former participants being turned away having sought to re-engage with CfW⁴¹, it is possible that front line delivery staff will become less accommodating as their caseloads increase⁴². Several front line delivery staff argued that the 12 month eligibility

⁴¹ With some being eligible for support by virtue of their benefits claim status.

⁴² Albeit that from April 2018, CfW+ will introduce additional staff to all the teams and this should assist in alleviating potential pressures.

criterion should be waived for participants who have left the programme but return for further support within, say, three months.

- 5.41 The absence of ESF Participant Survey data means that it has not been possible to consider CfW's effects upon the incomes of participants who progress into work. Notwithstanding that a majority of the participants we met who had progressed into employment were satisfied with their levels of in-work income, our fieldwork would suggest that most had progressed into low paid and sometimes precarious employment. This very much chimes with an expectation as set out in the Theory of Change underpinning CfW that 'participants are more likely to progress into low pay/starter jobs, at least initially'⁴³. This raises concern about the longer term sustainability of job outcomes, particularly where other barriers to employment are at play⁴⁴.

Case Study: Sharon

Sharon is a single mother in her mid twenties. She had held various unskilled jobs since leaving school, but also had periods on ESA and JSA.

Having attended a number of work related short courses (Fire Safety, Food Hygiene etc.) and working with an adviser for some 19 months to develop her CV and job search skills, Sharon secured a part time job at a local fast food outlet. She later moved on to work for a restaurant chain because the part time hours she was able to work fitted better around her childcare responsibilities.

Sharon felt that her life had improved as a result of being in work: 'I used to suffer depression and anxiety. Now that I am working I can see a massive improvement in myself. At one point I had no people skills, but now I'm mingling and dealing with people on a daily basis and I'm chatty again'.

Despite having increased her income as a result of progressing into work, Sharon was struggling financially. She noted that 'it's hard, and when you look

⁴³ Welsh Government (2017) Evaluation of Communities for Work, Stage 1: Theory of change and logic model, p.24.

⁴⁴ However it is possible that CfW+ which will allow ongoing engagement will alleviate this to some degree.

at the bigger picture ... overall, I'm only £20 better off a week, especially after I have to pay for travel ... I need more to survive really'.

- 5.42 A number of front line delivery staff argued that CfW should provide an element of in-work support, where that is needed. There were two dimensions to this:
- On-going motivational support and help to resolve issues that might act as barriers to continued employment, for a period after participants enter work. It was thought that this could help sustain individuals in jobs where otherwise they might find themselves overwhelmed.
 - On-going support to help individuals progress in employment and, thus, mitigate the effects of in-work poverty.
- 5.43 Individual contributors pointed out that in-work support is a feature of other, newer employability programmes and that CfW should be adapted to reflect more recent thinking⁴⁵.

Case Study: Ffion

Ffion is a single mum of two children. She had worked as a teaching assistant, but was made redundant when the school at which she worked closed. Ffion registered with a teaching agency, but found it difficult to fit the work she was given around her childcare responsibilities. Reluctantly, Ffion ended up on Income Support, feeling scared of the future as a woman over forty without a job.

Ffion was referred to a CfW adviser by the Job Centre. She did not have a clear goal in mind when she first started. Initially her discussions with the adviser focused on looking at continuing to work with children and whilst she could see that it would make sense to utilise her skills, she nonetheless felt that she needed to try something else. After some discussions with her adviser, it was agreed that a receptionist or secretarial job would suit her well and Ffion and the adviser set about looking for opportunities.

⁴⁵ It is anticipated that CfW+ will help to address this issue.

Ffion valued the one to one meetings with her adviser and felt that they helped develop her confidence and improved her anxiety and depression: ‘I did go downhill and I felt low and worthless, but the one-to-one chats really helped’.

Ffion secured a job at a local hotel and was ‘signed-off’ CfW. Once in work, however, Ffion found the whole process of dealing with paperwork relating to tax and in-work benefits extremely stressful and she contacted the adviser for help. Ffion said that the adviser ‘was on the phone with me every day at the beginning, telling me not to panic, and sorting out a lot of the paperwork. She was fab!’

Ffion has been in post for over a year now, but it seems highly unlikely that she would have managed to cope with the transition into work without the adviser’s on-going help post programme exit. Indeed, she noted that ‘sometimes, after you get a job, you need one or two months of support to help you continue down that road … I think they should allow for a bit of time after, to check on you … just some keeping in touch phone calls’.

Attribution of job outcomes to CfW

- 5.44 As noted above, 40 of the individuals interviewed during our fieldwork had progressed into employment and it was clear that CfW had played an important part in helping each one of them to find work. CfW support had been key in helping participants understand and address barriers to employment they faced and in encouraging them to take steps towards employment that they would not have taken for themselves. As one adviser put it: ‘we’ve helped each of them sort something out.’
- 5.45 Whilst it was accepted that there will inevitably be an element of deadweight to any programme of this nature, operational managers and front line staff were adamant that any deadweight attached to CfW has been minimal, given the nature of the client group targeted. Indeed it was argued by delivery staff in one area that of all the employability programmes delivered there over the

years, CfW was probably the least likely to have participants who would have found and sustained work without intervention due to the complex nature of barriers they faced.

- 5.46 Front line staff argued that even those participants who might have found jobs for themselves would not have done so within the same timescales and could well have ended up taking less suitable jobs than the ones they secured, not least because they lacked the confidence, contacts or know-how to find work e.g. to prepare a decent CV, to apply for jobs on-line.

Performance against qualifications targets

- 5.47 CfW aims to support participants to gain qualifications or units towards qualifications that are defined within the Credit and Qualifications Framework for Wales (CQFW). The Theory of Change underpinning the programme pointed to the key role played by qualifications in providing ‘access to sustainable employment’⁴⁶ and in the case of young people in particular, as a means of entering ‘training as a prerequisite step towards employment entry and sustainment’⁴⁷.
- 5.48 As at October 2017, however, relatively few programme leavers (783) had achieved qualifications. In the case of Priority 3 (for which a specific qualifications outcome target was set), 454 individuals had achieved qualifications, which represents 20 per cent of the overall 2020 target, at a point over 40 per cent of the way through the programme’s life. This modest level of performance may owe something to participants capitalising upon training delivered under the auspices of CF, particularly during CfW’s early days, and qualifications achieved being attributed to that programme rather than CfW. Nevertheless, whilst it might be reasonable to expect some lag in the delivery and recording of qualifications outcomes⁴⁸ (to allow participants time to undertake training), performance to date has to cast at least an element of doubt over the likelihood of the programme meeting its 2020 Priority 3 qualifications outcomes target.

⁴⁶ Welsh Government (2017) Evaluation of Communities for Work: Stage 1: Theory of change and logic model, p.16.

⁴⁷ Ibid, p.44.

⁴⁸ Qualifications are only entered onto the database on leaving CfW, so participants may have gained these but they are yet to be recorded.

- 5.49 Some 44 per cent of the participants achieving qualifications upon leaving CfW achieved qualifications below level 1 and only five per cent achieved qualifications above level 2. The majority of those achieving qualifications above level 2 were already qualified to level 3 or above upon joining the programme. It is possible, however, that regardless of participants' previous qualifications levels, the qualifications achieved with CfW support are more relevant than any qualifications previously held to individuals' job aspirations.
- 5.50 In addition to qualifications that sit within the CQFW, CfW also supports participants to gain work relevant certification such as CSCS cards or food hygiene certificates. Overall by October 2017, 1,163 participants had achieved such certifications upon leaving CfW.
- 5.51 A specific target was set for the number of Priority 1 participants achieving qualifications or work relevant certification upon leaving CfW. As at October 2017, 875 leavers had done so, with 241 achieving qualifications on the CQFW and 634 achieving other work relevant certifications. This represents only 11 per cent of the 2020 target. Again, it is probably reasonable to expect some lag in the delivery of qualifications and work relevant certifications outcomes, but on the basis of performance to date, it seems unlikely that the Priority 1 target outcome will be achieved by the end of the programme. Having said this, however, it is possible that some ground will be made up on the 2020 target as a result of improvements made to the system for booking training courses and also as a result of a general tightening up of the range of unaccredited courses open to participants following the closure of CF.

Performance against targets for progression into education or training

- 5.52 As noted above, entering training is seen as a potential step on the road to employability and employment for young people who are NEET. On this basis a target has been set for the numbers of Priority 3 participants progressing into employment upon leaving CfW.
- 5.53 By October 2017, a total of 161 participants had progressed into education or training upon leaving CfW, which represents some 11 per cent of the 2020 target. Whilst it might be reasonable to expect achievements against this

target to build slightly as the programme progresses, it seems unlikely that the overall target will be met by the programme end.

- 5.54 Whilst no targets were set for the Priority 1 participants progressing into education or training, our fieldwork suggested that there are examples of this happening. Examples included individuals enrolling onto Open University courses or taking part in the British Gas Free Energy Trust E-Learning project (which is open to those in receipt of welfare benefits).

Progression against job search activity targets

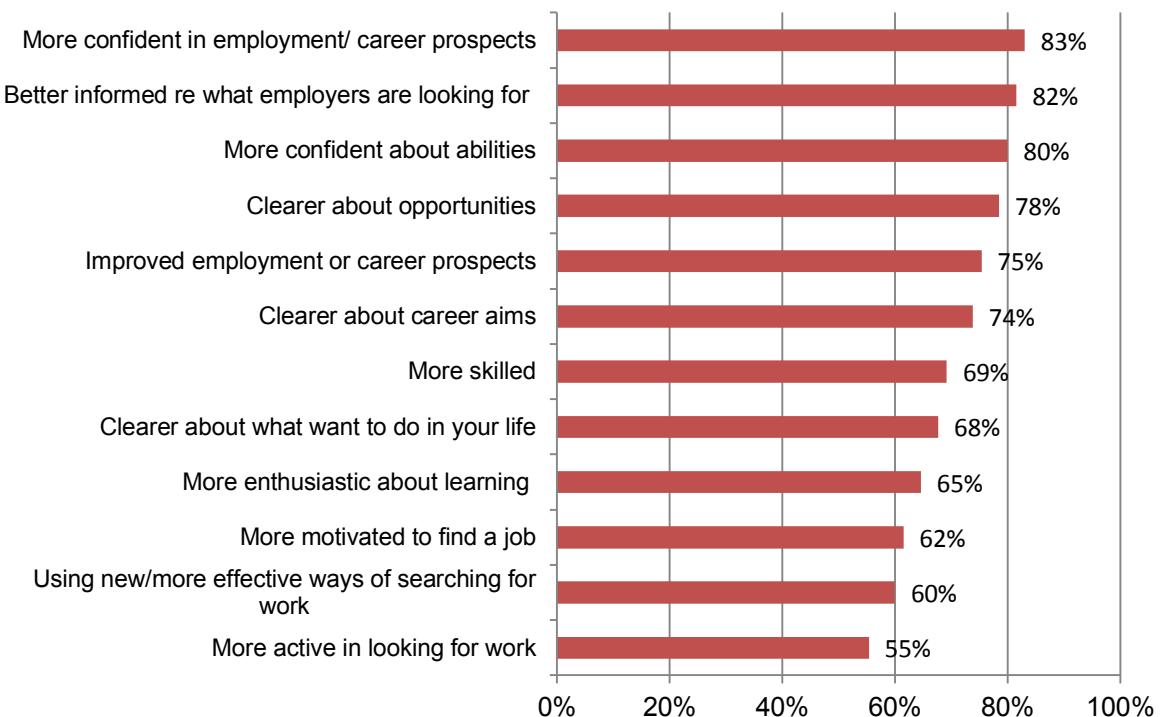
- 5.55 Targets were set for Priority 1 participants undertaking job search activity upon leaving (including individuals who are newly registered as jobseekers), as evidenced by a signed declaration by the participant. By October 2017 some 37 per cent of the 2020 targets had been achieved, which gives cause for optimism that the overall target will be achieved by the end of the programme's life.

Intermediate outcomes achieved

- 5.56 As noted in chapter 1, in the absence of ESF Participant survey data, we sought to capture the views of the participants we met during our qualitative fieldwork in order to gain an insight into CfW's wider effects upon individuals. Whilst the findings of this element of the study should be treated with caution, they provide an insight into the programme's effects and effectiveness.
- 5.57 Figure 5.8 shows the proportion of interviewees saying that CfW had a positive effect upon particular aspects of their attitude towards or approach to finding work. It shows that overall, participants were very affirmative about the programme's effects.
- 5.58 Our interviews would suggest that CfW had the greatest impact upon participants' confidence in their employment and career prospects and in their ability to do particular jobs. It also had a marked effect on participants' perceptions of their understanding of what employers are looking for and the job opportunities available to them. The least impact appears to have been upon participants' motivation to find work and the effort they were putting into finding jobs following CfW participation. This is attributable in part to 57 per

cent of those interviewed progressing into employment and the questions, therefore, not applying to them. It also owes something to CfW being a voluntary programme, which means that at least some participants have reasonably strong levels of motivation when joining.

Figure 5.8: Proportion of participants interviewed who said that CfW had made them ...

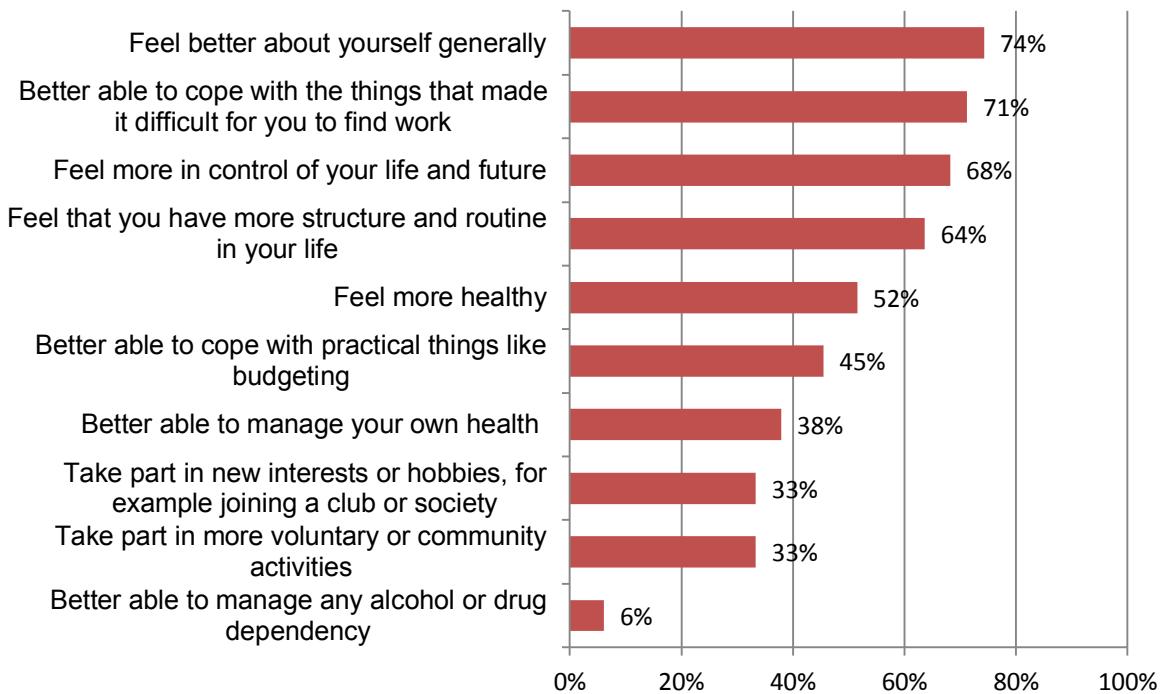


- 5.59 There were marked differences in the extent to which men and women thought that participating in CfW had affected them, with a greater proportion of women associating the programme with greater clarity about what to do in life and about their career aims. A greater proportion of women also felt that participating in CfW had helped to increase their confidence, both in their abilities and in their employment prospects, as well as rendering them more motivated to find a job. A greater proportion of men, on the other hand, associated CfW with being better informed about what employers are looking for, using new or more effective job search techniques and being more skilled.
- 5.60 A disproportionate number of younger participants (aged 16-34) said that CfW had led to their being more active in looking for work, whereas participants aged 55 and above were less likely to point to the programme having any effect upon the intensity of their job search activities.

Soft outcomes achieved

- 5.61 Our discussions with participants also explored the wider effects which individuals felt taking part in CfW had had upon them. The lines of enquiry reflected the questions about soft outcomes which it had been intended that the ESF Participant survey would pursue.
- 5.62 Figure 5.9 shows the proportion of interviewees saying that CfW had a positive effect upon wider aspects of their lives. It suggests that the programme had a measurable effect upon participants' sense of wellbeing and their resilience to deal with the barriers to work they faced.
- 5.63 Our fieldwork would suggest that CfW had the greatest impact upon the way participants feel about themselves, their ability to cope with challenges and the degree of control they feel they have over their own lives. A smaller, but still significant proportion of the participants we interviewed felt that participating in CfW had led them to feel healthier, often as a result of feeling that their lives were going somewhere. A small number of those we interviewed said that they had become more involved in their local community as a result of participating in CfW, though rather perversely, individual interviewees noted that they had reduced their involvement in community activities because they lacked time having progressed into work.

Figure 5.9: Proportion of participants interviewed who said that CfW had made them ...



- 5.64 As was the case for intermediate outcomes, there were differences in the extent to which male and female participants felt that CfW had impacted upon their lives more widely. Women were more positive about the programme's effects than men across most criteria, though men were proportionately more likely to say that CfW had made them better able to cope with the barriers that made it difficult for them to find work and that it helped bring more structure into their lives.
- 5.65 It is not surprising, perhaps, that participants who had progressed into employment were more likely than those who were still out of work to say that CfW had impacted positively upon their lives, particularly in terms of having more structure to their lives and feeling healthier. Those in work were also more likely to associate participating in CfW with their being better able to cope with the things that made it difficult for them to find work and with feeling more in control of their lives.
- 5.66 It was clear that having a job made a big difference to how some participants regarded themselves and their lives in general. However, it is unlikely that the positive effects upon individuals' self-perception can be attributed entirely to CfW: being in work and all that entails in terms of earning, interacting with

others, having a routine and so forth also contributed to individuals' more positive outlook. CfW represented the start of a journey rather than the whole.

Case Study: Jackie

Jackie is an articulate and competent young woman with a background in childcare and catering. She also had experience of co-managing her own business for a few years.

Jackie had dedicated the last few years to raising her children and with the youngest starting school full-time she knew she had to make changes, but felt very much out of the swing of working after such a long time out of employment. She was motivated to engage with CfW by the prospect of being moved from Income Support to Job Seekers Allowance.

Jackie spent over 22 months on the programme working with a mentor to find a job that suited her and fitted in with her childcare responsibilities. She eventually found work as a kitchen assistant in a secondary school, a job which made use of skills she already had and which allowed her to be at home for her children outside school hours.

Jackie really enjoys her new job: she gets on well with her colleagues and feels that she is constantly learning new things. She goes in to work early and stays late to help out, relishing the camaraderie she feels from working with others. Being part of the larger school community has brought Jackie a sense of purpose too. Above all, she enjoys 'the nice feeling of having some money in [her] purse to spend on [her] children.'

5.67 CfW staff spoke of the wider benefits of participation for specific individuals. Specific examples included:

- Individuals 're-engaging' with society having become 'housebound'.
- Young people refraining from drug taking 'because the training has been a motivation'.

- Individuals gaining ‘a new impetus to shape up their lives in a way that’s unique to them’, not least from seeing their attributes captured in black and white in CVs.
- Parents becoming ‘happier [and] taking their children out’.
- Individuals feeling ‘more fulfilled’.

5.68 One adviser turned a discussion about the benefits of participating on its head by saying that in 20 years of supporting people into work, not one has come back to her and said that it ‘was a terrible thing’ to get them into work.

6. Programme Costs and Value for Money

Introduction

- 6.1 In this chapter we consider the costs of the programme to date and how those compare to expectations. We also consider how CfW compares to other employability initiatives in terms of the cost of key output and outcome indicators.
- 6.2 This chapter is presented in two sections as follows:
- Programme expenditure to date relative to budgets
 - Value for money indicators⁴⁹.

Programme expenditure relative to budgets

- 6.3 Table 6.1 shows the breakdown of costs across the two priorities as at October 2017. The costs shown fall some way short of the costs that might be expected at this stage, assuming a straight line expenditure profile across the whole of the programme's life. In reality, however, CfW took longer to establish than originally anticipated and it is likely that costs will increase at a faster pace as the programme is fully rolled out.

Table 6.1: Breakdown of costs by priority as at October 2017

	East Wales	West Wales and the Valleys	Total	% of Implied Budget to October 2017 ⁵⁰	% of 2020 Budget
Priority 1	£3,073,274	£9,994,930	£13,068,204	59%	25%
Priority 3	£1,161,729	£4,119,936	£5,281,665	62%	27%
Total	£4,235,003	£14,114,866	£18,349,869	60%	26%

Source: Welsh Government, February 2018

⁴⁹ The calculations underlying value for money indicators are given at Annex 1.

⁵⁰ Based on the 2020 budget and assuming a straight line expenditure profile.

Value for money indicators

6.4 Given that CfW is still live, this evaluation does not attempt to undertake any analysis of the return on investment which the programme offers e.g. in terms of reductions in benefits claimed or increases in taxation revenues relative to the costs of the programme. It is, nevertheless, possible to gain some insight into the value which CfW represents by comparing the costs of key output and outcome indicators to those of other employment/employability interventions. In doing this, however, we would make the following points:

- CfW is only now reaching full implementation and it is likely that the ratio of costs to output/outcomes will change as the programme matures.
- There are significant differences between employability interventions, for example in terms of target participant groups, programme design and the scale of intervention.
- An ‘increasing employment and tackling inactivity’ Priority Paper produced as part of the Ex Post Evaluation of 2007-13 ESF Programmes in Wales⁵¹ noted that ‘interventions adopted very different approaches to defining what was included in the costs of delivery’⁵², thus making direct comparisons between projects difficult.

6.5 Notwithstanding what is said above, the Ex Post Evaluation Priority Paper pointed to significant variations across ESF funded employability projects in terms of the costs per participant, with costs ranging from £1,097 to £4,451 across the projects reviewed. On average, however, the costs per participant engaged amounted to ‘just over £1,700’ in both East Wales and West Wales and the Valleys⁵³.

⁵¹ The Priority Paper synthesised the findings of the evaluations of ESF funded projects which aimed to increase employment and tackle economic inactivity during the 2007-13 European Structural Fund programming period. The paper compared key cost/value for money indicators across a number of ESF projects with similar ambitions to CfW in terms of moving unemployed and economically inactive people into work.

⁵² OB3, (2017) Wales Ex Post Evaluation Priority Review Paper: Increasing employment and tackling inactivity, p.19.

⁵³ OB3, (2017) Wales Ex Post Evaluation Priority Review Paper: Increasing employment and tackling inactivity, p.19.

6.6 This average cost related to projects funded under:

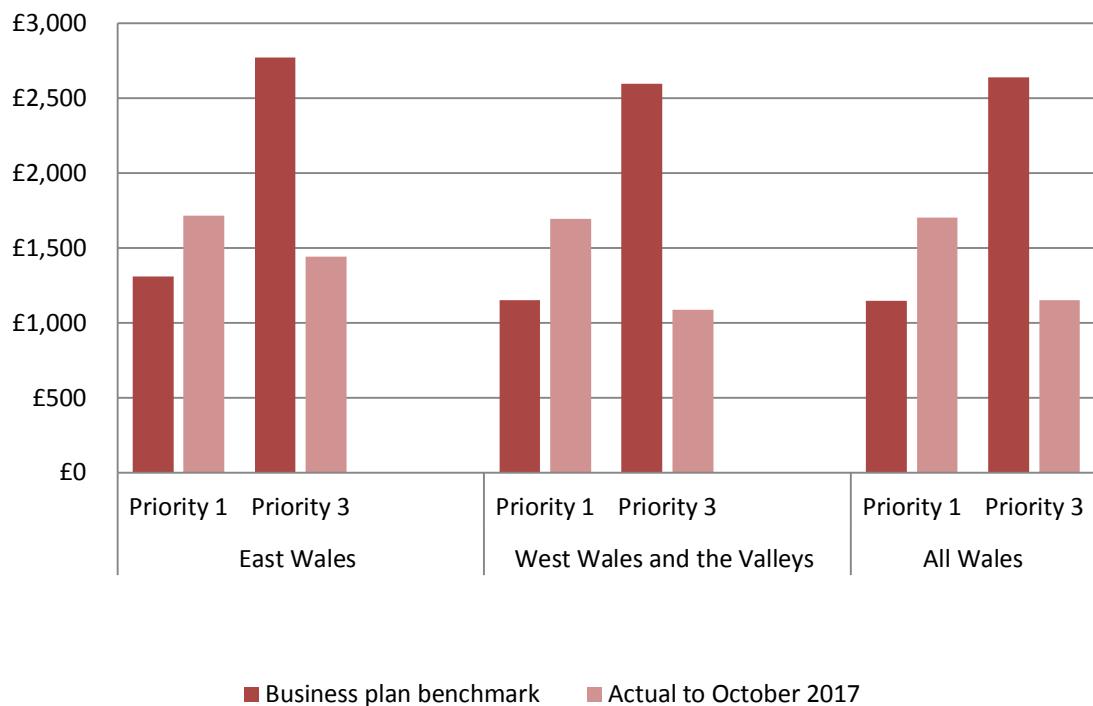
- Priority 2 of the ESF Convergence programme
- Priority 1 of the ESF Regional Competitiveness and Employment.

These priorities sought to ‘raise levels of employment and economic activity and secure higher participation in the labour market’⁵⁴ and, thus, reflect closely the ambitions of Priority 1 within both the 2014-20 East Wales and West Wales and the Valleys ESF programmes.

- 6.7 The anticipated cost per Priority 1 participant for CfW (as implied in the business extension case), was £1,146 across Wales, with the cost for East Wales expected to be slightly higher than that for West Wales and the Valleys. At some 67 per cent of the average cost per participant for employability projects funded under the 2007-14 ESF programmes, this would seem very economical.
- 6.8 It was anticipated that the cost per Priority 3 participant would be somewhat higher than that for Priority 1 at an average of £2,589 across Wales. This is partly attributable to a higher ratio of CfW mentors to clients within Priority 3.
- 6.9 Figure 6.1 compares the anticipated cost per participant to the actual cost as at October 2017 for each priority across the two regions.
- 6.10 At this stage in the programme’s life, the costs per Priority 1 participant are somewhat higher than the benchmark costs implied in the business plans. This is particularly the case for East Wales, where the costs to date amount to £1,717 per participant, compared to a benchmark of £1,311. The comparable cost for West Wales and the Valleys stood at £1,695 compared to a benchmark of £1,151. These higher costs per participant can be attributed to engagements thus far being further behind the overall programme targets than costs to date are behind the programme budget. It might be expected that the costs per participant will come closer into line with expectations as recruitment gathers momentum and the costs of mobilising the programme (e.g. having staff in post with sub-optimal case-loads) are absorbed over time.

⁵⁴ Welsh European Funding Office (2009) ‘West Wales and the Valleys Convergence Programme – Operational Programme For The European Social Fund 2007-2014’ p.127.

Figure 6.1: Comparison of anticipated and actual cost per participant



Source: CfW Monitoring Information pack, November 2017

- 6.11 The costs per Priority 3 participant were lower than benchmark costs at £1,440 per participant in East Wales compared to a benchmark of £2,771 and £1,088 per participant in West Wales and the Valleys against a benchmark of £2,596.
- 6.12 These differences across priorities are attributable in part to the substantially stronger performance in terms of Priority 3 engagements across both East Wales and West Wales and the Valleys.

Costs per outcome

- 6.13 The Ex Post Evaluation Priority Paper also pointed to significant variations in the cost per job outcome across ESF funded employability projects, with 'higher costs per outcome ... often attributed to the fact that projects were working with participants who were most removed from the labour market and required intensive support to overcome complex barriers to work'⁵⁵. The costs per job outcome ranged from £5,768 to £22,000, though the average stood at £6,574 in West Wales and the Valleys and £6,782 in East Wales. A review of

⁵⁵ OB3 (2017) Wales Ex Post Evaluation Priority Review Paper: Increasing employment and tackling inactivity. Cardiff, Welsh Government. p.40.

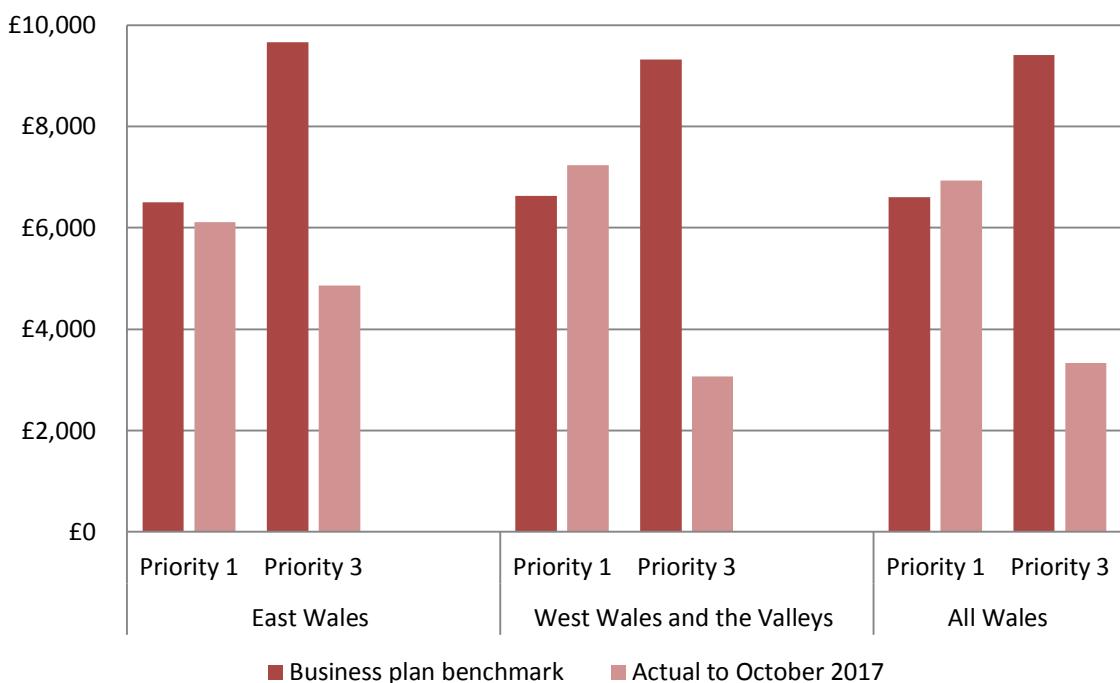
literature surrounding employability and essential skills interventions in England indicated costs per job ranging from £4,630 to £5,736 across a range of local authority sponsored projects⁵⁶.

- 6.14 At an average of £6,600 across Wales, the anticipated cost per Priority 1 job outcome for CfW would seem in line with previous ESF funded adult employability interventions in Wales, if slightly higher than a handful of English projects highlighted in the literature.
- 6.15 The anticipated cost per job outcome achieved by Priority 3 participants was higher than that anticipated for Priority 1 participants, at an average of £9,407, though it must be remembered that jobs were only one of two destination outcome targets set for Priority 3 participants.
- 6.16 Figure 6.2 compares the anticipated cost per job outcome to the actual cost as at October 2017 for each priority across the two regions. It shows that the cost per job outcome in respect of Priority 1 was very much in line with the 2020 benchmarks. At £6,110, the cost per job outcome in East Wales was marginally below benchmark of £6,510, whilst the cost per job outcome in West Wales and the Valleys, at £7,232 was marginally above the benchmark of £6,631.
- 6.17 The cost per Priority 3 job outcome was substantially below the benchmarks implied in the business plans across both East Wales (at £4,861 compared to £9,656) and West Wales and the Valleys (at £3,339 compared to £9,318). This is attributable to the strong Priority 3 job outcome performance across both regions, which meant the ratio to staff costs (which are effectively fixed) to job outcomes, was lower than anticipated (and the cost per job outcome was consequently lower).
- 6.18 Indeed, given that progression into work or into education or training represent destination outcomes for Priority 3 participants, it is arguable that the cost per positive progression is a more meaningful indicator of the value provided by the programme. At an average of £6,185 per job/education/training outcome

⁵⁶Arad Research (2015) A literature review to inform the development of the new adult employability programme. Cardiff, Welsh Government. p.35.

across Wales, the cost of positive progression outcomes for Priority 3 participants come more into line with the cost per job outcome for Priority 1.

Figure 6.2: Comparison of anticipated and actual cost per job outcome⁵⁷



Source: CfW Monitoring Information pack, November 2017

- 6.19 The primary aim of CfW is to move participants closer to or into work, but the programme also aims to enable participants to gain vocationally relevant certifications and qualifications and, in the case of Priority 3 participants, to progress into education or training. A similar approach to that taken to estimate the cost per job outcome could be taken to calculate the anticipated and actual costs per participant of attaining qualifications and of progressing into education/training. However, there are some important factors that limit the value of these as indicators of the value for money offered by CfW:
- the nature, intensity and cost of training undertaken by participants in order to achieve particular qualifications vary significantly. At one extreme, participants are able to achieve work relevant certifications by attending one day courses, whilst at the other, courses which lead to

⁵⁷ The engagement and outcome numbers used to calculate value for money indicators are based on the latest management information received from delivery partners, but expenditure figures reflect delivery partners' actual funding claims. Claims may lag engagement and outcome numbers reported, so it is possible that the value for money indicators may vary over the lifetime of the programme. Nevertheless, they provide an indication of how the programme is performing in relation to key value for money benchmarks at this stage in its life.

qualifications accredited under the CQFW (sometimes undertaken alongside work placements) can take several months to complete

- the numbers of Priority 3 participants expected to progress into education or training are relatively small and costs per participant progressing will, therefore, appear disproportionately high.

7. Conclusions and Recommendations

Introduction

- 7.1 The purpose of this third and final phase of evaluation has been to assess the overall effectiveness of the CfW programme. The report has focused on the outputs and outcomes achieved and upon the value for money which the programme represents. It has considered the barriers to employment which CfW participants face and the nature and effectiveness of support they receive, drawing upon the theory of change (ToC) that underpins the programme. The report has also presented participant case studies to highlight the barriers faced by individuals and examples of good practice.
- 7.2 In considering the evidence base for the report's findings, it is important to bear in mind that ESF Participant Survey data, which it had been anticipated would provide robust evidence of participants' characteristics and the programme's effects upon them, was not available. Therefore, the findings are mainly based on an analysis of the programme database and qualitative fieldwork with delivery staff and a small sample of participants. The small size of the sample of participants constrains the conclusions that can be drawn about participants' experiences and outcomes.
- 7.3 It is also notable that at the time this evaluation was commissioned, CfW was scheduled to close in March 2018. Since then, however, CfW has been extended to December 2020 and it would, therefore, be premature to draw firm conclusions about the programme's overall effects and the value for money it represents at this stage in the programme life cycle.
- 7.4 Subject to these two caveats, in this final chapter we consider the key findings and draw conclusions in relation to the programme's effectiveness and impact to date and also provide an early indication of the value for money it might represent. In doing this, we have drawn upon and reflected on the programme's underpinning ToC. We also highlight the recommendations that flow from this analysis.

7.5 This chapter is presented in six sections as follows:

- programme operation
- programme performances in terms of engagements
- programme performances in terms of outcomes
- the programme's contribution to the Cross Cutting Themes
- the programme's theory of change
- programme impacts and value for money.

Programme operation

- 7.6 Delays establishing the programme and integrating DWP and LDB staff teams affected performance in the first two years of the programme. Given these delays, the extension and re-profiling of the programme has been welcomed and means that programme targets are now considered more realistic.
- 7.7 CfW is now established in most areas and working relationships between LDBs and DWP have generally improved, with a stronger single team approach apparent. JCP continues to be a key source of referrals to CfW and it seems likely that this will remain the case as welfare reforms continue to bite. It is important, therefore, that as CfW cluster teams continue to 'normalise', advisers do not become 'detached' from JCP or that their knowledge of the benefits system does not deteriorate. However, it will also be important for CfW teams to continue to broaden the sources of engagement and to continue to work directly in communities if the programme is to continue to reach those furthest from the labour market.
- 7.8 CfW is generally thought to be well managed by the Welsh Government, LDBs and DWP, with communication between operational managers and front line staff improving over time. Quarterly meetings organised by the Welsh Government are valued and the revised Operational Guidance is considered a more comprehensive and clear resource. Interviews with operational staff in

the final phase of fieldwork indicted that they were also clearer on their roles and on programme expectations.

- 7.9 The implications for CfW of the closure of CF have been managed effectively. Despite concerns from both managers and operational staff about the potential impact of the loss of the CF infrastructure, the actual effects on the programme to date have been minimal. Some interviewees have also seen the closure of CF as an opportunity to develop and strengthen CfW, pointing for example, to the opportunities created by the establishment of Communities for Work Plus⁵⁸.
- 7.10 Arrangements relating to the organisation of training procured specifically by the Welsh Government to meet the needs of CfW participants have improved markedly, although there are still problems reported with the timelines and access to training in some areas.

Programme performance: engagements

- 7.11 As at October 2017, engagements of young people (Priority 3) exceeded the level profiled, whilst that for economically inactive and long term unemployed participants (Priority 1) was somewhat below the level profiled.
- 7.12 A number of factors help explain the difference in performance between Priority 1 and Priority 3:
- The ratio of youth mentors to Priority 3 participant targets is considerably higher than the ratio of adult mentors to Priority 1 participant targets⁵⁹. This means that the overall programme targets and profiles to date are more challenging for Priority 1 than for Priority 3.
 - Advisers, partly due to their earlier start, are carrying higher P3 caseloads than anticipated, though this should change now that all the youth mentors are in post.

⁵⁸ It is likely that the introduction of CfW+ and the increased flexibility this offers will assist in addressing some of the concerns which front line staff had.

⁵⁹ Notwithstanding that advisers predominantly work with adults.

- There is likely to be a greater willingness and motivation amongst young people to engage with the programme, as they are not required to be as ‘detached’ from the labour market as those aged 25 and over⁶⁰.
 - Youth mentors often had a background in youth work (or similar) and were connected into local networks (including YEPF partnerships) upon taking up their roles, and this has helped ‘channel’ young people to CfW.
- 7.13 Under-performance in relation to those aged 25+ (Priority 1) appears to be a systemic challenge, with limited evidence at a programme level that CfW has performed well with some target groups.
- 7.14 Overall programme performance also masks considerable variation in performance. In particular, performance to date against profiles in West Wales and the Valleys is typically stronger than in East Wales. There is also considerable variation in performance between areas, and also across different priorities within areas, with some areas, for example, performing strongly in terms of Priority 1 engagements, but poorly in relation to Priority 3 engagements.
- 7.15 There is no single factor that explains the observed variation in performance across areas and instead, a combination of factors played a part. These included the size of CfW areas and strength of local labour markets, the length of time the programme had been established in an area, ‘human’ factors such as the skills of individual team members and relationships between individuals and partners.
- 7.16 In considering the programme’s performance to date, and its prospects of achieving the 2020 targets, it is important to consider the impact of changes in the Welsh economy. In particular, it was observed by a number of interviewees that the engagements targets would be challenging to achieve, as the programme was at a different place in economic cycle from when it was

⁶⁰ Those aged 25+ must either be long term unemployed or economically inactive.

being developed in 2014/15. Rates of unemployment and economic inactivity have fallen since then, so there may not be same level of need in 2018 and beyond (making it harder to engage the numbers of participants forecast). Although, conversely, economic growth is likely to help the programme achieve its job outcome targets (discussed below).

- 7.17 Looking forward, assuming a straight line recruitment profile across the programme's life-span, performance to date suggests that the programme will exceed its engagement targets for young people (Priority 3), but fall some way short of its engagements targets for economically inactive and long term unemployed participants (Priority 1).
- 7.18 However, there is optimism amongst programme managers that the rate of engagements for Priority 1 participants in particular, will accelerate, because of the programme gathering momentum, changes to welfare benefits, and changes to Welsh Government policy and priorities e.g. the roll out of the Employment Advice Gateway , which forms part of the Welsh Government's forthcoming employability programme. The impact of these changes remains uncertain though, and the impact of other changes could have a countervailing impact upon engagements.
- 7.19 Despite the inherent uncertainty about forecasting future performance, we cautiously share the optimism of programme managers that engagements will increase. We agree that Priority 3 targets are likely to be achieved, although we are sceptical if the 2020 targets for Priority 1 will be fully achieved. This judgement is based upon the following evidence:
 - Performance in relation to engagements of young people (Priority 3) has been strong to date, in contrast performance in relation to engagements those aged 25 and over (Priority 1) has been weaker.
 - The programme is now well established in most areas. Some effects of this, such as those associated with getting teams and partnerships in place, may lead to a short term increase in the rate of engagements, that then flatten out (e.g. once teams are at capacity, the rate of increase in engagements is likely to slow). However, other effects, such as the growing

reputation and profile of CfW, may generate sustained increases in the rate of engagements over time.

- There is also evidence that the welfare changes that have already been implemented, such as a lowering of the age of children at which parents have to start looking for work, have had a positive effect on engagements. It is reasonable to expect that further changes will have a similar effect (most notably the roll out of the Universal Credit), although it may take time for the effects to be felt, given, for example, potential problems implementing Universal Credit.
- The effects of Brexit are extremely difficult to forecast, given the uncertainty about the UK's future relationship, and could have both 'positive' effects upon programme engagements (e.g. if unemployment rates increased) and negative effects upon programme engagements (e.g. if European economic migrants were discouraged from looking for work in Wales).

Recommendation 1

The Welsh Government should continue to monitor engagements at all levels (programme and area/region and priority) to ensure that if the rate of engagements does not increase as expected, this is identified early, so that action, in line with the report's recommendations, can be taken.

Recommendation 2

Local delivery teams should consider increasing the focus of advisers' time upon Priority 1 participants, referring clients under the age of 25 to Youth Mentors as a matter of course. The establishment of 'full' CfW teams (with both advisers and mentors) in most areas should make this easier in the future.

Recommendation 3

The DWP and LDBs should consider adopting shadowing arrangements where performance across clusters appears to vary, with staff from lesser

performing areas being given the opportunity to shadow colleagues in better performing areas.

Recommendation 4

Welsh Government should ensure that pressure to achieve headline targets does not come at the expense of efforts to target 'harder to reach' participants (who are intended to be key beneficiaries of CfW).

Recommendation 5

DWP delivery managers, LDB managers and front line delivery staff should continue to act upon recommendations made in the Process Evaluation report to, for example:

- strengthen arrangements for working with local JCP teams and to ensure that clients are referred to the appropriate kind of support within the CfW programme
- develop and implement plans for meaningful engagement with other partners and referral sources.

Programme performance: outcomes

- 7.20 In part, the programme's performance in relation to outcomes depends upon the programme's performance in terms of engagements. The stronger performance to date against profiles in terms of engagements in West Wales and the Valleys is reflected in stronger job outcomes performance against profiles in West Wales and the Valleys, compared to East Wales. Similarly, the stronger performance in terms of engagements of young people (Priority 3) is reflected in stronger performance against profiles in terms of job outcomes for young people, compared to those aged 25 and over (Priority 1).
- 7.21 Differences in engagements, also helps explain some, but not all the variation in terms of outcomes at an area level. As was the case for engagements, contextual factors also play a part, including for example, the state of local

labour markets; the length of time the programme had been established; and the skills of individual team members.

- 7.22 The weaker than hoped for performance in terms of engaging Priority 1 participants therefore poses a challenge in terms of employment outcomes. However, this has been offset in part, by a higher than expected ‘conversion rate’ for both economically inactive and NEET participants in particular, as a greater proportion of these participants have achieved job outcomes than was anticipated.⁶¹ This is a key strength of the programme and points to its effectiveness in terms of addressing barriers to employment.
- 7.23 Like other comparable programmes, such as Want to Work and LIFT, the achievement of job outcomes varied by participant group, with some more likely to find work than others. These were typically participants with fewer or less severe barriers such as those without work limiting health conditions and those with higher level qualifications.
- 7.24 Analysis of the project database demonstrates that a large proportion of employment outcomes to date are achieved within 3 months. This is consistent with evidence from interviews with programme staff and participants that suggests that the programme has yet to address more complex or entrenched barriers. Low levels of motivation (e.g. amongst those ‘going through the motions’ in order to satisfy the demands of the work coaches) and the ways in which barriers can create a ‘conditional commitment’ to work, appear particularly challenging to overcome. Other important barriers include those related to people’s situation, such as childcare and transport; low levels of skills, qualifications⁶² and/or a lack of experience; and social and emotional barriers (such as weak self-confidence and poor mental health). None of these barriers is absolute, and there were numerous examples of participants who, with the support of the programme, had overcome complex barriers and transformed their lives in the process.

⁶¹ In contrast, although the conversion rate among long term unemployed participants was above expectations, it was closer to the 17 per cent expected in both East Wales and West Wales and the Valleys.

⁶² It was notable that for example those with higher level qualifications were more likely to enter employment than those with no or low qualifications.

Nevertheless, on average, those with fewer barriers, were, as would be expected, more likely to move into work than those with more complex barriers.

- 7.25 The impact of barriers (including low levels of motivation) has a significant impact upon both who chooses to engage with the programme and the extent to which they take up CfW's offer of support. It means, despite the aspiration to support those with the most complex barriers, the programme has sometimes struggled to either engage or support them effectively. There was little evidence of a deliberate strategy of 'creaming and parking', in the sense of staff deliberately prioritising those who are most 'work ready' and side-lining those furthest from the labour market. Indeed, advisers and mentors were often reluctant to 'give up' on participants despite their distance from the labour market. However, the most motivated participants were most likely to engage strongly with the support offered and were, therefore, in effect 'prioritised' e.g. because they met advisers/mentors more regularly and took up more of CfW 'offer' like training and volunteering opportunities.
- 7.26 Looking forward, assuming a straight line trend in terms of employment outcomes, across the programme's life-span, performance to date suggests that the programme will exceed its job outcome targets for young people (Priority 3) by as much as 75 percentage points, but fall some way short of its job outcomes targets for economically inactive and long term unemployed participants (Priority 1). The more challenging targets for West Wales and the Valleys also mean that at this point in the programme, West Wales and the Valleys is a little behind East Wales in terms of progress towards the 2020 job outcome targets.
- 7.27 There is, nevertheless, some room for optimism that job outcomes for Priority 1 participants will continue to improve and that notwithstanding the scale of the challenge, good progress toward achieving the 2020 targets will be made. This judgement is based upon the following evidence:
- The expectation that engagements will continue to increase (and which will be critical to achieving job outcome targets).

- The strong conversion rate, which is expected to continue. CfW teams are now well established and working well in most areas, and as the programme gathers momentum, it is reasonable to assume that this conversion rate will be sustained. Given more time, the programme (and advisers/mentors) may also be able to help more of those with more complex barriers into work.⁶³
 - ‘Administrative’ changes to the programme, most notably, the acceptance by WEFO of participant ‘self-declarations’ of employment, are making it easier to evidence job outcomes.
- 7.28 In contrast, outcomes in relation to qualifications or work relevant certification are particularly weak, although this may in part be because it takes longer for some of these types of outcomes (most notably full or higher level qualifications) to be realised. The closure of Communities First may also have an impact, as during CfW’s early days, much of the training which participants undertook was delivered under the auspices of CF and was not, therefore, be claimed as CfW ‘outcomes’.

Recommendation 6

The Welsh Government should continue to monitor outcomes at all levels (programme and area/region and priority) to ensure that if the rate of outcomes does not increase as expected, this is identified, so that action, in line with the report’s recommendations, can be taken swiftly.

Recommendation 7

The Welsh Government should establish a CfW database to supplement or replace the existing spreadsheets. This would facilitate easier management of programme data (particularly as participant numbers swell even further) and, thus, aid monitoring of performance and the early identification of patterns of

⁶³ Evidence of the time participants spend on the programme before entering employment (which indicates many find work within 3 months), provides only partial support for this with most entering employment within 3 months, although numbers continue to enter employment at 4-6, 7-12 and 12+ months

for example, under and over-performance for different groups or areas.

Recommendation 8

The Welsh Government should consider and discuss with WEFO the possibility of further re-profiling budgets towards end of programme, to shift resources from over-performing (Priority3) to under-performing (Priority1) areas of the programme in order to meet targets .

Intermediate outcomes

- 7.29 The nature and types of intermediate outcomes identified by this evaluation are similar, although not identical, to those identified in the Want to Work programme evaluation⁶⁴ (Centre for Economic and Social Inclusion, 2013 cited in Welsh Government, 2017⁶⁵) For example, our fieldwork suggests that CfW has had the greatest impact upon the way participants feel about themselves, their ability to cope with challenges and the degree of control they feel they have over their own lives.
- 7.30 It was also posited in the Theory of Change that CfW might engender more positive attitudes and perceptions of participants towards Jobcentre Plus. However, the sharp contrast between the very positive view participants took of CfW with the often negative views and experiences they reported of JCP, suggest that the programme is likely not to have improved their perceptions.

The programme's Theory of Change

- 7.31 The evaluation evidence confirms that the Theory of Change underpinning CfW is basically sound. Participants have come forward, albeit not initially in

⁶⁴ The evaluation identified that because of support, motivation to work increased, participants had clearer ideas for career aims, their confidence of finding work increased and they became more confident they could do a good job. They also experienced improved self-esteem. Moreover, participants said they felt better about themselves, felt they had more labour market opportunities than before receiving support, had gained better job search and communication skills. It was notable that least improved, however, were literacy, numeracy and IT skills.(WG, 2017).

⁶⁵ <http://gov.wales/docs/caecd/research/2017/170412-evaluation-communities-work-stage-1-en.pdf>

the numbers planned for. The programme's model gives scope to offer holistic and person centred support in informal settings that participants very much value, and which has enabled advisers/mentors to identify and tackle barriers. This has increased participants' employability and for example, in East Wales this has enabled around a third of economically inactive participants, and a third of participants who are young people who were NEET, to enter employment.

7.32 Nevertheless, some assumptions underpinning the programme's ToC have not been fully borne out, albeit that they were reasonable assumptions to have made at the programme design stage. For example:

- The assumption that because participation in CfW is voluntary, participants would want to work and want to engage in support to help them make progress towards the labour market, was undermined where participants engaged in order to appear to be actively looking for work in order to meet the requirements of their claimant contract.
- The assumptions about the impact and effectiveness of triage arrangements were weakened by inconsistencies in the role triage officers played and in the ways the triage process was implemented.⁶⁶
- The assumptions that mentors would only work with those who were more than 12 months from the labour market, was undermined by tensions between LDB and DWP 'teams'; delays getting mentors in place in some areas; and variations in the severity of barriers amongst those engaging/ presenting to CfW teams.
- The assumption that greater numbers of young people would re-engage with education and training as a precursor to sustainable employment, has been undermined by the small numbers re-engaging with education and training, with most choosing work first instead. Our fieldwork

⁶⁶ For example, the expectation for a handover of young people between the Youth Employment Mentors and Specialist Employment Advisers (SEA) to enable the overcome their final hurdle to employment and acquire work-first skills related to labour market understanding, job search skills and application procedures, was not borne out.

suggests that by the time they join CfW, many Priority 3 clients have lost faith in education or training due to negative experiences and the programme has struggled to change this.

- Less use was made of training, the barriers fund and volunteering than was envisaged.
 - The assumption that increasing employability skills and reducing barriers would lead to sustainable job outcomes has been weakened by the nature of some labour markets (characterised by insecure/temporary work).
 - Finally, there is evidence that some participants are not fully engaging with the programme, because, for example, they have joined in order to satisfy their JCP work coach, or because their motivation has been undermined by the barriers they feel they face. As a consequence, the assumption that most would benefit from increased employability, even if they did not move into work, is weakened. Crucially, whilst the programme can remove some barriers, like the cost of equipment, with little engagement or effort on the part of participants, most barriers can only be overcome by participants themselves, with the support of the programme.
- 7.33 The evidence from comparable programmes suggested little interest/appetite for in work support, and this was not therefore a feature of CfW⁶⁷. However, many operational staff interviewed for this study felt there was a need for in work support for some (but not all) participants, and that some young people in particular, needed short-term support to sustain employment or self-employment.

⁶⁷ This is in line with the ToC: “there is no intention to provide in-work support on any more formal basis than crisis support potentially on demand. This accords with the existing evidence base which indicates a lack of interest in in-work support from participants. As such, the Want to Work programme evaluation found little demand for it. A similar situation was seen in the Work Programme which showed that WP providers used in-work support primarily to monitor outcomes in order to claim payments and that, over time, used call centre base in-work support advisers which broke the continuity of advisory support received before transition into employment. As with Want to Work, participants were not particularly keen to be contacted during working hours, and did not understand necessarily the purpose of such contact.”

7.34 There is also some evidence that given the temporary/insecure nature of some work, there is a case for enabling and encouraging advisers/mentors to re-engage those who enter employment, but are unable to sustain it. In practice this can happen in some cases, but advisers/mentors are not able to claim any outcomes as a result of this activity with those participants aged 25 and over (due to the programme's strict eligibility criteria).

Recommendation 9

The Welsh Government should ensure that CfW+ is fully integrated with existing CfW teams to enable those aged 25 and over who have been supported, have entered employment, but been unable to sustain it, to be re-engaged within an agreed period of time.

7.35 Some of the risks identified by the review of the programme's ToC were also borne out, for example:

- Difficulties integrating DWP and LDB teams hampered work in some areas.
- Separate targets for DWP and LDB staff undermined partnership working in some areas.
- Weaknesses in local partnerships, and in some cases perceived competition between employment support programmes, hampered engagements and referrals in some areas (as has been the case with other comparable programmes⁶⁸).
- It was not always possible to align participants' aspirations with local labour market opportunities.

⁶⁸ For example, the Evaluation of the Lift programme found that integration with other services, including Communities First and its infrastructure, was helpful in dealing with participants with multiple barriers to employment (Wavehill, 2012, p37). However, it also identified that weaknesses in local partnerships affected the nature and shape of delivery and the progress that could be made (Wavehill, *ibid*).

The programme's contribution to the Cross Cutting Themes

- 7.36 We conclude that the programme will make a strong contribution to two cross cutting themes: Equal Opportunities and Gender Mainstreaming and Tackling Poverty and Social Exclusion. For example:
- strong performance in relation to Priority 3 will contribute to reducing the numbers of young people not in education, employment or training.
 - the programme's person centred approach has helped it support disabled people and people from BME backgrounds to take up training and employment opportunities.
 - helping tackling barriers to employment such as poor skills, lack of childcare or limited transport options, has helped people to access employment opportunities.
 - by helping people into work, CfW has helped contribute to improvements in health and well-being.
- 7.37 CfW has also contributed to the 'social' dimensions of sustainable development, such as promoting social justice and equality of opportunities.

Programme impacts and value for money

- 7.38 CfW seeks to address the ambitions of both the Welsh Government and DWP to reduce poverty through work and represents a significant investment for both organisations. It breaks new ground in that it straddles devolved and non-devolved government departments and brings together diverse organisations in ways and on a scale not previously seen. Whilst this presents challenges in terms of integrating teams and melding cultures, the case for the approach taken was strong, informed by research into what works in reaching and supporting those most removed from the labour market.
- 7.39 The participant case studies included in this report are testament to the often transformative impact the programme has had upon people's lives, and the important contributions the programme has made to key Welsh Government priorities like tackling poverty and social exclusion. Evidence of 'deadweight'

was minimal and CfW is on course to achieve its long-term goal: to achieve a reduction in the number of adults experiencing worklessness and, separately, in the proportion of young people NEET throughout Wales, by supporting their movement into work they can sustain.

- 7.40 However, unless the rate of Priority 1 engagements and outcomes increases, the scale of this impact whilst considerable will be more modest than hoped. Moreover, the fieldwork for this study also suggests some uncertainty about the sustainability of outcomes. As a consequence, even where the programme is increasing employability, the nature of some labour markets, dominated by short term/insecure work, has made it difficult for some participants to secure 'sustainable' work. There is also only limited evidence of wider 'spill over effects', such as benefits for the families of those supported, that evaluations of other programmes such as LIFT have identified⁶⁹. However, this may be a result of the constraints on the ability of this evaluation to measure these types of impacts (given most notably the absence of ESF Participant Survey data), rather than an absence of this impact.
- 7.41 Although it is too early to judge the programme's value for money, the signs are encouraging. There is a case for cautious optimism that the programme will generate important value for both individual participants and society. At this stage, the costs per Priority 1 participant are above the benchmark implied in the business plan, primarily because engagements thus far have lagged targets by more than costs have lagged programme budgets. We anticipate that the cost per participant will come closer into line with expectations over the coming months, however, as engagements increase and programme costs level out. The cost per Priority 3 participant is already lower than the benchmark cost, thanks to the stronger performance in terms of Priority 3 engagements across both East Wales and West Wales and the Valleys.

⁶⁹ Welsh Government (2016) Evaluation of the Lift Programme: Phase 2 - Implementation Study: The Structural Form and Operational Practice of Lift.

7.42 CfW is primarily intended to move people into work and the cost per job outcome is, therefore, a value indicator at this stage in the programme's life. It is particularly encouraging that, at this stage in the programme's life, the cost per job outcome in respect of Priority 1 is very much in line with the expectations and the cost per job outcome in respect of Priority 3 is substantially below the benchmark level implied in the business plans. We are cautiously optimistic that increased momentum in terms of engagement and a sustained high 'conversion' rate of engagements to outcomes (for both Priority 1 and 3 participants) will allow the actual costs per job outcome to be lower than anticipated, thus setting CfW apart from other employability interventions in terms of the value for money it offers.

Annex 1: Basis of Cost per Participant and Cost per Outcome Calculations⁷⁰⁷¹

	East Wales		West Wales and Valleys		All Wales	
	Budget/Target to 2020	Actual to October 2017	Budget/Target to 2020	Actual to October 2017	Budget/Target to 2020	Actual to October 2017
Costs						
Priority 1	£12,798,075	£3,073,274	£38,584,486	£9,994,930	£51,382,561	£13,068,204
Priority 3	£4,871,978	£1,161,729	£14,741,289	£4,119,936	£19,613,267	£5,281,665
Engagements to Oct 17						
Priority 1	11,312	1,790	33,532	5895	44,844	7685
Priority 3	1,758	807	5,819	3787	7,577	4594
Job Outcomes to Oct 17						
Priority 1	1,966	503	5,819	1382	7,785	1885
Priority 3	503	239	1,582	1343	2,085	1582
Progression into Education or Training Outcomes						
Priority 3	169	43	917	127	1,086	170
Positive Progression (into Employment, Education Training Outcome) for Priority 3 Participants						
Priority 3	672	282	2,499	1,470	3,171	1,752
Cost per Job Outcome⁷²						
Priority 1	£6,510	£6,110	£6,631	£7,232	£6,600	£6,933
Priority 3	£9,686	£4,861	£9,318	£3,068	£9,407	£3,339
Cost per Positive Progression⁷³						
Priority 3	£7,250	£4,120	£5,899	£2,803	£6,185	£3,015

⁷⁰ Business Plans.

⁷¹ Source: MI Pack, November 2017 Welsh Government, February 2018.

⁷² These values are arrived at by dividing the numbers of job outcomes aimed for or achieved within each priority by the budget set or costs incurred to date for that priority.

⁷³ These values are arrived at by dividing the numbers of job outcomes and progression into education/training outcomes aimed for or achieved within each priority by the budget set or costs incurred to date for that priority.