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# Evaluation of Parents, Childcare and Employment (PaCE): experience and outcomes

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## Evaluation of Parents, Childcare and Employment (PaCE)

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

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## **Glossary**

<b>Acronym/Key word</b>	<b>Definition</b>
BAME	Black and Minority Ethnic
BOCs	Better Off Calculations
CACHE	Council for Awards in Care, Health and Education
CQFW	Credit and Qualification Framework Wales
CV	Curriculum Vitae
DBS	Disclosure and Barring Service
DWP	Department for Work and Pensions
ESF	European Social Fund
EW	East Wales
FSF	Flexible Support Fund
JCP	Job Centre Plus
NEET	Not in Employment, Education or Training
PaCE	Parents, Childcare and Employment
P1	Priority 1
P3	Priority 3
UC	Universal Credit
WWV	West Wales and the Valleys

# 1. Introduction

1.1 In January 2018, the Welsh Government appointed OB3, Dateb and People and Work to undertake an evaluation of its Parents, Childcare and Employment (PaCE) programme, an active labour market intervention supported by the European Social Fund (ESF).

1.2 PaCE was launched in 2015 and an initial evaluation report, published in December 2016<sup>1</sup>, set out the context for the programme, the Theory of Change underpinning PaCE and discussed early stage findings surrounding programme processes and participants' experiences of PaCE.

1.3 A Process and Outputs Evaluation report was published in December 2018<sup>2</sup>. This report considered the way the programme had been structured, discussed the profile of participants engaged (including the barriers to work they faced), described participants' journeys through PaCE and considered the programme's emerging outcomes at that time.

1.4 This report is intended to look in greater depth at participants' experiences of PaCE, to identify differences made by taking part in the programme and to highlight lessons that might be drawn to inform future delivery and practice. The specific aims of this phase of the programme of evaluation are to:

- Identify reasons for differences in apparent performance across local authority areas.
- Assess the programme's effectiveness at supporting those with protected characteristics.
- Explore the difference made by PaCE, highlighting the lessons to be drawn from participants' experiences.
- Provide an insight into the counterfactual case.
- Develop participant level case studies.

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<sup>1</sup> [Evaluation of the Parents, Childcare and Employment \(PaCE\) Project: process evaluation](#)

<sup>2</sup> [Evaluation of the Parents, Childcare and Employment \(PaCE\) Project: process and outputs evaluation](#)

- 1.5 An Impact, Counterfactual and Value for Money evaluation will be undertaken in 2021<sup>3</sup>, with a final summative evaluation report to be published in early 2022.

## **Method**

- 1.6 This phase of the evaluation programme (which was undertaken between May and November 2019) encompassed five main elements of work:
- Analysing the database of participants as updated in May 2019 and again, in August 2019.
  - Conducting follow up telephone interviews with 45<sup>4</sup> PaCE participants first interviewed face to face in 2018, to establish how their situations had developed over the previous 12 months. These individuals had agreed in 2018 that research team members could re-contact them directly for follow-up interviews.
  - Undertaking qualitative interviews (mostly on a face-to-face basis) with 44 participants who had engaged with PaCE during 2018. A random sample of participants was drawn from 10 local authority areas in which fieldwork with participants had not previously been undertaken. These individuals were approached by research team members, with PaCE advisers informed of the participants selected so that they could confirm the legitimacy of interview requests should participants contact them. This approach to inviting participants to contribute to the study differed slightly to that taken in 2018, when the research team worked alongside advisers to encourage selected participants to contribute to the study. Possibly as a consequence of less adviser involvement in 2019, a smaller proportion of those interviewed were current participants in PaCE than was the case for those interviewed in 2018.
  - Analysing the findings of the fieldwork undertaken, identifying themes to emerge and selecting ‘case study’ examples to illustrate those themes.

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<sup>3</sup> This differs slightly from the timetable indicated in the [Process and Outputs Evaluation](#) as a result of PaCE being extended to March 2022.

<sup>4</sup> The intention had been to interview 40 individuals, but we were able to secure a higher response rate among those previously interviewed than had been anticipated.



- Preparing and peer reviewing this Experience and Outcome Evaluation report.

*Strengths and limitations of the approach taken in addressing the aims of this element of the evaluation*

- 1.7 The attention given to participants' experiences during this phase of the evaluation has allowed us to enrich our understanding of for whom, how and why PaCE works. It also casts further light on for whom and why the programme does not work quite as well.
- 1.8 However, the focus on participants across 10 local authority areas means that only limited insight was gained into the reasons for differences in apparent performance from one area to another. Whilst our fieldwork affirmed reasons for differences as set out in the Process and Outputs Evaluation report, it did not identify other or new reasons. However, this partly reflects the high degree of consistency to the approach taken by advisers (as noted in the Process and Outputs Evaluation report) and the absence of systemic differences in delivery methods from one area to another.
- 1.9 Chapter 2 considers the programme's effectiveness in engaging and supporting individuals with protected characteristics. Our analysis of the participant database points to areas of strong and apparently weaker performance across different groups. However, the numbers of participants with particular protected characteristics (e.g. individuals from Black and Minority Ethnic [BAME] groups, men and Welsh speakers) were limited and participants from BAME groups proved more challenging to engage in our qualitative fieldwork. This means that it has not been possible to assess with certainty how and why the experiences of certain types of individuals might have differed from those of PaCE participants in general.
- 1.10 Whilst a random sample of participants was selected for interview, the approach taken to engaging contributors may have introduced a degree of selection bias, leading to a positive skew to the findings of our fieldwork. It is possible that individuals who had a positive experience of PaCE or who gained most from the programme were more likely to contribute (due to adviser input in 2018 and self-selection in 2019) than individuals who

disengaged from the programme early or who did not gain much from participation.

### **Structure of this report**

1.11 This report is presented in five chapters as follows:

- Chapter one: this introduction to the report.
- Chapter two: programme performance to date (including in relation to those with protected characteristics).
- Chapter three: participant experiences: emerging themes.
- Chapter four: the difference made to participants and the counterfactual.
- Chapter five: conclusions and recommendations.

## 2. Programme Performance to Date

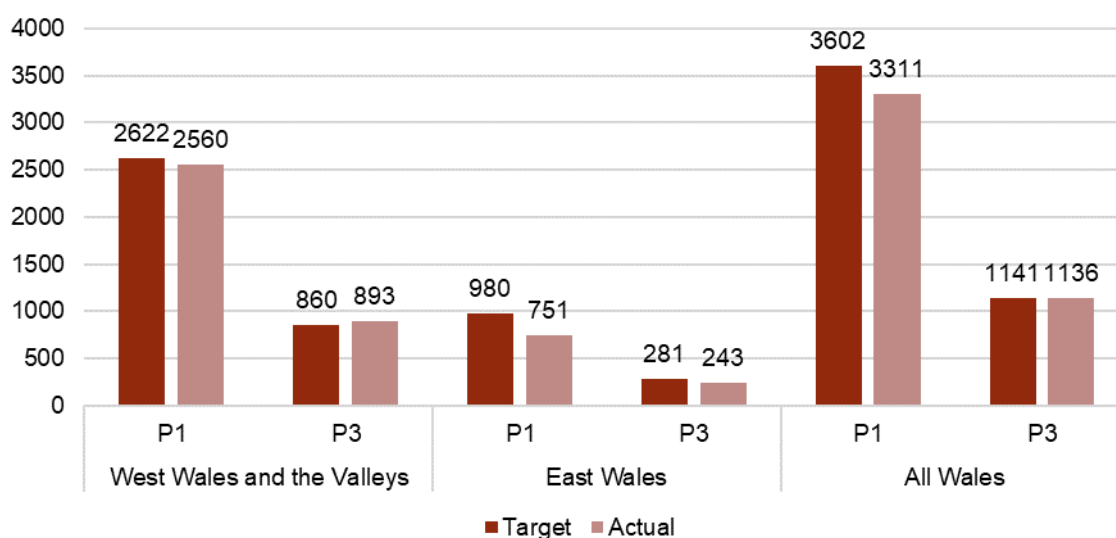
### Introduction

- 2.1 The Process and Outputs Evaluation report provided a detailed analysis of the programme's performance to May 2018. This chapter is intended to provide an update in relation to performance against headline engagement and outcome targets. It also reports on the programme's performance in relation to those with protected characteristics.

### Performance against headline engagement targets

- 2.2 By August 2019, a total of 4,447 had engaged with PaCE. Figure 2.1 compares the numbers of Priority 1 and Priority 3 participants taking part in PaCE to the revised engagement targets<sup>5</sup>. Engagements for participants aged 25 and over (Priority 1) stood at 94 per cent of the target agreed, with the shortfall mainly accounted for by weaker performance than expected in East Wales. Overall, the numbers of participants aged 16-24 (Priority 3) engaged were in line with expectations, though engagements in West Wales and the Valleys exceeded expectations slightly and those for East Wales had fallen slightly short.

**Figure 2.1: Performance and targets to August 2019: engagements**



Source: Database of participants as at 31 August 2019

<sup>5</sup> Engagement and outcome targets were revised to reflect the programme's longer lifespan when it was extended in early 2019.

## **Engagements by local authority area**

- 2.3 As was the case in 2018, the numbers of participants engaged varies considerably from one local authority area to another. The Process and Outputs Evaluation report suggested that this was partly down to the point at which the programme was launched in different areas and also to other factors such as the quality of relationships between advisers and JCP work coaches, the degree of PaCE's integration with wider family support infrastructures, the level of outreach work undertaken and adviser turnover.
- 2.4 Cumulative engagements, relative to the size of the unemployed or economically inactive population in each local authority area<sup>6</sup>, continues to be highest in Ceredigion, Carmarthenshire and Pembrokeshire, where PaCE was first launched. Beyond those areas, engagement numbers (relative to the unemployed and economically inactive population) have been stronger in Torfaen, Bridgend, Gwynedd and the Isle of Anglesey. Engagements have been at their weakest in relative terms in Caerphilly and Cardiff.

## **Engagements by target participant group**

- 2.5 Beyond the two main groups that PaCE aims to support (people aged 25 and over who are economically inactive and young people who are NEET), no specific engagement targets were set for particular sub-groups of individuals disadvantaged in the labour market. Here, however, we provide commentary on participation by groups with protected characteristics.

### *Gender*

- 2.6 Overall, women made up 95 per cent of PaCE participants, with 94 per cent of Priority 1 participants being female compared to 98 per cent of Priority 3 ones. Females represented a slightly higher proportion of participants in East Wales than they did in West Wales and the Valleys, at 97 compared to 95 per cent. This gender imbalance partly reflects a higher economic activity rate in general among men than women<sup>7</sup> and the fact that a lower proportion of

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<sup>6</sup> Based on June 2018 Annual Population Survey/Labour Force Survey findings.

<sup>7</sup> Welsh Government, Statistical Bulletin, [Key Economic Statistics: March 2019](#), p.7.

women with dependent children than men with dependent children work<sup>8</sup>. Item 2.13 below also suggests that PaCE may not be attracting lone fathers to the extent that it might.

- 2.7 Whilst numbers were few across the board, men represented a slightly higher proportion of participants in Pembrokeshire, Rhondda Cynon Taf, Ceredigion, Swansea, Carmarthenshire and Newport. It is interesting to note that five of these areas are among the seven where male (as well as female) advisers work, though the participant database does not enable individual participants' advisers to be identified and, thus, does not allow firm conclusions to be drawn about any relationship between male advisers and the engagement of male participants.

### *Age*

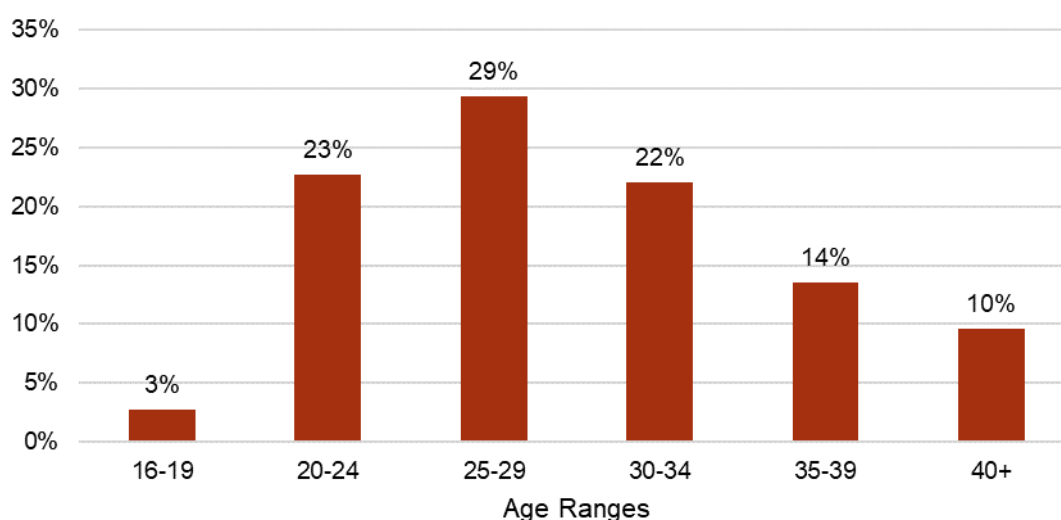
- 2.8 Three quarters of all participants have been aged 20-34, with an overwhelming majority of Priority 3 participants in both West Wales and the Valleys and East Wales falling into the 20-24 age group. Figure 2.2 shows the distribution of PaCE participants across different age ranges. Priority 1 participants in West Wales and the Valleys had a slightly younger age profile than their counterparts in East Wales, though the difference was minimal. In contrast, Priority 3 participants in East Wales had a slightly younger age profile than those in West Wales and the Valleys.
- 2.9 This profile suggests that PaCE participants are slightly younger than parents in general across England and Wales. The average age of first-time mothers in England and Wales was almost 29 years in 2017 and 14 per cent of all births were to mothers aged 20-24 years, 28 per cent to mothers aged 25-29 and 32 per cent to mothers aged 30-34<sup>9</sup>.

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<sup>8</sup> Office for National Statistics: [Families and the labour market](#), UK: 2019.

<sup>9</sup> Source: Office for National Statistics, [Birth characteristics in England and Wales](#): 2017.

**Figure 2.2: Age distribution of participants**



Source: Database of participants to 31 August 2019

### *Ethnicity*

- 2.10 Three percent of participants were from black and minority ethnic groups (BAME), which is somewhat lower than the five percent of the Welsh population from a non-white background<sup>10</sup>. The proportion of participants from BAME backgrounds was higher in East Wales (at five per cent) than in West Wales and the Valleys (at two per cent), though even in East Wales, the proportion of BAME participants was lower than the 8 per cent which make up the region's population as a whole.
- 2.11 Whilst participants from BAME backgrounds were underrepresented in most areas, Cardiff was a notable exception, with almost a quarter of Priority 1 participants being drawn from BAME groups, compared to some 16 per cent of the city's population.

### *Work limiting health condition or disability*

- 2.12 Overall, some 13 per cent of participants had work limiting health conditions or disabilities, though this proportion was slightly higher among Priority 1 participants (at 14 per cent) than among Priority 3 participants (at nine per cent). The proportion of participants with work limiting health conditions or

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<sup>10</sup> [Stats Wales](#), Local Labour Force Survey/Annual Population Survey: Ethnicity by Welsh local authority, September 2019.

disabilities is higher in both regions than it is across the general population (at 3.4 per cent<sup>11</sup>).

### *Single adult households*

- 2.13 Some 83 per cent of participants lived in single adult households, which is considerably higher than the 15 per cent which lone parent families represent of all family types in Wales<sup>12</sup>. The proportion living in single adult households across both Priority 1 and Priority 3 was higher in East Wales than West Wales and the Valleys. Women made up 97 per cent of participants heading up single adult households, possibly suggesting that lone fathers, who make up approximately 10 per cent of lone parents in Wales<sup>13</sup>, are underrepresented among PaCE participants and contributing to the gender imbalance referred to at item 2.6 above.

### *Qualification level*

- 2.14 Figure 2.3 below shows the proportion of Priority 1 and Priority 3 participants holding qualifications above and up to level 2<sup>14</sup> upon entry onto PaCE. It shows that 67 per cent of Priority 1 participants and 83 per cent of Priority 3 participants held no qualifications above level 2 and would, therefore, be deemed to have low skills according to the definition adopted for PaCE<sup>15</sup>. By the same token, a higher proportion of Priority 1 participants (32 per cent) than Priority 3 participants (17 per cent) already held qualifications at or above level 3 upon joining PaCE. Across both priorities, a slightly greater proportion of participants in East Wales than in West Wales and the Valleys fell into this category.

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<sup>11</sup> Source: Office for National Statistics, Annual Population Survey, Numbers of people with disabilities, using 'work limiting disabled only'.

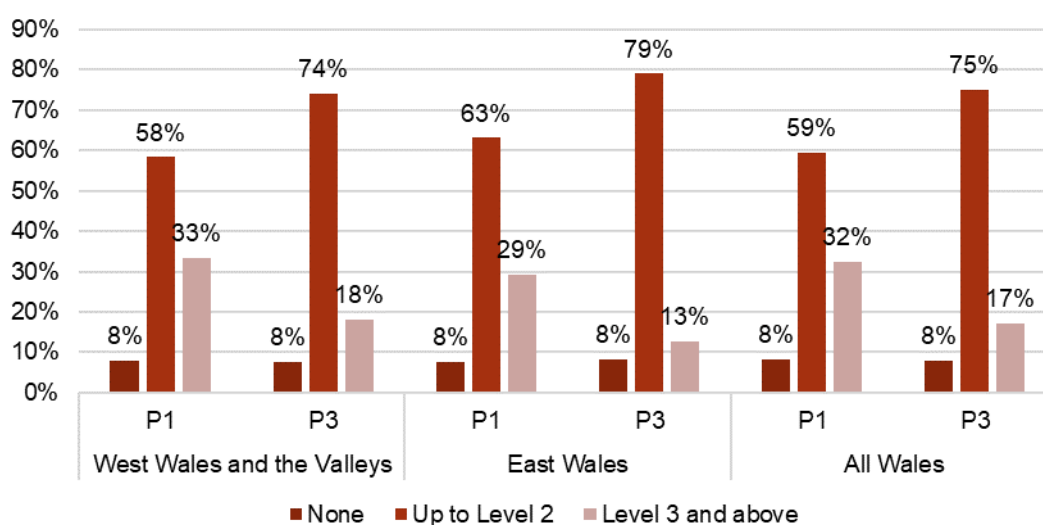
<sup>12</sup> Source: Office for National Statistics, [Families and households in the UK: 2019](#).

<sup>13</sup> Source: Office for National Statistics, Labour Force Survey, [Families by family type and presence of children](#).

<sup>14</sup> Level 2 qualifications are equivalent to four or five GCSEs at grades A\*-C.

<sup>15</sup> The Operational Guidance states that 'a person with low skills would not have a qualification over Credit and Qualification Framework for Wales (CQFW) level 2', p.19.

**Figure 2.3: Participants by highest level of qualification held upon entry**



Source: Database of participants to 31 August 2019

### *Welsh language*

- 2.15 As was the case in 2018, 17 per cent of all those engaging with PaCE spoke Welsh, though this proportion ranges from 20 per cent across West Wales and the Valleys to seven per cent in East Wales. At a more local level, the proportion of participants who speak Welsh rises as high as 72 per cent in Gwynedd and 64 per cent in the Isle of Anglesey and drops to two per cent in Newport. Overall, a greater proportion of participants aged 16-24 (Priority 3) spoke Welsh than did those aged 25 and over (Priority 1).
- 2.16 Of those that spoke Welsh, only 11 per cent were supported either fully or partially through the medium of Welsh. Whilst Welsh speaking participants to whom we spoke were generally content to have received the service in English, the fact that so little use was made of Welsh with Welsh speakers possibly suggests that too little emphasis is put upon the using Welsh as a natural medium for service delivery.

### **Performance against headline outcomes targets**

#### *Job outcomes*

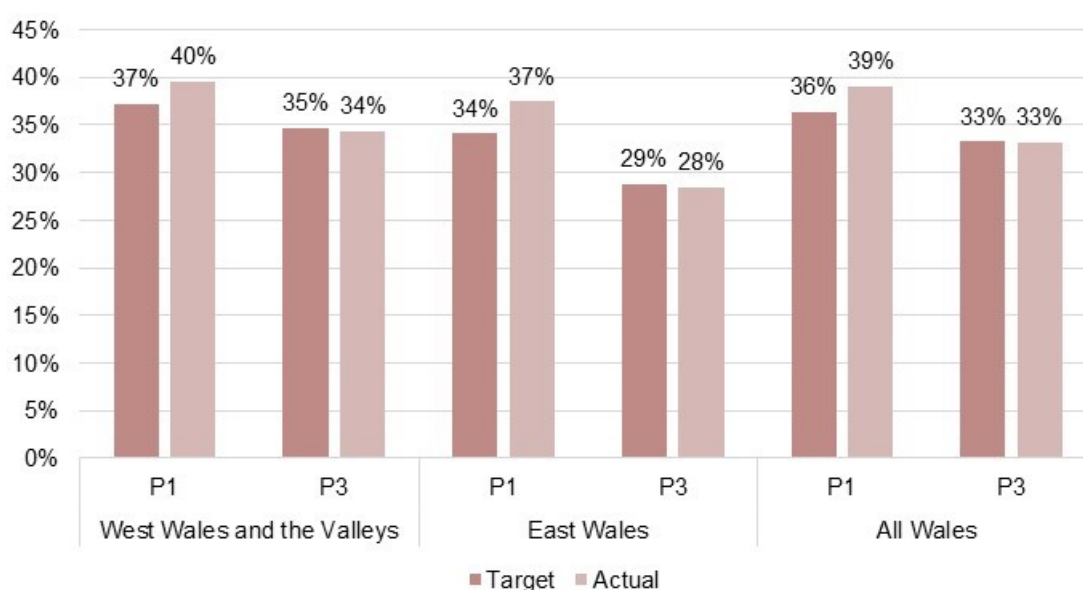
- 2.17 A total of 1,670 PaCE participants had progressed into work by August 2019; 1,320 in West Wales and the Valleys and 350 in East Wales. This equates to 38 per cent of all participants engaged and exceeds the revised overall job



outcome target of 36 per cent, which itself exceeds the original job outcome target agreed.

- 2.18 Figure 2.4 shows that job outcome performance was slightly stronger in West Wales and the Valleys than in East Wales. Performance in relation to participants aged 25 and over (Priority 1) was stronger than those aged 16-24 (Priority 3) across both areas.

**Figure 2.4: Proportion of participants achieving job outcomes by priority**











































Source: Database of participants as at 31 August 2019

#### Job outcomes by local authority area

- 2.19 As was the case for engagements, there were differences in the proportion of participants progressing into jobs from one area to the other. Table 2.1 shows the proportion of Priority 1 and 3 participants progressing into employment in each area. It shows that the job outcome performance is on track to meet or exceed the revised target in 13 local authorities whilst it falls slightly below the required level in seven others. Performance in relation to Priority 3 is also on track to meet or exceed the target set in five areas and falls slightly short in 12 areas. In the remaining three areas, Priority 3 job outcome performance has fallen considerably short of expectations and may be a cause for concern.

**Table 2.1: Proportion of participants achieving job outcomes by area<sup>16</sup>**

	P1	P3
Bridgend	 38%	 35%
Caerphilly	 40%	 17%
Cardiff	 33%	 29%
Carmarthenshire	 42%	 34%
Ceredigion	 43%	 35%
Conwy	 41%	 30%
Denbighshire	 35%	 28%
Flintshire	 32%	 26%
Gwynedd	 54%	 53%
Isle of Anglesey	 24%	 33%
Monmouthshire	 53%	 47%
Neath Port Talbot	 43%	 40%
Newport	 36%	 30%
Pembrokeshire	 26%	 17%
Powys	 27%	 11%
Rhondda Cynon Taf	 38%	 36%
Swansea	 28%	 29%
Torfaen	 57%	 44%
Vale of Glamorgan	 37%	 25%
Wrexham	 38%	 24%

Source: Database of participants to 31 August 2019

- 2.20 Across all areas, a slightly greater proportion of female than male participants progressed into employment, at 38 per cent compared to 35 per cent.

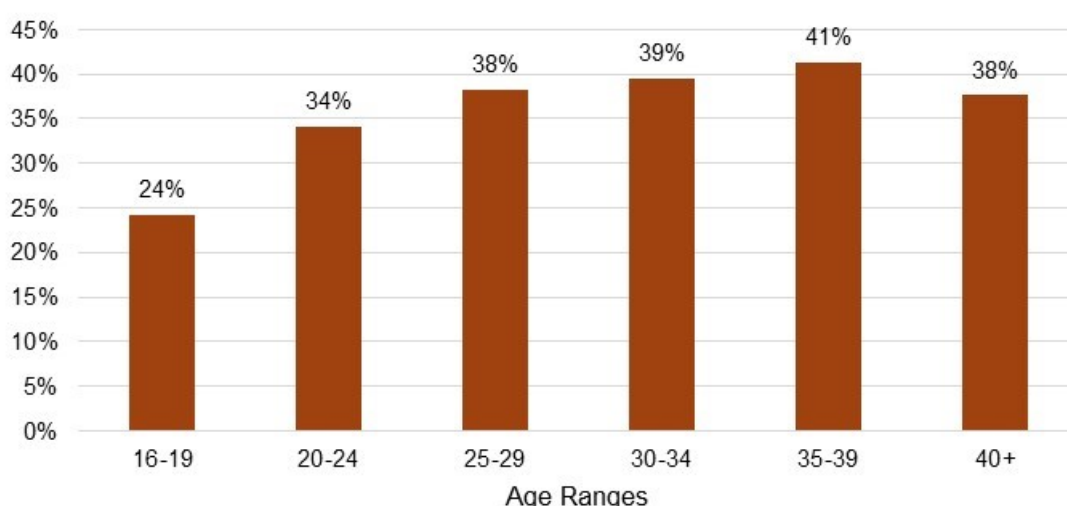
#### Age

- 2.21 The proportion of participants progressing into employment varied according to age, with 39 percent of those aged 25 and over (Priority 1) entering jobs and 33 per cent of those aged 16-24 (Priority 3) doing so. Figure 2.5 shows that those aged 16-19 were least likely to have progressed into work.

<sup>16</sup> The Red, Amber Green (RAG) symbols shown indicate:

- Red – job outcome performance below the 20 per cent job outcome target originally set for PaCE
- Amber – job outcome performance between 20 and 35 per cent
- Green – job outcome performance above 35 percent

**Figure 2.5: Proportion of participants progressing into employment by age**



Source: Database of participants to 31 August 2019

### Ethnicity

- 2.22 At 33 per cent overall, a slightly lower proportion of participants from BAME backgrounds progressed into work than was the case for the programme as a whole. However, 36 percent of BAME participants aged 16-24 (Priority 3) progressed into work.

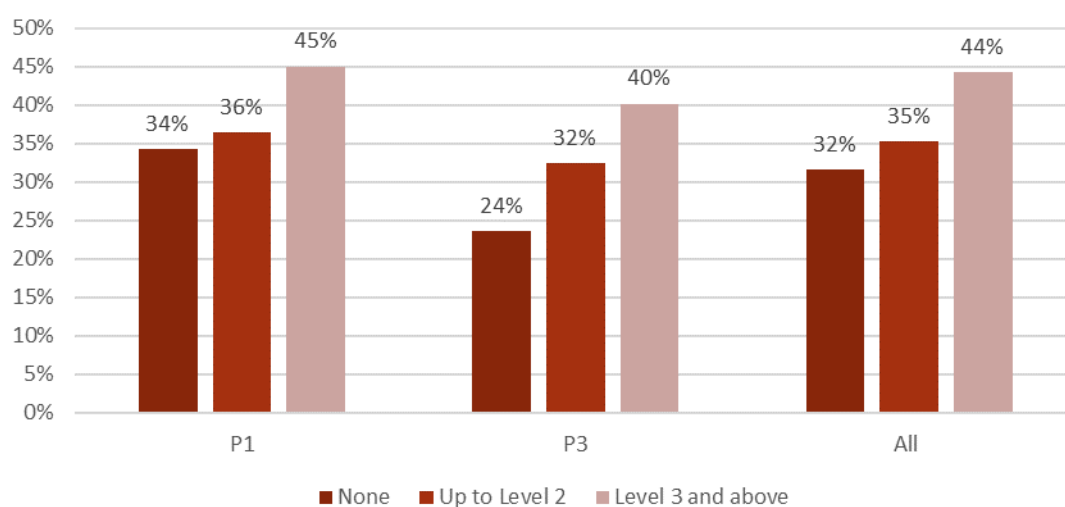
### Work limiting health condition or disability

- 2.23 Proportionally fewer participants with a work limiting health condition or disability progressed into employment, at 28 per cent overall. Again, though, a higher proportion of Priority 3 participants with work limiting health conditions or disabilities went into jobs.

### Qualification level

- 2.24 Participants who were better qualified upon entry did better than those with no or only low-level qualifications at finding work. Figure 2.6 shows that 44 per cent of those with qualifications at or above level 3 progressed into employment, compared to 32 per cent of those with no qualification upon joining PaCE.

**Figure 2.6: Job outcomes by level of qualification held upon entry**



Source: Database of participants to 31 August 2019

- 2.25 Whilst the numbers of participants are low, it is striking that a substantially lower proportion (24 percent) of Priority 3 participants with no qualifications had progressed into work.

Welsh language

- 2.26 Overall, 43 per cent of participants who speak Welsh had progressed into employment compared to 37 per cent of those who do not.

*Qualifications or work-related certifications achieved*

- 2.27 A total of 150 participants had achieved a qualification as a result of participating in PaCE. This equates to some three per cent of all participants and is roughly a half of the numbers that it was expected would have achieved qualifications by this point in the programme's life. A further 404 individuals had attained work relevant certifications not recognised under the Credit and Qualification Framework Wales (CQFW).

*Work experience/volunteering outcomes*

- 2.28 Some five per cent of participants had completed work or volunteering placements, very much in line with expectations at this point in the programme's life.

*Education or training outcomes*

- 2.29 Only 12 Priority 3 participants had progressed into education or training upon leaving PaCE, as compared to a target of 38 by August 2019. Whilst no target was set for the numbers of Priority 1 participants entering education or training, a total of 15 had done so.

### **3. Participants' Experiences: Emerging Themes**

#### **Introduction**

- 3.1 In this chapter we present findings from our discussions with two cohorts of PaCE participants:
- Cohort 1: 45 individuals who engaged with PaCE in 2017 and were interviewed for the first time in 2018. These individuals were re-interviewed in 2019.
  - Cohort 2: 44 individuals who engaged with PaCE in 2018 and were interviewed for the first time in 2019.
- 3.2 The interviews undertaken with the second cohort of participants followed a similar line of questioning to that pursued with cohort 1 participants in 2018. These interviews were intended to build our understanding over time of participants' characteristics, their experiences of PaCE and the programme's early effects upon them.
- 3.3 This second cohort of participants shared many characteristics and reported similar experiences of PaCE as the first cohort interviewed in 2018. It is not, therefore, our intention in this chapter to repeat the detailed findings of the Process and Outputs Evaluation report, but rather to highlight new themes to emerge since 2018. However, we provide a summary of those findings below.

#### **Key findings from Process and Outputs Evaluation**

- 3.4 The Process and Outputs Evaluation found that participants were typically characterised by:
- Difficulty in sourcing suitable childcare, including childcare outside standard working hours and care for children with additional needs.
  - Poor awareness and understanding of childcare options.
  - The logistical challenges of arranging childcare to tie in with work commitments, particularly for more than one child.
  - A perception that that childcare is expensive and a lack of awareness of the support available.
  - Individuals' choice to be stay at home parents, at least whilst their children are very young.

- A lack of qualifications or of relevant recent qualifications.
- A lack of work-related skills.
- A lack of recent work experience.
- Varying levels of motivation to find work.
- Transport challenges.

3.5 In terms of participants' experiences of PaCE, the Process and Outputs Evaluation identified the following as key components of the service received: Adviser support, including

- Diagnostic assessment: which involves advisers getting to know participants and understanding their circumstances, their ambitions and the factors holding them back from working.
- Action planning: which involves exploring and agreeing a way forward with participants.
- Better off calculations: which involves advisers showing participants how much better off financially they would be in work, taking account of their likely incomes, the effects upon benefits received and costs that would be incurred e.g. of childcare.
- Mentoring and coaching: which involves working with participants to create CVs and look for jobs. It also involves encouraging and reassuring participants in ways tailored to each individuals' needs.
- Transitioning support: which involves advisers helping participants deal with the bureaucracy and emotional challenges of making the transition into work.

Employability interventions, including:

- Training: ranging from short courses to provision leading to recognised qualifications.
- Work related placements: providing participants with work experience and something to put on their CVs.
- Barriers Fund: to help overcome financial cost related barriers to work.
- Childcare support: to meet the costs of childcare whilst engaging with advisers, taking part in training or work related placement activities or when making the transition into work.

- 3.6 Turning to outcomes, the Process and Outputs Evaluation noted that:
- Progression into work was associated with factors such as participants being genuinely motivated to find work, having realistic job ambitions, engaging actively with PaCE and having previously held down a job.
  - Factors affecting those less likely to progress into employment included never having previously worked, poor educational attainment, having multiple children and having personal issues (e.g. mental health problems and family difficulties).
  - Participants entering employment generally went into local, entry level jobs, with many choosing to work 16 hours a week in order to strike a balance between earning and managing childcare responsibilities.
  - Few participants attained qualifications as a result of participating and fewer still progressed into education or training upon leaving PaCE.
  - The fieldwork suggested wider effects upon participants and their families beyond work or qualifications related outcomes. These included:
    - for participants: increased confidence, a greater sense of purpose and fulfilment, a greater sense of social connection, having more money and providing a good role model for their children
    - for participants' families: children blossoming as a result of experiencing formal childcare and having more structure to their lives.

### **Themes to emerge from fieldwork undertaken in 2019**

- 3.7 It was noted in the previous chapter that the programme database indicates that 38 per cent of participants had progressed into employment or self-employment. Our fieldwork would suggest that a higher proportion (50 per cent) of participants were working, but that some of these were working fewer than the 16 hours a week necessary to be counted as a job outcome for ESF purposes. A fifth (five) of cohort 1 interviewees in employment and over a quarter (seven) of cohort 2 participants in employment worked fewer than 16 hours a week.



*Theme: nature of jobs taken*

- 3.8 Roughly half (26) of participants who were in work held fairly low-level 'foundational economy'<sup>17</sup> jobs (e.g. sales assistant, bar worker, shelf filler, cleaner, care assistant). Around two fifths (18) worked in intermediate roles (e.g. administrator, teaching assistant, housing support worker) and just over a tenth (six) were in semi-professional/professional roles (e.g. senior administrator, probation officer and telecoms engineer). Those progressing into lower level jobs tended to be less well qualified upon entry to PaCE than those who went into intermediate or semi-professional/professional roles.
- 3.9 Of the 25 cohort 1 participants in employment or self-employment in 2019:
- 10 had been in jobs or self-employed in 2018.
  - One had been in education/training in 2018.
  - 10 had still been participating in 2018.
  - Four had been unemployed in 2018.
- 3.10 Of those in employment or self-employment in both 2018 and 2019, half were in the same jobs as the ones they had in 2018 and half were in different jobs. All but one of those who switched jobs were in elementary or sales roles, working on or near the minimum wage. These individuals had changed job during the year either because they were laid off by employers who were facing financial difficulties, they were not given the hours of work they had expected by their original employer or because of difficult relationships with managers and colleagues.

*Theme: insecurity of some low-level jobs*

- 3.11 This points to the precariousness of some low-level jobs, particularly in the retail and hospitality sectors. Whilst the individuals concerned were able to find alternative work fairly easily (suggesting that the barriers to securing this kind of work are relatively low), there is a danger of individuals cycling between insecure, low-paid work and periods of unemployment, increasing the likelihood of their experiencing recurrent poverty.

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<sup>17</sup> The 'foundational economy' is the term adopted by the Welsh Government to describe 'basic goods and services on which every citizen relies' and include things such as care and health services, food and retail.

#### CASE STUDY: Mared

Mared is a mother of two. She had given up a cleaning job to raise her children but continued to help out in the family business as needed. Her marriage had broken down and Mared found herself claiming JSA and looking for work.

Mared discussed training possibilities with her PaCE adviser but was clear that she 'wanted a job straightaway' and identified waitressing, bar or outdoor work as fields that interested her. Having developed a CV and worked on job applications with her PaCE adviser, Mared had been offered a job at a local café/tearoom, working 20 hours a week.

Business at the café/tearoom was quiet and after three months in the job, Mared's hours were cut. Mared could not manage on the wage she earned and she, therefore, started to look for alternative employment. She found a job in a restaurant fairly quickly, but again, the employer was not able to offer her the hours promised and she did not earn enough to support her family.

Mared subsequently found a job as a barmaid waitress at a holiday park. She enjoyed this role and was happy that, with help from family members, she was able to fit it around her childcare responsibilities. She recognised, however, that the holiday park business is seasonal and that she will probably find herself out of work again and looking for a 'winter job' come the autumn.

- 3.12 That is not to totally dismiss the value of these kinds of roles, however: the individuals concerned generally enjoyed what they did, were not unduly concerned about job security and most envisaged that they would continue to work in these kinds of roles for the foreseeable future. These jobs essentially provided a level of income that was acceptable (if less than ideal), offered a degree of flexibility, did not involve undue levels of responsibility and provided social benefits that individuals appreciated.

- 3.13 One individual stood out amongst those who had changed jobs in the last year. He had very much looked upon the low-level job he initially took as a starting point and not something he envisaged doing long term.

#### CASE STUDY: Nick

Nick is a single parent of two children. He had extensive work experience, latterly as a telecoms engineer. However, things had not gone well in his life in recent years, in that he was made redundant, went through a divorce, became a single parent and relocated to a new community, all within a fairly short space of time. He found himself in a 'fragile' mental state and felt that he needed to give up work for a while to look after his children.

Nick 'hated not doing anything' and, for the first time in his life, he understood 'how hard it is on benefits for people'. Whilst he wanted to go back to work, he did not feel able or ready to return to a job with the level of responsibility he previously had.

His PaCE adviser worked with Nick to help him to understand his strengths and to consider a path back into a working life. Talking to the adviser helped Nick regain his confidence and to feel that he could 'fix it ... it wasn't the end of the world ... [he] could make something happen ... something good for [him] and the kids'.

Nick then took a part time job at a fast food outlet in order to ease his way back into work, but with an expectation that he would eventually return to the kind of work he had done before. As far as possible, Nick worked shifts around his older child's school hours but he nevertheless found that 'the cost of childcare was prohibitive' and he struggled to make ends meet.

Whilst working at the fast food outlet, Nick started to apply for jobs in telecoms and, after a few months, he secured a full-time post as a telecoms engineer. The job pays well and Nick can afford childcare costs (nursery and afterschool club) without worrying, alongside other things such as 'swimming club' and other treats. Nick said that the support he received through PaCE had put him in a position where he is able to 'stand straight, put my shoulders back and be proud, knowing that I'm making a difference, that I'm not wallowing any more, not bitter ... but walking out and feeling the sunshine'.

*Theme: return to kind of job done before*

- 3.14 A number of individuals progressing into work took-on jobs that were similar to or less challenging than jobs they had done before. They were happy to return to roles that felt familiar and which they felt they could manage alongside their family responsibilities.

**CASE STUDY: Olivia**

Olivia is a single mother of a four year old daughter. Having qualified as a beauty therapist at the age of 17, Olivia had worked consistently until her daughter was born. Olivia had been married at the time her daughter was born and whilst she 'loved' what she did, she had decided to become a full-time mum and had given up her job. Olivia and her husband had since parted company and she had moved to live closer to her parents.

As her daughter approached school age, Olivia started to think about returning to work. She toyed with the idea of setting up her own beauty therapy business, perceiving that working for herself would afford her flexibility to fit her work commitments around her daughter. However, a local beauty salon had been looking for a therapist 'at just the right time' and Olivia applied successfully for the post. She was very happy in the job, commenting that beauty therapy work is 'what I've been doing since I was 16 ... it's what I do'. It was also helpful that Olivia's employer 'has been in a similar situation' and is, therefore, understanding and flexible about Olivia's working hours. Olivia envisages that she will probably stay in the job for the foreseeable future.

*Theme: trading down aspiration for the time being*

- 3.15 Others had taken on roles that were less challenging and less well-paid than work that they had previously done, in some cases as a 'stop gap' that would help 'pay the bills' and tide them over until such time as they were in a position to take-on larger, better paid jobs or to re-engage with a career.

### CASER STUDY: Penny

Penny is a 34-year-old single parent of a three-year-old son. She left school at 16 with few qualifications and undertook a range of low-level jobs, ending up as a care worker for 12 years, until the birth of her son. Following the breakdown of a long-term relationship, Penny moved to live nearer her family.

Penny worked with the PaCE adviser to look at possible work options including counselling roles or working with dementia sufferers. Eventually, however, Penny decided to return to work in the care sector. She noted that 'it was something I knew and I knew I needed to work ... I love my job, but I want to do something else ... I want to train for a career ... I want to go back to college to study ... I can't afford not to work, so I'll have to find a way to do it at the same time ... I've fallen into this job but I still have the urge for a career ... hopefully this is just a stepping stone, getting into the swing of working again'.

- 3.16 Whilst individuals were generally content with jobs that did not challenge them too much, at least in the short term, a couple of those interviewed, like Nick, had progressed in work since leaving PaCE.

#### *Theme: hours worked*

- 3.17 As noted above, almost a quarter of those interviewed who had entered employment (11 across both cohorts) worked fewer than 16 hours a week and would not, therefore, be considered job outcomes for ESF purposes. Almost a half (23 across both cohorts) worked between 16 and 23 hours a week, a tenth (five) worked between 24 and 31 hours and a fifth (10) worked 32 hours or more.
- 3.18 Participants tended to take on part-time jobs that, as far as possible, fitted around pre-school/school hours. Individuals were generally happy with the hours they worked, even when those were below the 16-hour threshold necessary to qualify for the Working Tax Credit<sup>18</sup>. In such cases, however, the

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<sup>18</sup> The Working Tax Credit has now been superseded by the Universal Credit for new claimants.

individuals concerned were able to rely on other sources to support them financially, including other forms of benefit and spouses/partners.

#### CASE STUDY: Rachel

Rachel is a 36-year-old mother of two. Despite having her first child at the age of 16, she achieved a level 3 qualification and worked part-time in catering and retail roles until shortly before her second child came along some six years ago.

When Rachel engaged with PaCE, she had been ready to find work, but perceived that there were too many things conspiring against her, including a lack of recent work experience, her younger child having 'separation issues', her mother suffering from a long term illness and her own lack of confidence. She was also candid that she was 'a bit lazy' and that she had been highly suspicious of the PaCE adviser at first, admitting that she was 'afraid of saying something wrong', in case she was 'reported to the Jobcentre'.

Rachel worked with the PaCE adviser over several months to develop a CV, complete job applications, go through mock interviews and explore the possibility of Rachel doing some volunteering in order to gain work experience. The adviser also organised two training courses for Rachel, though she only completed one of these. Rachel's engagement with PaCE waned somewhat when she became her mother's registered carer, but she believed that the adviser had sown a seed in her mind that she was capable of finding and holding down a job.

After a few months looking after her mother, Rachel had been persuaded by friends to go along with them to a recruitment open day hosted by a home care organisation. Although she had never imagined herself as a carer for anyone other than her mother, Rachel had applied for and secured a job as a home carer, working six to eight hours a week. This fitted in well with her childcare responsibilities and her role as her mother's registered carer. She essentially worked one or two hours a day, usually during school hours.

Rachel's income was made up of her salary, Carers Allowance and an element of Universal Credit but was more than what she received as an Income Support claimant. This enabled her to spend more money on her children, 'doing a lot of things we didn't do before' and also allowed her to 'have lunch with friends' from time to time, something that she could never afford to do before – 'I never used my benefits money to do that ... that was for the kids'.

Rachel enjoyed her job thoroughly and felt better in herself as a result of no longer being '35 with no job and on benefits'.

*Theme: earnings and reliance on tax credits*

- 3.19 Just over three quarters of those who progressed into employment (38 across both cohorts) earned less than £12,000 a year (broadly equivalent to the tax threshold) in 2019, with most working fewer than 24 hours a week on the national minimum wage. Three individuals earned in excess of the Welsh median gross weekly earnings level<sup>19</sup>.
- 3.20 Given their relatively modest earnings, the majority of those in employment were reliant on benefits of one sort or another, typically, Child Tax Credits, Housing Benefits, Working Tax Credits or the Universal Credit to top up their earned income.

*Possible effects of benefits changes*

- 3.21 Perhaps the most startling finding was that over half of the second cohort of participants interviewed had progressed into employment or self-employment, as compared to a third of the first cohort of participants. It is likely that this owes something to a slight difference in the approach taken to inviting participants to contribute to the study between 2018 and 2019, with fewer of those interviewed in 2019 being current participants in the programme.

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<sup>19</sup> The average (median) gross weekly earnings by Welsh local areas and year stood at £27,820 in October 2019 according to the [Annual Survey of Hours and Earnings](#), Office for National Statistics.

- 3.22 However, it seems possible that the increase in the proportion of participants progressing into employment might also owe something to changes to the benefits system, with the Universal Credit being rolled out incrementally across a number of local authority areas during the intervening period, gradually replacing existing benefits including the Working Tax Credit and the Child Tax Credit. The Working Tax Credit requires claimants to work a minimum of 16 hours a week whereas no such minimum hours worked condition attaches to the Universal Credit. The Universal Credit has been purposefully designed in this way in order to encourage claimants to work (regardless of how many hours) and it is notable that the Resolution Foundation found that the Universal Credit ‘incentivises single parents (particularly renters) to reduce working hours below the 16 hours backstop present in the tax credits system’<sup>20</sup>.
- 3.23 As noted above, over a quarter of the 2019 cohort of interviewees who had progressed into employment or self-employment worked fewer than 16 hours a week as compared to a fifth of those interviewed in 2018. Some of these individuals hoped to build up their working hours over time, as their children became more independent.

#### CASE STUDY: Sioned

Sioned is a single mother with a three year old child. Prior to having her daughter, she had had worked in the care sector for a number of years and, during that time, had achieved a level 5 qualification in health and social care. Sioned had returned to work briefly after the birth of her child but had found her Housing Benefit reduced as a result of her working fewer than 16 hours a week. Her child was very young at the time and it would not have been practical for Sioned to increase her hours, which meant that she ‘couldn’t afford’ to carry on working and she was forced to give up her job.

Sioned remained keen to work and having undertaken a Better Off Calculation and discussed her options with a PaCE adviser, she switched to the Universal Credit and started to look for another job. Because she is

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<sup>20</sup> Resolution Foundation (2018) [Back in credit? Universal Credit after Budget](#) 2018, p.4.



no longer required to work a minimum number of hours to qualify for the Universal Credit, Sioned has decided to limit the hours she works for the time being, partly to enable her to look after her daughter and partly to avoid compromising the Council Tax Reduction that she currently receives.

Sioned intends to step up the hours she works when her child goes to school full-time. She is also toying with the idea of pursuing an Access to Nursing course if she can find a way of doing that whilst supporting her child and herself.

- 3.24 The Process and Outcome Evaluation report spoke of participants' fear of losing out financially as a result of transitioning into work and the importance of advisers' reassurance that their income would not be impacted adversely as a result of coming off particular types of benefits. This remained the case in 2019, with individual participants relying on advisers to help them navigate the benefits system and put them in a position where they could think about moving towards finding work. The Better Off Calculation tool forms an essential part of advisers' armoury, but advisers also require a good understanding of the benefits system in order to help participants.

#### CASE STUDY: Timi

Timi is the single mother of a five-year-old girl. She has a degree in business from her native Slovakia but worked as a domiciliary carer following her arrival in the UK some 14 years ago. Timi enjoyed her caring work despite its being poorly paid. When her daughter was born, Timi gave up work, initially relying on her husband's income to support the family. Timi started to claim Income Support when her marriage broke up.

Timi realised that she would have to find a job once her daughter started school but she struggled to see how she could earn enough, alongside looking after her daughter, if she returned to domiciliary care work. She concluded that she needed to look for better paid work that would fit-in with her child's school hours. Drawing on her experience of working in care, Timi thought that she might like to go into the chiropody/foot health field

and set about investigating training opportunities. She discussed the possibility of undertaking a foot health course with her JCP work coach and was referred to PaCE for help in sorting out childcare to allow her to pursue the course.

At about the time that she first met her PaCE adviser, Timi's Income Support payments came to an end, leaving her with no income. She had not appreciated that because she had not been working for the previous two years, she would not automatically be eligible for JSA or Universal Credit whilst she undertook training and prepared for work. The adviser recognised that Timi could not think about doing any training until this financial crisis was resolved and, therefore accompanied Timi to JCP to explain the situation and assure her work coach that she was on a pathway towards work.

At the time of the interview, Timi was on the verge of completing her course and could not speak highly enough of the way in which the adviser had 'spoken up' for her and had 'put heart and soul' into helping her to sort out her benefits problem. She feared that had the adviser not stepped in, she would have been in 'very big money trouble' and would have been forced to 'take any old job' rather than something which could realistically sustain her daughter and herself.

#### CASE STUDY: Vicci

Vicci is a 34 year old lone parent of two. She had worked in retail both before and after the birth of her first child but had not worked since the birth of her second. Vicci 'hated' retail work and was keen to do something else when she joined PaCE.

The PaCE adviser had arranged for Vicci to undertake a level 2 beauty therapy course as well as a number of work-related short courses. Vicci thought that she might like to set up as a self-employed beauty therapist and the adviser referred her to Business Wales for help in developing her business idea.

When Vicci was ready to start trading, the adviser helped her apply for the New Enterprise Allowance, which provided a guaranteed weekly income of £60 initially, dropping to £30 after a period. The adviser also helped Vicci register for the Universal Credit and to claim for help to meet 85 per cent of her childcare costs within that. Vicci was not familiar with the ins and outs of business grants or the benefits system and would not have known where to start without the adviser's help.

- 3.25 Although they were exceptions, some participants had a good understanding of the benefits system and individual interviewees felt that they knew as much, if not more, about conditions attaching to the Universal Credit than did their advisers. One, for example, was aware that there is no longer a minimum stipulation about the number of hours worked by Universal Credit claimants and was irritated by what she saw as her adviser's fixation with her working 20 hours. This participant argued that the adviser should be 'more knowledgeable about the benefits system, especially Universal Credit'. Another participant, who had struggled financially as a result of errors made in submitting the details necessary to claim Universal Credit childcare costs, argued that advisers should explain the system and the information requirements to participants making the transition into work.
- 3.26 It is perhaps worth reiterating here that analysis of the participant database indicates that a lower proportion of participants have progressed into work (at 38 per cent) than was the case among those engaged in our fieldwork. This reflects the fact that job outcomes can only be recorded for ESF purposes when participants enter work for 16 hours or more a week and possibly offers an insight into why advisers might be perceived as pressurising participants to work more hours than they might wish to.

*Theme: a mixed childcare economy*

- 3.27 Notwithstanding what is said above about the importance of advisor support in accessing childcare related tax credits, not all of those progressing into employment used paid-for childcare to look after their children whilst they worked. Almost half (23) of those in employment relied on school as their

main form of childcare. In some cases, this included using free breakfast clubs at the schools which their children attend. By taking jobs that fitted around school hours, individuals were able to negate or minimise the need for paid-for childcare. Just over half of these individuals looked to friends and family to help with childcare outside school hours and others used creches, childminders and other forms of professional childcare provision.

- 3.28 School holidays presented a greater challenge for those in work and the shape of the 'mixed economy' changed somewhat during those periods, with parents making more use of their own and fellow parents' holiday entitlements, flexible working arrangements, family and friends and paid for childcare. Childcare arrangements were particularly challenging for individuals who lacked family or social networks to help with childcare, or who relied on fragile relationships with former partners.

#### CASE STUDY: Alwen

Alwen is a 37 year old mother of two children, born 15 years apart. Alwen had worked in the care sector for several years after the birth of her older child but had been made redundant shortly before her second child was born and she had not worked since. Alwen had recently moved back to the area where she grew up, having come out of a difficult relationship. She was eager to work as her younger child started in full time education.

Following a false start as a health care assistant in the NHS, Alwen secured a job with a home care company. This job allowed her to work between 8.30am and 2.30pm on weekdays, which fitted in with breakfast club and school hours at her younger child's school. During the school holidays, Alwen paid for her younger child to attend holiday club for two full days a week and she was able to change her work pattern alongside this, so that she worked additional hours on those days (8.30am to 5pm). On the other days, she was able to rely on family (including her older child who is now 18) to care for her younger child. Alwen also takes her own holiday entitlement during school holidays in order to spend time with her children.

- 3.29 A couple of individuals noted that childcare facilities in their areas closed down for part of the school summer holidays, making arranging childcare all the more complicated.

*Theme: The Childcare Offer*

- 3.30 The Welsh Government's Childcare Offer provides up to 30 hours of government funded early education and childcare for working parents of three and four year olds for 48 weeks of the year. Since April 2019 it has been available across Wales, having been rolled out incrementally across different parts of Wales since September 2017<sup>21</sup>. However, the Childcare Offer was not a particularly prominent feature of our conversations with cohort 2 participants, partly because only a third (15) of those interviewed had children within the target age group of three and four years and only three fifths (nine) of those participants had moved into work. Some of those with children in this age group who had progressed into employment had capitalised on the Childcare Offer whilst others limited the hours they worked, relied on family to help look after their children or used paid for childcare, albeit whilst claiming tax credits to do so. Where participants had taken advantage of the Childcare Offer, it was clear that it had been key in enabling them to progress into work.

**CASE STUDY: Bronwen**

Bronwen is a 24 year old single mother of a three year old child. She had completed a degree in Early Childhood Studies but had fallen pregnant whilst studying and had never managed to find a job. Whilst she was keen to work in the childcare field, she had been advised by JCP (in 2017) that she would be 'better off signing on' until her child started school. This advice was reinforced by staff at a nursery, who told her that the high cost of childcare would outweigh the modest income she would derive from working in a childcare setting.

Bronwen engaged with PaCE in the hope of finding help with childcare costs. Given her existing qualification and work ambition, her adviser

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<sup>21</sup> It was initially piloted in Blaenau Gwent, Caerphilly, Flintshire, Gwynedd, the Isle of Anglesey and selected wards in Rhondda Cynon Taf and Swansea and then rolled out to Conwy, Newport, Neath Port Talbot and Wrexham and selected wards in Cardiff a year later.

suggested that she should undertake a placement at a primary school (rather than a nursery setting), working as a volunteer teaching assistant. PaCE was able to meet the cost of a place at a creche for her child whilst she undertook this placement, though Bronwen noted that it had been challenging to find a creche willing to take her child for two days a week over a relatively short period.

Bronwen was offered a permanent position as a teaching assistant at the school at the end of her placement period. By this time, her child was three and had started nursery for two and a half hours a day. However, the job that Bronwen was offered was full time and she, therefore, needed to find wrap-around care for her child.

The creche which Bronwen had used during her work placement had recently become involved with the Childcare Offer and she was able to organise for her son to continue attending the creche after nursery. Crucially, the creche offered a pick-up service which relieved Bronwen of the worry of needing to ferry her child between two locations during the working day.

Bronwen's earnings remain fairly modest at this stage and she commented that without the government funded childcare available to her via the Childcare Offer, it would be difficult for her to manage the £400 cost each month, even with the 70 per cent childcare tax credit element. Bronwen very much saw the Childcare Offer as a game-changer for her and something that had enabled her to start a journey towards her longer-term ambition of a teaching career.

- 3.31 The Childcare Offer clearly works for some: indeed, one interviewee noted that she was in the throes of changing nurseries in order to capitalise on the Childcare Offer. However, it remains hard for others to find workable childcare solutions. As noted in the Process and Outcomes Evaluation report, the challenges of finding suitable and affordable childcare are all the greater for individuals with children who have health issues or additional learning needs and for individuals with several children of differing ages.

#### CASE STUDY: Carys

Carys has four dependent children aged eight, seven and two year old twins. She had worked for the same company for 11 years up to the birth of her twins and had loved her job. Carys' job involved shift work, with shift patterns sometimes varying from one week to the next. She had been able to cope with this working pattern when she only had two children as she was able to draw upon the support of her family and the children's father.

When Carys returned to work after having the twins, she used a combination of her partner, other family members and a local nursery to care for the twins. After a short while, however, she found it impossible to balance the demands of shift-work and the cost of childcare (at £81 a day gross of tax allowances) and was forced to give up her job. Nevertheless, Carys remained eager to work and engaged with PaCE for help in finding work and a childcare solution that was more family friendly.

By now, Carys recognises the challenge she faces in balancing and affording care arrangements for four children aged under ten, even if she found a job that did not involve working shifts. She is currently considering self-employment but appreciates that it will take time to develop a business idea and that she may need to wait until her twins are old enough to qualify for the Childcare Offer.

Carys and her adviser have agreed to put her involvement with PaCE 'on hold' until she has a realistic prospect of progressing into another job or self-employment.

- 3.32 As noted above, few of those interviewed made reference to the Childcare Offer or to government funded childcare, suggesting that parental awareness of the opportunities it presents may not be particularly high. Informing parents about the Childcare Offer (where appropriate) undoubtedly forms part of PaCE advisers' role and the Childcare Offer represents an important addition to the range of support to which advisers can direct participants.

## **4. The Difference Made by PaCE and the Counterfactual Case**

### **Introduction**

- 4.1 In this chapter we consider the difference made to individuals by participating in PaCE. We explore the ways in which PaCE has helped participants and consider their views of what would have happened to them in the absence of support from PaCE.

### **Job Outcomes**

- 4.2 During our fieldwork, we asked participants (from both cohorts 1 and 2) who had progressed into employment to rate the likelihood of their having done so in the absence of PaCE support. Just over a third (35 per cent) saw the support received as key to their progression, a quarter (25 per cent) thought that it made an important contribution, alongside other factors, and two fifths (40 per cent) regarded PaCE as something more peripheral that only made a marginal difference to their finding work.
- 4.3 Individuals who felt that they were unlikely to have progressed into work without PaCE tended to see the support and encouragement which their advisers had provided as something particularly valuable. Individuals spoke of advisers 'listening' to them, 'understanding' the issues they faced, 'feeling supported' and helping them see a way around problems, not least how to find, organise and (where necessary) pay for childcare whilst they undertook training or worked. Whilst the number interviewed was limited, there was some suggestion that adviser help in understanding and accessing the childcare 'system' was particularly important to younger parents of one child i.e. individuals who had little experience of childcare or early years education.



## CASE STUDY: David

David is the lone parent of a two year old child. He had worked abroad for several years, returning to Wales with his child when a relationship broke down. Upon his return, he experienced sustained difficulties in establishing his entitlement to welfare support and reported that JCP were very unhelpful.

Whilst David aspired to study for a degree in the longer term, he recognised that he needed to find work to support himself and his child financially in the short term. He described himself as 'desperate to work' and had identified several training courses that would help him find work. However, he could not access welfare benefits and did not know how he could pay for the childcare he would need so that he could complete the courses he had identified and then look for work.

David happened upon a PaCE adviser during a visit to JCP and was relieved that the adviser was prepared to listen and to help. The adviser organised PaCE funding to pay for childcare and accompanied David to JCP to negotiate a package of funding to pay for the courses which David had identified. David then found a local childminder and completed two courses, achieving level 2 and level 4 qualifications relevant to two separate jobs he had in his sights.

Having achieved the qualifications, David applied for two part-time jobs that, between them, provided him with 16 hours of paid work. As he took up these roles, the adviser told him about the childcare cost element of Universal Credit which made the costs of childcare affordable. David foresees that he will increase his hours to full time once his child starts at nursery.

David was adamant that the PaCE adviser had 'single handedly changed [his] life for the better ... he bent over backwards to help', in contrast to JCP, which he found 'surprisingly unhelpful'. He added that without PaCE he would be 'a dole bum looking after my son with no help ... I love spending time with him ... but I want to be able to support him too'.

- 4.4 Again, whilst sounding a note of caution surrounding interviewee numbers, it was interesting to note that a higher proportion of men than women said that they were unlikely to have progressed into employment without PaCE support. It was argued that it is culturally more difficult for men to access the kinds of social networks that support single mothers and that the help available through PaCE is, therefore, even more important to them.
- 4.5 Those who felt that they were likely to have found work even without support from PaCE tended to have previous work experience and to have been looking for work when they first engaged with PaCE. Some were able to capitalise on personal connections in order to find work, for example with an old employer, by approaching employers they knew or through friends who were connected to employers and it was clear that a couple of individuals' involvement with PaCE had been fairly 'light touch'. However, it was also clear that others who did not strongly attribute their success in finding work to PaCE had received a reasonable level of support from advisers, for example in refining CVs, undertaking job searches and in understanding working tax credits. Indeed, some of these individuals spoke of how valuable they had found adviser support and how it had helped them on a personal level, for example to feel more 'confident' and to feel able to 'give things a go'.

#### CASE STUDY: Eve

Eve is the single parent of two children, one pre-school and one of primary school age. She had always worked, only giving up her job when she split up with her partner shortly after the birth of her second child. She had always intended to return to work when her younger child started nursery/school and had been confident that she would be able to find a job once she was ready.

Eve was introduced to her PaCE adviser by a JCP work coach. She had already started to look for and, indeed, had been offered a job by her former employer, but had been unable to take it because it would have involved her working full time some distance from where she lived. Eve was clear that she needed to find a part time job close enough to home for her to be able to drop her children off and pick them up from school/nursery.

The PaCE adviser worked with Eve to update and refine her CV, to search for jobs on-line and to prepare for interviews. Eve had been particularly impressed at how much better the adviser had presented her skills and experience in her revised CV. The adviser also told Eve about the Childcare Offer and undertook a Better Off Calculation with her so that she would know what effect going back to work would have upon her finances.

Eve found a job at a local shop, having walked in with her CV and asked the owner if there was anything going. She enjoyed her new job, working 16 hours a week and foresaw herself staying in this job for the foreseeable future.

- 4.6 Even where individuals thought that they could probably have secured employment without PaCE support, they accepted that it would probably have taken longer, in part because they did not have advisers' knowledge of where or how to apply or because the adviser sped things up by keeping individuals motivated and 'on track'.
- 4.7 Another factor to which individuals' progression into work might be attributed was their youngest child turning five. As was noted in the Process and Outputs Evaluation report, a child turning five can represent a catalyst for individuals thinking about work because their entitlement to Income Support ceases (requiring them to move onto Job Seekers Allowance and/or Universal Credit) and because seeing their youngest child moving into full time education presents an opportunity to do something positive for themselves.
- 4.8 Interestingly, a greater proportion of cohort 1 participants felt that they would have found work whether or not they had engaged with PaCE by the time they were re-interviewed a year later. This may suggest that individuals' perceptions of the importance of PaCE in helping them move into employment diminishes over time, possibly because they become more confident in themselves and increasingly see themselves as working people. It possibly also owes something to individuals forgetting the impression that PaCE support made upon them at the time.

### CASE STUDY: Fran

Fran is a married mother of two children aged seven and three. She held a level 3 qualification and had worked in catering for 15 years before giving up her job to be a full-time mum.

Fran had been keen to return to work but liked the idea of moving into 9-5 office-based role rather than what she had been doing before, which sometimes involved working unsociable hours. However, Fran felt that she had lost confidence having spent a few years as a stay at home mum and she was concerned about the cost and logistics of childcare.

The PaCE adviser listened to her hopes and concerns and Fran found her 'very calming'. Together they worked on Fran's CV and on an application for a work placement opportunity with the NHS. The adviser also put in place a package of PaCE funding to cover the costs of childcare whilst Fran undertook the work placement.

Fran completed the work placement and was offered an administrative job within the NHS. In order to accommodate her working, Fran's younger child attended a nursery two days a week whilst her elder child attended school. Fran's husband also reduced his working hours in order to take on some childcare responsibilities. At the time of the first interview, Fran said that 'if it wasn't for PaCE, I wouldn't be here', in a job that she enjoyed.

Fran thrived in her job and by the time of the follow-up interview, she seemed more confident and was clearly ambitious to progress her career. She had recently secured a promotion and attributed her success to knowing 'what route [she] wanted to take' and hard work. Although she acknowledged the support she had received through PaCE, she did not attribute her current position or her promotion to that support to anything like the extent that she did a year earlier.

### *Theme: sustainability of employment*

- 4.9 Whilst job outcomes may have been attributable in part at least to PaCE, they were not always sustained. Almost an eighth of interviewees across both cohorts no longer worked in the jobs they took-up upon leaving PaCE. It has

already been noted that five cohort 1 participants moved into alternative work because they were laid off, they were not being given the number of hours promised or because of difficult relationships with managers and colleagues. Cohort 2 participants had experienced similar issues, as well as difficulty coping with shift work. It was also clear that some individuals simply had too much going on in their lives to enable them to sustain a job alongside other responsibilities.

#### CASE STUDY: Gwen

Gwen is a mother of two children aged nine and five. She had worked most of her adult life, including after having her children. She gave up her full-time job when she went through a divorce, with the intention of finding something more manageable as she adjusted to her new situation.

Gwen was actively looking for work when she first engaged with PaCE. She felt that childcare was her only barrier to work but the adviser was able to help her refine her CV and to prepare her for the kinds of questions she might face at interview. Her adviser had also discussed childcare with her, but Gwen already had experience of a childcare provider and sourced the provision herself.

Gwen felt that the adviser understood her situation having been through a similar experience herself. The adviser was also able to reassure Gwen that she was doing the right thing in looking for part time work.

Despite having agreed with the adviser that she would look for part time work, Gwen applied for and was offered a full-time job near where she lived. She felt that this would be workable because the job was within walking distance of her home and because she had found childcare locally.

Things did not work out, however. Gwen found the stress of going through a divorce, taking on a new job and being among colleagues that she did not know well enough to turn to for support all too much. She felt that she had no option but to give-up the job.

Gwen recognised that she had bitten off more than she could chew and hoped to be able to return to the adviser for help in finding another job in a few months' time.

### **Progression into Education/Training**

- 4.10 Only a relatively small number of individuals had returned to education or training as a result of participating in PacE. Whilst it is not possible to generalise from so few examples, our fieldwork would suggest that PaCE advisers played a part in enabling individuals to re-engage with education or training by variously:
- Helping them choose between courses.
  - Informing them about apprenticeship opportunities.
  - Helping them fill in college applications and applications for student finance.
  - Helping them secure places for their children at college nurseries.
- 4.11 Individual participants thought that had their advisers not helped them to start courses, they would probably have taken on less challenging jobs with fewer prospects than the ones they hoped to secure as a result of attaining particular qualifications.

#### **CASE STUDY: Heidi**

Heidi is a 25 year old single mother of two children who has struggled with mental health issues. She completed a level 2 course when she was younger and had worked in the hospitality sector between the birth of her children. Heidi realised that returning to the hospitality sector would not allow her to work 'family friendly' hours and she, therefore, wanted to re-train to enable her to find a 9-5 job when her younger child started school.

Heidi had identified two potential college courses that would allow her to attain qualifications relevant to the construction sector. However, she had little idea how to go about organising childcare and managing the family finances if she was to embark on a course.

Heidi was referred to PaCE by her JCP work coach and the adviser helped her to decide between the courses she had identified, to apply for a place on her preferred course and to apply for Welsh Learning Grant funding to help her with the costs of learning resources. The adviser also helped Heidi to understand the financial implications of pursuing an apprenticeship as opposed to a full-time course. Crucially, the adviser helped Heidi to sort out childcare at the college nursery for her younger child and to source funding to pay for wrap around care for the older child at his school.

Heidi completed a level 2 course initially and then progressed onto a level 3 course, which she had just completed, winning a 'student of the year' award into the bargain. She thought it highly unlikely that she would have embarked on the training had it not been for the adviser's input and speculated that she would have done 'very little' until her younger child turned five and she would have taken any job 'just to get the JCP off [her] back'. Heidi is now looking for skilled work in the construction sector.

### **Qualifications and Work Relevant Certification Achieved**

- 4.12 Again, the programme database would suggest that only a small proportion of participants had achieved qualifications or work-related certifications as a result of participating in PaCE. Our fieldwork did, nevertheless, point to the key part played by PaCE in enabling some participants to work towards and attain qualifications that were relevant to their work ambitions.

#### **Case Study: Iona**

Iona is a married mother of two children, aged three and six. She had worked in low level retail jobs prior to having the children but had decided to be a stay at home mum until her younger child started school.

Iona volunteered at a playgroup which her younger child attended whilst her elder child was at school. She really enjoyed volunteering and started to think that she might like to work with children. She recognised, however, that she did not have the qualifications she would need and was clear that there

was 'no way on God's earth' that she could afford to pay for training that would allow her to attain such a qualification.

A manager at the organisation running the playgroup where Iona volunteered suggested that she should consider undertaking a CACHE level 3 course. The course, which was to be paid for by the organisation running a number of nurseries/playgroups, entails a series of modules alongside unpaid work experience at the organisation's facilities. Iona was flattered at this suggestion but recognised that she would need to make arrangements for her younger child whilst she undertook the training (delivered via monthly workshops) and the related unpaid work placement. Again, this was something that Iona could not have afforded herself.

The playgroup manager who had suggested to Iona that she might do the training also informed her about PaCE. Iona had approached the adviser and had been very clear about the help she needed: she had already found her child a place at two separate nurseries: one for three days a week and the other (a Welsh medium facility) for the remaining two days.

Iona was nearing the end of the course and was confident that she would pass. She noted that the 'level 3 [qualification] opens a lot of doors' in nursery settings, schools and elsewhere and she felt that the fact that she had followed elements of the course in Welsh would give her an advantage over others with the same qualification. Iona intended to look for work from September 2019, capitalising upon the Childcare Offer for the care of her younger child.

### **Work experience/volunteering outcomes**

- 4.13 The participant database would suggest that relatively few participants completed work or volunteering placements, though as noted in the Process and Outputs Evaluation, our fieldwork would suggest that volunteering opportunities made a real difference to some, with individuals speaking in particular of developing skills and becoming more confident.



#### CASE STUDY: Keith

Keith is a widower and father to two dependent children as well as grown up children who live independently of him. Keith had worked all his life (mostly in factories) until he was forced to take time-out to look after his sick wife and their children. Keith's wife subsequently died and he remained a 'houseparent' until his younger child approached five.

As his daughter approached school age, Keith felt that he 'wanted to do something' adding that he did not want his children to 'see [him] sitting here doing nothing'. He recognised, however that it would be impractical for him to return to the kind of work he had previously done because it involved shift work and sometimes working nights.

He spoke to a JCP work-coach with whom he had a good relationship. The work-coach suggested that Keith might consider undertaking a customer service course which would also entail an unpaid work placement with a major retailer. Keith was quite attracted to this idea but recognised that he would need help with childcare to allow him to participate.

The JCP work-coach referred Keith to PaCE and the adviser helped him find suitable childcare provision and secured the funding to pay for it. Keith said that he 'hadn't got a clue about childcare because [he'd] never had to do it ... [he] was always in work when the kids were growing up ... we didn't need it because [his now deceased wife] was always here to look after the kids'.

Keith was enjoying the work placement and had been relieved that it was something he could manage having 'worked in a factory for 20 something years'. He said that he enjoyed meeting people, adding that it is far better than 'being in the house on [his] own ... not seeing anybody'. He very much hoped that the placement would lead to a job.

- 4.15 It is perhaps also worth noting that this case study provides an excellent example of a PaCE adviser working alongside a JCP work-coach to find a means of supporting a client in an almost seamless way, to the extent that the client found it difficult to distinguish who had been responsible for which element of support.

## 5. Conclusions and Recommendations

### Introduction

- 5.1 In this chapter we present our conclusions and recommendations in relation to:
- Programme performance to date.
  - Participant experiences and the difference made by PaCE.
  - Attribution of outcomes to PaCE and the counterfactual.

### Programme performance to date

- 5.2 Overall, PaCE has continued to be implemented as intended and to gather further momentum over the last year.
- 5.3 An extension to the duration of the PaCE programme was agreed with WEFO and the programme will now run until March 2022. As a result of this, the profile of engagements and outcomes has been revised, with an increase in the overall engagement and job entry targets. Other outcome targets were revised downwards in light of experience and lessons learnt about target participants' needs and motives.
- 5.4 By August 2019, engagements had fallen marginally behind the revised targets, with engagements continuing to be stronger in some local authority areas than others. The picture in terms of the engagement of individuals with protected characteristics has been mixed with a strong performance in relation to engaging individuals with work limiting health conditions or disabilities but slightly more subdued performance in relation to males and individuals from BAME backgrounds.

#### **Recommendation 1:**

Efforts should be made to increase the numbers of individuals from BAME backgrounds engaged, so that the proportion of participants from these communities reflect the wider demographic of each local authority area. Efforts should also be made to increase the numbers of lone fathers engaging with PaCE.

- 5.5 The reprofile involved increasing the original job outcomes target from 20 per cent to 36 per cent overall, reflecting the stronger than expected performance during the programme's early days. At this stage, job outcome performance appears to be surpassing even the revised target set and compares very favourably with an average job outcome rate of 23 per cent across relevant priorities within the 2007-2014 ESF programmes in Wales<sup>22</sup>. Furthermore, our fieldwork would suggest that current performance may understate the numbers actually working, albeit not all for the 16 hours a week required to qualify as job outcome for ESF purposes.
- 5.6 The proportion of 16-19-year olds progressing into employment is considerably below the programme average, though this might arguably be expected given a number of factors:
- Unemployment is more prevalent among young people<sup>23</sup>.
  - Individuals in this age group tend to be less well qualified and less likely to have any experience of work and, therefore, need more support to gain skills, to develop their employability and to find work.
  - 16-19 year olds are more likely to have children below three years of age (the age at which they become eligible for Foundation Phase early education and the Childcare Offer) and childcare is, therefore, likely to represent a greater challenge for this group than it does PaCE participants as a whole.
- 5.7 There continue to be differences in the proportion of participants progressing into jobs from one area to the other. The Process and Outputs Evaluation report suggested some possible reasons for these differences and recommended that the 'Welsh Government account managers should work with delivery managers and advisers to better understand the reasons for differences in the job outcome conversion rates in those areas which appear to be performing most and least strongly'. We believe that the case for doing this remains.

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<sup>22</sup> OB3 (2017) [Wales Ex Post Evaluation Priority Review Paper: Increasing employment and tackling inactivity: ESF](#) Convergence Priority 2: ESF Regional Competitiveness and Employment Priority 1

<sup>23</sup> Youth unemployment stood at 12.6 per cent in Wales, compared to an unemployment rate of 4.2 per cent for the population aged 16 and over.

**Recommendation 2:**

The Welsh Government should continue to work with delivery managers and advisers to better understand the differences in the job outcome conversion rates in those areas which appear to be performing most and least strongly. Particular focus should be given to those areas where job outcome and progression into education/training performance is weak among Priority 3 participants and 16-19 year olds in particular.

- 5.8 Performance in terms of qualifications achieved has been disappointing, at roughly half the revised target. This is of concern given that a lack of qualifications was identified in the Process and Outputs Evaluation report as one of the main non childcare related barriers to employment faced by participants. We understand that the Welsh Government has accepted the recommendation made in the Process and Outputs Evaluation that more funding should be made available support training and acknowledge that it may be too soon at this stage to expect any marked increase in the achievement of qualifications. Nevertheless, we would emphasise the importance of encouraging participants to develop their skills and attain qualifications as a means of improving their labour market prospects and we return to this matter at recommendation 4 below.

**Participant experiences and the difference made by PaCE**

- 5.9 The second round of fieldwork affirmed the findings set out in the Process and Outputs Evaluation report. However, it also highlighted new themes that help to build our understanding of the workings and effects of PaCE.
- 5.10 Whilst it is very encouraging that a higher proportion of participants than anticipated entered employment upon leaving PaCE, the jobs which individuals took-on were generally low-level and modestly paid<sup>24</sup>. The longitudinal aspect of the study also showed that individuals do not necessarily stay in these kinds of jobs for long periods, with some moving on within a short time because the jobs proved to be insecure.

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<sup>24</sup> As was reported in the [Process and Outputs Evaluation report](#).

- 5.11 Low-level jobs undoubtedly provide some with a route back into work: the barriers to entry are low and such jobs are, therefore, more accessible to people who lack recent work experience or who lack qualifications and/or work-related skills. Former participants were invariably better off as a result of being in work than they previously were, but there is a danger that these individuals will face on-going in-work poverty or the prospect of alternating between insecure, low-paid work and periods of unemployment. Darcy and Finch (2017) noted, for example, that ‘for most low-paid workers, poorly paid positions are not acting as a first rung on the ladder – it is the only rung’, with ‘just one in six employees making sustained progress out of low-wage work’ over a ten year period<sup>25</sup>. Women working part time in sales, customer service, accommodation and food service occupations were identified as a group particularly prone to becoming ‘stuck’ in low paid work. McKnight et al (2016) also referred to ‘low wage careers’ whereby individuals ‘cycle between low paid work and unemployment/non-employment’, with ‘periods of unemployment or employment in low paid jobs [having] a negative effect on individuals’ future employment prospects’<sup>26</sup>.
- 5.12 It is important that eligible<sup>27</sup> people who find themselves cycling out of jobs are able to return to PaCE for further support, as necessary, and some advisers are to be commended for their openness to supporting participants who come back for a ‘second bite of the cherry’ despite those advisers not being able to record any further job outcomes in respect of the individuals concerned. There was evidence to suggest that not all advisers are as accommodating as others in this regard, however, and there may be scope for ensuring greater consistency.

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<sup>25</sup> D’Arcy, C. and Finch, D. (2017) [The Great Escape? Low pay and progression in the UK’s labour market](#), Social Mobility Commission.

<sup>26</sup> McKnight, A., Stewart, K., Himmelweit, S.M. and Palillo, M. (2016) [‘Low pay and in-work poverty: preventative measures and preventative approaches’](#), Brussels, Directorate-General for Employment, Social Affairs and Inclusion, European Commission, p.25.

<sup>27</sup> Individuals who are no longer eligible for PaCE support may be able to access other forms of support e.g. via Job Support Wales.

**Recommendation 3:**

The Welsh Government should work with advisers to ensure clarity surrounding the interpretation of the Operational Guidance and consistency in the approach taken to re-engaging participants who lose jobs within a short period of leaving PaCE.

- 5.13 Whilst it is acknowledged that several participants simply ‘want a job’, it is arguable that more emphasis should be put upon supporting individuals to develop skills and attain qualifications that will allow them to work in more secure and, ideally, better paid roles. This is particularly relevant since it has been shown that ‘employees in low-level occupations ... are generally less likely to benefit from training’ and that ‘jobs with little or no formal skills requirements ... act as dead ends rather than pathways to development and progression’<sup>28</sup>.

**Recommendation 4:**

More emphasis should be given to encouraging participants with no or only low-level qualifications to engage in training rather than, or alongside progressing into low-skilled jobs. Consideration should also be given to continuing to support individuals who enter employment whilst undertaking training to complete their courses once in work.

- 5.14 More modest earnings, of course, owe something to the number of hours which participants wish to and can work. Our fieldwork in 2019 highlighted that a significant proportion of those progressing into employment actually work fewer than 16 hours a week. Working fewer hours clearly suits some individuals, at least in the short term, and potentially provides a first step onto the employment ladder. This practice also accords with the UK Government’s Universal Credit policy, which essentially endorses a gradual transition into work by tapering individuals’ top-ups as they increase their hours and earn more.

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<sup>28</sup> Devins, D., Bickerstaffe, T., Mitchell, B. and Halliday, S (2014) [Improving Progression in Low-Paid, Low-Skilled Retail, Catering and Care Jobs](#) (p.6).

**Recommendation 5:**

The Welsh Government should record participants progressing into work for fewer than 16 hours a week alongside the record it already maintains of individuals progressing into work of 16 hours or more. Whilst job outcomes of fewer than 16 hours a week may not be 'counted' for ESF purposes, they represent an important outcome and recording them will help to provide a more complete picture of PaCE's effects upon individuals.

- 5.15 It was clear that several of those progressing into employment return to the kind of work that they have done before, often trading down in terms of responsibility levels and earnings, at least for the time being. This would seem an entirely rational thing to do, given their childcare commitments, but it is important that individuals with aspirations to progress over time are able to do so.

**Recommendation 6:**

Advisers should ensure that participants progressing into employment are made aware of the Working Wales service as a gateway into further support to develop their careers and access support for training.

- 5.16 Because participants progressing into work generally earn modest incomes, they remain reliant on tax credits of one sort or another after making the transition. As a result, adviser support in navigating the benefits system (and Universal Credit in particular) is an important aspect of the service which PaCE advisers provide. It is essential that advisers are sufficiently knowledgeable about and confident in giving benefits related advice to clients.

**Recommendation 7:**

Programme managers should ensure that advisers receive training and regular updates on issues relating to the Universal Credit and other relevant in-work welfare benefits. This should include training on the use of Better Off Calculation tools.

- 5.17 Participants progressing into work often rely on a combination of childcare solutions and this can bring its own logistical challenges. The Childcare Offer represents a potentially important part of the mix for some individuals, but it



seems that the support available may not be particularly prominent. Given the complementarity of PaCE and the Childcare Offer, there may be scope to promote the two in parallel as part of a comprehensive package of support measures available to help parents back into work.

**Recommendation 8:**

The Welsh Government should build upon the recommendation made in the Process and Output Evaluation report that the PaCE communication/ marketing strategy should target key messages at different parent segments. Specifically, messages targeted at the parents of children approaching three and four years of age should refer to the Childcare Offer and Flying Start and the role they can play in alleviating some of the concerns parents have about the welfare of their children or the cost of childcare.

- 5.18 For some parents, childcare will remain a key barrier to employment until such point as they are able to access government funded childcare support.

**Attribution of outcomes to PaCE and the counterfactual**

- 5.17 Our fieldwork with participants would suggest strongly that a number of those in employment would probably not be working, were it not for their involvement with PaCE. Whilst PaCE was not the only persuading or enabling factor, different aspects of the support clearly played their part.
- 5.18 The mentoring support provided by advisers was clearly a key factor, as was advisers' help in understanding and navigating the childcare and in-work benefits 'system'. PaCE advisers are considered more accessible and empathetic than JCP work coaches and this undoubtedly helps move people into work where JCP's more punitive approach often fails.
- 5.19 Virtually all those who had progressed into employment recognised that PaCE had contributed in some way to their taking that step. However, the extent to which individuals attributed their progress to PaCE when asked how much of a difference participation made was lower than the narrative about their experience of PaCE would suggest was the case. There was also evidence

that individuals' perceptions of the importance of PaCE to their progression may diminish over time.

**Recommendation 9:**

The research team should further explore the way in which individuals' perceptions of the role played by PaCE in helping them move into work change over time as part of the Impact, Counterfactual and Value for Money Evaluation to be undertaken in 2021. Attention will need to be given to this issue when considering ESF Participant Survey findings in particular.

- 5.20 As highlighted in the Process and Outputs Evaluation report, key among the factors other than PaCE support that added to the likelihood of individuals progressing into work was the prospect of being switched from Income Support onto Job Seekers Allowance when their youngest child turned five.
- 5.21 Whilst numbers were few, it was clear that PaCE support made the difference between some participants re-engaging with education or training and toying with the idea without doing anything about it. Whilst the longer-term effects of decisions to pursue particular courses have yet to be seen, it seems likely that individual participants will progress into better paid, more sustainable employment than they would otherwise have found.
- 5.22 Again, whilst numbers have been modest, PaCE adviser encouragement has undoubtedly led participants to attain qualifications or work-related certifications that they would not otherwise have gained.