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# Evaluation of Communities for Work

## Stage 1: Theory of change and logic model

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## Evaluation of Communities for Work

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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

ALMP	Active Labour Market Policy
BME	Black and Minority Ethnic
CF	Communities First
CfW	Communities for Work
DWP	Department of Work and Pensions
EA	Employment Adviser
ESA	Employment and Support Allowance
ESF	European Social Fund
EU	European Union
EW	East Wales
IB	Incapacity Benefit
ICC	Integrated Children's Centre
JCP	Jobcentre Plus
LA	Local Authorities
LDB	Lead Delivery Body
NEET	Not in Employment, Education or Training
PEA	Parent Employment Adviser
SEA	Specialist Employment Adviser
WCA	Work Capability Assessment
WIMD	Wales Index of Multiple Deprivation
WWV	West Wales and the Valleys
WRA	Work-Related Activity
WRAG	Work Related Activity Group

# 1 Introduction

- 1.1 In September 2016, the Welsh Government appointed OB3, Dateb, the People and Work Unit and the Institute for Employment Studies to undertake an evaluation of its Communities for Work (CfW) programme, an active labour market provision (ALMP) supported by the European Social Fund (ESF).
- 1.2 The evaluation will be undertaken in three stages between October 2016 and January 2018. The work commences with the elucidation of a theory of change and logic model for the CfW programme and this forms the basis of this report. Two further reports (to be produced in June 2017 and January 2018) will explore in detail how the programme is being implemented, the progress made against targets and the effects of CfW upon participants.
- 1.3 In this report we:
  - introduce the theory of change approach and the method used to elucidate a theory of change for CfW (chapter 1)
  - introduce CfW and set out how it is expected to operate (chapter 2)
  - set out the policy context for and the needs to be addressed by CfW (chapter 3)
  - discuss the theory of change for CfW and its implications for the evaluation (chapter 4).

## **About theory of change**

- 1.4 Theory of change is an approach to planning and evaluation that begins by identifying needs and describing a change to be brought about to address those needs. It provides a framework for explaining how activities are expected to bring about change and thus lead to the achievement of outcomes and impacts. It also allows assumptions made about the expected causal linkages between activities and outcomes to be set out, as well as the things or conditions that need to be in place in order for the desired change to happen.

- 1.5 Theory of change commences with an elucidation phase that leads to the development of a model of how an intervention is meant to work. This provides the basis for assessing whether the intervention makes sense in light of experience and learning from comparable programmes. It then provides a structure for assessing whether an intervention works as expected and for identifying its effects upon those targeted. It also provides a mechanism for recognising where things do not work out as planned and for understanding the extent, nature, causes and consequences of any divergence.

### **Method to elucidate the Communities for Work theory of change**

- 1.6 A first stage of work in elucidating the CfW theory of change involved reviewing the business plans (including logic tables) and other material about the programme's design, as well as Welsh Government strategies on themes such as poverty and skills, and evaluations of previous active labour market programmes. This aimed to ensure full familiarity with policy intentions. The documents reviewed are referenced at the end of this report.
- 1.7 Alongside the review, interviews were conducted with 14 CfW policy makers and stakeholders, a few of whom had been members of the original small design team, but a majority of whom had become involved later during the set up and the early implementation of CfW. Interviews covered some of the theories and assumptions behind the design of CfW but for the most part focused on the practical experiences of its delivery to date. They also covered policymakers' and stakeholders' expectations for delivery and outcomes and whether these were segmented by geography, priority or the needs of different groups.
- 1.8 Combined, this work generated the main assumptions that informed the design of CfW to include in the draft theory of change model set out in this report. The intention is that this acts as a benchmark for the primary evaluation research covering outputs, outcomes and early impacts.

## 2 About Communities for Work

2.1 CfW is part of the programme of activity funded under the 2014-20 European Social Fund (ESF) Programmes for East Wales (EW), and West Wales and the Valleys (WWV). It is closely aligned and designed to fit with ESF funding structures. It is divided into two broad priorities:

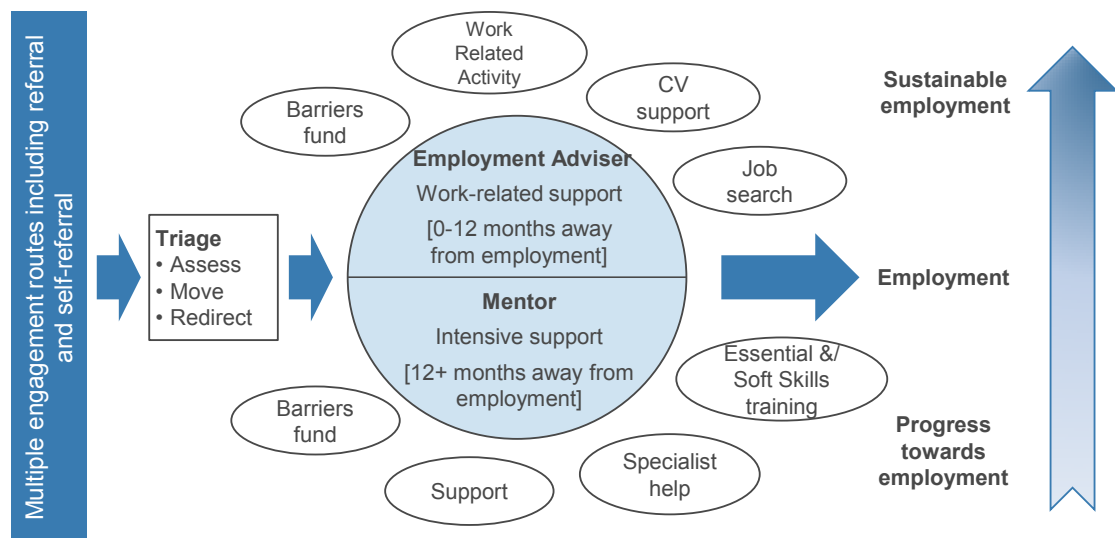
- Priority Axis 1: ‘tackling poverty through sustainable employment’. More precisely, CfW seeks to address Specific Objective 1.1 within the EW Programme and Specific Objective 1.2 within the WWV Programme, both of which aim ‘to increase the employability of economically inactive and long term unemployed people aged 25 and over who have complex barriers to employment’ (Welsh Government, 2014b, p.50) (Welsh Government, 2014a, p.62)
- Priority 3: ‘youth employment’ in the EW Programme and ‘youth employment and attainment’ in the WWV Programme. More specifically, CfW seeks to address Specific Objective 3.1 in both programmes, which aims to ‘to reduce the number of 16-24 year olds who are not in employment, education or training (NEET)’ (Welsh Government, 2014b, p.95) (Welsh Government, 2014a, p.122).

2.2 CfW is also intended to address the ESF cross-cutting themes of equal opportunities and gender mainstreaming; sustainable development; and tackling poverty and social exclusion. CfW is targeted at those furthest from the labour market and, therefore, at significant risk of poverty and social exclusion. Whilst specific targets have not been set for particular groups, the programme aims to engage with men and women disadvantaged in the labour market by having no or low skills, by having work limiting health conditions, by being from black and minority ethnic (BME) groups, by having care or childcare responsibilities, by being from workless households and by being over 54 years of age and economically inactive. CfW business plans note that the programme will promote equal opportunities by, for example, assisting ‘participants, both males and females, to take up and retain employment in non traditional

areas' (Welsh Government, 2015a, p.22) and by 'proactively' engaging 'participants with work limiting health conditions, promoting alternative working patterns, changes to participant employment expectations ... as a means of overcoming health limiting employment barriers' (Welsh Government, 2015a, p.23). The business plans also note that CfW 'will work closely with Local Authority economic teams and Jobcentre Plus (JCP) employer engagement teams in identifying opportunities for social justice clauses in large scale local contracts' (Welsh Government, 2015a, p.23).

- 2.3 CfW builds on existing models and structures, including Communities First, to offer support to overcome poverty in the most disadvantaged communities in Wales. It also draws on lessons of what works from previous programmes such as Want to Work and Lift.
- 2.4 All three participant groups<sup>1</sup> enter the programme in the same way and the support they go on to receive is configured similarly (see Figure 2.1).

**Figure 2.1: The participant journey**



- 2.5 Individuals can be referred to CfW by Communities First cluster teams, Employment Support Providers, Jobcentre Plus, or the third sector. CfW front line staff also play a proactive role in identifying and engaging with

<sup>1</sup> The two Priority 1 groups (long term unemployed and long term economically inactive) and the Priority 3 group (young people who are NEET)



prospective participants, often working alongside these other organisations and through direct engagement in communities.

- 2.6 Potential participants are made aware of CfW via a marketing campaign of leaflets, posters, and newsletters with CfW branding. CfW staff who are seconded from JCP can also use their access to the Jobcentre Plus IT systems to target specific benefits claimants. CfW staff are also able to attend community events and jobs fairs to promote the programme in person (Welsh Government, 2015b).
- 2.7 CfW staff are located in existing Communities First premises, Integrated Children's Centres, or 'similarly appropriate venues within the Communities First clusters' (Welsh Government, 2015b). This has been 'designed in' purposively, since these are known and trusted 'brands' within local communities and the Welsh Government believes that this should reduce barriers to involvement as participants are confident in these settings. There is evidence from its prior programmes that this assumption is sound (see, for example, Evaluation of Lift, Want 2 Work and JCP Advisory Support in Integrated Children's Centres in Wales).
- 2.8 Additionally, staff from existing local bodies (Employment Advisers and Parent Employment Advisers from JCP and Triage Workers and Mentors from Local Authorities (LAs) and Lead Delivery Bodies (LDBs))<sup>2</sup> are temporarily assigned to work on CfW. This means that CfW Advisers/Mentors are generally already experienced in the provision of this type of support and have knowledge of local areas and labour markets, which should help to reduce the time taken and the costs associated with mobilising the programme.
- 2.9 Participation in CfW is voluntary. Thus, it is assumed that participants want to work and want to engage in support to help them make progress towards the labour market. This suggests that attitudinally, participants are open to progressing towards the labour market on joining CfW.
- 2.10 Referral forms are received by a triage team who categorise participants as:

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<sup>2</sup> Communities First Clusters

- 0-6 months away from work
- 6-12 months away from work
- 12+ months away from work<sup>3</sup>.

- 2.11 This categorisation is intended to determine who delivers their support and the depth of support they require. Employment Advisers (Advisers) are assigned to support those judged to be up to 12 months away from employment, while Mentors support those who are more than 12 months away from work. Stakeholders involved in the interviews indicated that the triage function was introduced at a late stage within the programme's design phase. It is also the feature on which strategic stakeholder opinions of benefit and effectiveness were most mixed.
- 2.12 Advisers and Mentors manage their own caseloads, and are responsible for leading regular interventions with participants. They conduct 'in-depth diagnostic assessments' determining needs and barriers in detail and design support to address these, documented within action plans (CfW business plans)<sup>4</sup>.
- 2.13 Advisers are intended to offer work-related support including 'better off calculations', referral to short training courses, job search and CV/application support.
- 2.14 Mentors are intended to focus on more complex barriers which require referral to specialist intervention e.g. for personal issues (anger management, substance misuse), housing, mental health or other barriers. Accordingly, the duration of Mentor support is generally intended to last longer than Adviser support since the individuals referred to them will be more than 12 months away from employment.
- 2.15 Participants are able to access existing flexible training programmes delivered locally through a variety of organisations. In addition, where nothing appropriate is available through existing or mainstream sources,

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<sup>3</sup> During the drafting process for this report, policymakers emphasised that some of these systems were still in development

<sup>4</sup> During the drafting process for this report, policymakers emphasised that some of these arrangements were still in development

participants are able to book bespoke training programmes delivered by ACT Ltd, via a centrally procured managed service.

- 2.16 A barriers fund is also available to help participants overcome final barriers to employment by enabling the purchase of, for example, interview clothing, travel costs, short-term childcare and tools to start work.
- 2.17 A participant completes the programme once they have become employed, have entered full-time education, or decide that they no longer wish to participate. There is also an option for Advisers or Mentors to terminate a participant's programme if, for example, their barriers are considered so great so as to be insurmountable within CfW support. In such cases, participants are referred onto more appropriate specialist support. However, the length of time over which Advisers and Mentors are able to work with participants is not prescribed: rather it is determined by the individual's needs and willingness to engage constructively.

### **Programme Targets**

- 2.18 CfW aims to engage with 47,500 individuals from the three target groups and progress 10,000 of these into sustainable employment by June 2020.

### **3 Policy Context and Issues to be Addressed by CfW**

3.1 In this chapter we discuss the policy context that formed the background to CfW and examine the issues or needs that the programme is intended to address. The policy context has evolved since CfW was launched and, whilst the focus of this chapter is the situation as it was in 2014 when the programme was being developed, we also make references to more recent policies with which CfW fits.

#### **Policy context**

3.2 The Welsh Government (2012a, p.1) recognises that:

‘poverty results in poorer educational, health and behavioural outcomes for individuals ... [and] imposes enormous costs on society from lower economic productivity, reduced social cohesion and increased demands on public services such as health care and children’s services’.

3.3 The Welsh Government has, therefore, made clear its commitment to ‘tackling poverty’, a commitment that aligns with the European Union’s (EU) objective to reduce poverty across Europe by 20 million people by 2020<sup>5</sup> (European Commission, 2010).

3.4 The Welsh Government’s Tackling Poverty Action Plan 2012-16<sup>6</sup> states that ‘the best route out of poverty is through employment’ as well as through improving individuals’ skills (Welsh Government, 2012a, p.3). More recently, the Welsh Government (2016a, p.13) identifies the ‘percentage of people in employment’ as a Wellbeing of Future Generations Act core progress indicator. The UK Government (Cabinet Office, 2010, p.27), which is responsible for welfare policy in Wales, also highlighted the importance of employment in tackling poverty:

‘children in households where two adults are in full time work have a 1% chance of being in poverty, compared with a 64%

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<sup>5</sup> This is part of the Europe 2020 Strategy

<sup>6</sup> This policy has since been superseded by the Well Being of Future Generations Act (2015)

chance for children in two-parent households where neither adult works<sup>7</sup>. There is also clear evidence that worklessness contributes to ill health, unhappiness and depression<sup>8</sup>, with people who move into work tending to report substantial improvements in mental health. Periods of unemployment can also have a lasting negative impact on earnings<sup>9</sup>.

- 3.5 Worklessness also impacts upon the families of those unemployed or economically inactive. Children growing up in workless households are less likely to do well at school (Hasluck, 2011) and are more likely to be workless or poor themselves as adults (Cabinet Office, 2010)<sup>10</sup>. In this context, there is now in Wales an increasing focus on tackling Adverse Childhood Experiences, which are often closely aligned with complex barriers.
- 3.6 Focusing on young people in particular, the Commission on Youth Unemployment (ACEVO, 2012) showed that unemployed young people aged 16-24 years were more likely to spend longer out-of-work throughout their life, be paid less when in work, have poorer mental and physical well-being and to be more frequently involved in criminal activity.
- 3.7 Furthermore, the number of 19-24 year olds who were NEET markedly increased following the 2008 recession, from 17.4 per cent in 2008 to 23 per cent in 2012 (Welsh Government 2013b). However, the proportion of 16-18 year olds who were NEET<sup>11</sup> remained fairly constant at a rate of between 10-13 per cent over the years 1996 to 2012. This indicates that

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<sup>7</sup> Citing Department for Work and Pensions, Households Below Average Income, 2008/09

<sup>8</sup> Citing Black (2008), Dame Carol Black's Review of the health of Britain's working age population, TSO

<sup>9</sup> Citing Gregg and Tominey (2005) The wage scar from youth unemployment, Labour Economics, 12; and Gregory and Jukes (2001) Unemployment and subsequent earnings: estimating scarring among British men, 1984-1994, Economic Journal, 111

<sup>10</sup> Citing Gregg, Harkness, and Machin (1999), Child poverty and its consequences, Joseph Rowntree Foundation; and Such and Walker (2002) 'Falling Behind? Research on transmitted deprivation', Benefits

<sup>11</sup> While there are differing policies regarding post-16 education and training participation between England and Wales – with participation being compulsory between 16-18 in England but not in Wales – the level of Jobcentre Plus intervention for the age group may not vary a great deal between nations and welfare to work policy is not devolved in any case. Over recent years the DWP has required Jobcentre Plus to build a portfolio of work in England to avoid the long term consequences of becoming NEET at a young age. This has included the Jobcentre Plus NEET Pilot and the current preventative work that Jobcentre Plus is leading in schools.

'non-engagement for the 16-18 cohort is a structural and persistent issue which is present through all economic conditions' (Welsh Government 2014b; p.8) and illustrates a need to target specific tailored early interventions at addressing the requirements of this cohort. The Youth Engagement and Progression Framework seeks to put in place 'systematic approaches to identifying these young people who need support and making sure they get the help they need to get them back on track' (Welsh Government, 2013a, p.2). The Framework emphasises the need for a 'delivery system centred on the needs of young people, with clear roles and responsibilities between the range of organisations working with young people' (ibid, p6).

3.8 Finally, the Joseph Rowntree Foundation (2013, p.12) pointed to the role of paid employment in providing 'status, well-being, social networks and opportunities to increase skills, alongside income'.

3.9 There has been a 'strong emphasis on the importance of work and the message that work can provide routes out of poverty' in recent UK welfare policies, alongside 'attempts to simplify the benefits and tax system to encourage people to start paid work or increase their hours to make work pay' (Joseph Rowntree Foundation 2013, p.11). For example, the Work Programme is a single intervention intended to support a range of people (e.g. those who are, or are at risk of becoming long-term unemployed, disabled people and people with health conditions) move 'into lasting work' (DWP, 2012, p.2); and the Universal Credit (which will be rolled out over coming months as part of the Welfare Reform Act) is aimed at simplifying the benefit system and easing the transition into work and between jobs. More recently, in a statement to the National Assembly for Wales, the Minister for Skills and Science indicated that the Welsh Government's forthcoming Employability Plan will emphasise the importance not only of moving people into work, but also of ensuring that they 'gain decent and sustainable employment and that they progress into, and within, secure jobs' (National Assembly for Wales, 2016, item 4).

3.10 It was against this background that the CfW programme was developed, with the overarching aim of proactively engaging with people furthest from the labour market and, arguably, least well served by UK Government welfare policies.

3.11 CfW planning and programme documents identify three specific target groups:

- the economically inactive
- the long-term unemployed
- individuals aged 16-24 years who are categorised as NEET.

3.12 These reflect priority groups for the 2014-20 ESF Programmes in Wales: the economically inactive and the long-term unemployed fall under Priority 1 and individuals aged 16-24 years who are NEET fall under Priority 3 of both the EW and WWV ESF Programmes. The division of CfW into two Priorities reflects the need to fit in with ESF structures, but it also provides for ESF investment to align more clearly with Welsh Government policy such as the Youth Engagement and Progression Framework (2013a) and the Wellbeing of Future Generations Act (2016b).

3.13 Underpinning the design of CfW is the concept that public and third sector organisations can and should work together to deliver services that meet individuals' needs. This chimes with the ethos of the Wellbeing of Future Generations Act which sets out how certain public bodies should 'work together to improve the well-being of Wales' (Welsh Government, 2016e, p3).

### **Issues that CfW is intended to address**

3.14 The long-term goal of CfW is to achieve a reduction in the number of adults experiencing worklessness and, separately, in the proportion of young people who are NEET throughout Wales, by supporting their movement into work they can sustain. As a result, it is envisaged that the programme will reduce the levels of persistent poverty experienced by participants and mitigate the risk of participants falling into poverty in future.

- 3.15 CfW follows a more recent trend in welfare-to-work schemes that emphasise the importance of participants achieving sustainable employment; for example the DWP's Work Programme and the Welsh Government's Lift Programme, which focuses on the quality of employment secured by participants, for example in terms of salary and hours.
- 3.16 This focus on sustainable employment rather than employment 'entry' highlights the Welsh Government's commitment to addressing deficiencies of past active labour market policies, which primarily focused on quick progression into employment. This can make individuals susceptible to 'revolving door syndrome', since quick-to-enter employment outcomes are often short-term in duration (Meager et al, 2014, citing Meadows (2006), section 6.2).
- 3.17 Short term spells of employment would not address the long-term goal of reducing levels of poverty. Rather, churning between employment and unemployment may exacerbate financial insecurity for individuals already in poverty or at risk of poverty. For example, evidence suggests that many lone parents cycle in and out of paid work, creating no greater stability for families (Green and Hasluck, 2007). CfW, therefore, places emphasis on long term sustained employment outcomes with enduring effects for participants.
- 3.18 Sustainable employment may not necessarily be restricted to an individual remaining in a particular job for a given length of time. It might be inferred that this aims to equip people with the confidence, self-efficacy and appropriate up-to-date skills in order to be resilient within the labour market (Newton et al, 2016). As such, participants should be better able to cope with exogenous shocks such as a redundancy and, thus, avoid lapsing back into long-term unemployment or economic inactivity and welfare dependency.
- 3.19 Sustainable employment may also pertain to progression within employment, as individuals who possess the skills and motivation seek to increase their hours or gain promotion. This is particularly relevant in



the context of the roll-out of the Universal Credit, which aims to ease people's transition into work and encourage them to increase their earnings once in employment, thus reducing the risk of poverty and lessening its effects. Similarly, the Minister for Skills and Science recently indicated that the Welsh Government's forthcoming Employability Plan is likely to emphasise progression 'into, and within, secure jobs' (National Assembly for Wales, 2016, item 4).

3.20 However, it is notable that the number of people in Wales who remain in poverty (defined as income below 60 per cent of the median income) while in work has increased in every age group over the last ten years (Tinson and MacInnes, 2015). While the number of people in low-paid jobs in Wales has fallen recently (in part due to the National Living Wage), it remains three to four percentage points above the UK as a whole. An IFS study of the UK in 2015 found that the most likely reason for the increase of in-work poverty was falling wages.

3.21 Two-fifths of Universal Credit claimants in the UK are in employment, and Wales is more reliant on the welfare system than the rest of the UK. There are significant cuts planned for welfare in the UK, which will affect those on lower incomes disproportionately and are expected to increase both absolute and relative levels of poverty. The downward pressures on in-work benefits and wages mean that employment alone may not necessarily be sufficient to lift individuals out of poverty.

3.22 Long term outcomes are expected to differ to a degree between the two Priorities. While sustainable employment is desirable and the priority for both, there is a greater expectation that young people will achieve this through first re-engaging with education and training, in order that they gain qualifications which will underpin their access to sustainable employment. The Commission on Youth Unemployment (ACEVO, 2012) found that acquiring qualifications that allow access to better quality jobs can break this cycle of disadvantage.

3.23 In order to achieve the long-term goal of helping target participants move into sustainable employment, CfW seeks to remove or mitigate barriers

that stand in their way. According to the CfW theory of change, overcoming these barriers is necessary to achieve the programme's long term goal, but steps in the process will vary from one participant to the next.

3.24 The nature of the barriers faced will also vary: participants may face direct barriers, which tend to be attitudinal or psychological in nature (e.g. a lack of confidence or low motivation) and/or indirect barriers, which tend to be more practical in nature (e.g. caring responsibilities or financial problems). As Daguerre and Etherington (2009) point out, indirect barriers to employment have a tendency to be cumulative and, very often, individuals will need to address indirect barriers such as caring responsibilities, health conditions, housing problems and/or debt management before they can contemplate engaging in activities designed to help them address softer, direct barriers.

3.25 During the process of developing the four ESF business plans, the Welsh Government identified the following as barriers to employment which individual participants might face:

- low confidence and motivation
- reluctance to participate in mainstream provision
- work limiting health conditions
- dependency on Welfare Benefits
- no or low Basic and Essential Skills
- no or low digital skills
- no or low vocational skills or qualifications
- low aspirations or unrealistic job goals
- lack of job search skills
- caring or childcare issues
- transport barriers
- financial / debt concerns
- housing issues

- language barriers and belonging to a Black and Minority Ethnic (BME) group<sup>12</sup>.

3.26 Individuals often face multiple and sometimes interconnecting issues, for example having work-limiting health conditions, being a lone parent, having other caring responsibilities and/or having little or no experience of sustained employment. Hasluck (2011, p.18) notes that 'where non-employment results from multiple and overlapping disadvantages, many people become discouraged and stop seeking employment and their exclusion from work can become entrenched'. Also, the nature of the problems faced by individuals may vary by age.

3.27 Nevertheless, it is worth noting that there is a great deal of commonality in the barriers faced by each of the target groups and this validates the decision to develop a single CfW programme offering similar services to all participants, rather than developing separate, slightly different programmes for economically inactive and long-term unemployed people (under Priority 1) and young people who are NEET (under Priority 3). The scope to take a holistic, person centred approach and to tailor support within the CfW 'offer' provides scope to address the particular barrier or, more likely, combination of barriers, that each individual participant faces.

3.28 In the paragraphs that follow, we touch briefly upon the nature and consequences of some of the main barriers as they affect individuals. Once more, however, we would stress that these barriers seldom come alone and individuals more often than not face a combination of interrelated and mutually-reinforcing challenges.

*Low confidence and motivation*

3.29 The EW ESF Operational Programme notes that a 'lack of self-confidence' is among the barriers many people face in getting a job. Indeed, Waddell and Burton (2006, p.86) argue that 'there is a great deal of evidence that prolonged unemployment is commonly a demoralising

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<sup>12</sup> Whilst belonging to a BME group may be an inherent characteristic which cannot be changed, the ESF gives priority to BME participants on the basis that key sub-sets of this group face disadvantage in the labour market

and stigmatising experience that affects people's will to work, and self-confidence in seeking and gaining work'. More particularly, Maguire (2015, p.28) noted that young women who are NEET and economically inactive can be 'isolated within their households and their communities and, as a result of their circumstances, suffer from low self-confidence, low self-esteem and emerging mental health issues'. This latter point possibly points to the importance of the approach taken to the delivery of CfW in community settings in targeting young women in particular.

*Little or no exposure to support agencies*

- 3.30 Economically inactive individuals may have little, if any, contact with Jobcentre Plus depending on their entitlement to and uptake of welfare benefits. For example, the conditions of Employment and Support Allowance (ESA) do not require individuals who are inactive due to ill-health to attend meetings with JCP or undertake Work-Related Activity (WRA), unless they are assigned to the Work Related Activity Group (WRAG) following a Work Capability Assessment (WCA). Even when assigned to WRAG, expectations for WRA may be limited (Newton and Sainsbury, forthcoming). Similarly, non-working parents ineligible for JSA by virtue of having a partner in work are unlikely to come into contact with JCP and, therefore less likely to be aware of the services on offer or to be stimulated into considering employment.

*Reluctance to participate in mainstream provision / to engage*

- 3.31 Furthermore, some people have negative perceptions or are 'suspicious of JCP' and avoid engagement with the services on offer as a consequence (Welsh Government, 2012c, p.20). In order to reach those disengaged from mainstream services, previous interventions have sought to integrate JCP Advisers in 'non-threatening' community settings. Examples include the Work Focused Services in Children's Centres pilot in England and the Jobcentre Plus Advisory Services in Integrated Children's Centres in Communities First clusters in Wales. An evaluation of this latter scheme (Foley et al, 2012) found that the integrated service had been 'particularly effective' at reaching a 'hard to engage' group of parents with 'multiple barriers to employment such as

criminal records, poor basic skills, physical or mental health problems, childcare issues, and problems with debt or substance abuse’.

#### *Work limiting health conditions*

- 3.32 According to the ONS (2015, p.5), unemployed people (defined here as those out of work but looking for work) are more likely to report a limiting long-standing illness (LSI) than others. The ONS also noted that rates of self-reported LSIs or disability were higher among older people (p.3) and higher in Wales than in England or Scotland (p.2).
- 3.33 The Cabinet Office (2010, p.40) notes that ‘health not only influences quality of life directly, but can also affect the extent to which people are able to participate in the labour market and in wider society. The Priority 1 business plans identify two groups of potential CfW participants likely to have work limiting health conditions: long-term unemployed individuals who have been found fit for work through Work Capability Assessments and economically inactive people not claiming out of work benefits. The plans point to individuals having ‘a wide spectrum of health conditions’ from ‘mild’ ones with ‘little impact on employment prospects’ to ‘more severe conditions requiring intensive mentor support to understand and overcome’.

#### *Benefits dependency*

- 3.34 The Cabinet Office (2010, p.33) argues that ‘welfare dependency creates a number of costs for individuals and for society. For individuals, it can set people apart from the rest of society, with evidence to suggest that the source of income may be more important than the level of income in determining levels of social exclusion. This is mainly due to disengagement from the labour market, which can have wider effects: the longer people remain out of work, for example, the more likely it is that their health will deteriorate and more obstacles to work will develop’.

#### *No or low skills and qualifications*

- 3.35 There is a close correlation between the level of an individual’s highest qualification and the likelihood of their being unemployed or economically inactive. For example, the ONS (2014), drawing upon 2011

census data, found that 'fewer than half of those with no qualifications were in employment compared with 8 in 10 of those with at least one qualification'. The ONS also reported that over a third of those who were economically inactive with no qualifications were 'long-term sick or disabled' and suggested that 'some of those within this category may find it harder to gain qualifications for reasons related to their sickness or disability'. This final point again illustrates the interconnected nature of the barriers to employment faced by some.

3.36 UKCES (2011, p.36) noted that 'poor achievement at school often explains long periods of unemployment and/or inactivity'. The same document (p.iii) also noted that 'there is clear evidence that employment prospects are severely restricted for those leaving education with no qualifications or limited employability or basic skills'. Research suggests that low skilled, young people NEET are three-to-four times more likely to be unemployed in early adulthood than those with higher qualifications (Smyth and McCoy, 2009). Those who enter work hold less skilled jobs and earn lower wages than more highly skilled peers, and those in low skilled work are least likely to receive training, perpetuating employment and social insecurity (Newton et al., 2005). Furthermore, 'lifetime scarring' can result from being unemployed, inactive or NEET at a young age, which consequently affects the ability of individuals to ever gain a 'toe-hold' in the labour market (Bell and Blanchflower, 2009). Allied to this, economically inactive and long-term unemployed individuals tend to have fewer skills as a direct consequence of lengthy periods of time out of the labour market during which they receive no work related training.

3.37 The business plans for the Priority 3 elements of the programme make specific reference to the negative impact of 'low IT skills ... and no or poor understanding of the on-line job search tools and strategies'. Whilst this point is made in relation young people NEET, the argument about the importance of job-search skills and digital job-search skills can equally be made in relation to long-term unemployed and economically inactive people.

### *Caring/childcare issues and lone parents*

3.38 Parents face barriers in respect of balancing work with their caring responsibilities and securing work that is sufficiently well-paid to support themselves and their children. Hasluck and Green (2007) argue that this necessitates flexible support packages and multi-agency working, which CfW's holistic approach aims to achieve. The Lift Programme was similarly designed to be flexible and personalised, as opposed to a 'one size fits all approach', as well as sustained so that barriers can be addressed incrementally. This is particularly salient as CfW also aims to offer support to parents in the community. Reaching out to these particular hard-to-reach groups was seen as vital to the Lift Programme and it was reported that this could lead to indirect savings through reduced resources being used in terms of social services, probation teams and policing. The research also suggested that Lift advisers were successful in engaging with hard-to-reach parents through working in the community.

### *Financial barriers*

3.39 Young people may face difficulties through having little or no financial capacity to overcome barriers to employment such as owning clothing appropriate for work and interviews, having the necessary equipment to start a job, child care costs and the costs of transport to training or employment opportunities (Welsh Government, 2015a). The barriers fund within CfW is intended to help overcome such factors.

### *Age*

3.40 A distinct category noted within Priority 1 is that of the economically inactive aged over 54 years. Having conducted an inquiry into Assisting Young People into Work (Welsh Government, 2015a), in 2014, the Enterprise and Business Committee of the National Assembly for Wales conducted a similar inquiry into the employment opportunities of the over 50s. It found that nearly 36 per cent of people aged 50-64 years were not in work in the year ending September 2014 (National Assembly for Wales 2015b).

3.41 It was argued that this situation was 'quite alarming', the over 50s were described as 'a group that is at the moment undervalued, underappreciated and very much an afterthought when it comes to schemes and initiatives that target people getting back into the workplace'. Whilst this group may face similar barriers to other economically inactive individuals, such as low skills and ill health, the over-50s are also more likely to suffer from discrimination and negative stereotyping.



## **4 Theory of change**

- 4.1 In this chapter, we consider the outcomes which CfW is intended to achieve and the levers which are designed to bring about the changes necessary for these outcomes to be realised. We then present an overarching theory of change logic model for CfW, along with two subsidiary models in relation to the two ESF Priorities.
- 4.2 We conclude by commenting briefly upon the veracity of the programme's design in light of previous experience and highlighting some key issues which this evaluation might consider.

### **Programme outcomes**

- 4.3 The lasting impact of CfW (poverty reduction through sustainable employment) will be achieved through the cumulative achievement of interim and long-term outcomes by participants. Participants are acknowledged to be those individuals who are furthest from the labour market and, as a result, are traditionally disengaged from mainstream employment services. The three groups of target participants are amongst the hardest-to-reach and support in society.
- 4.4 CfW was originally approved until 2018, with the aim of engaging with 41,000 such individuals and progressing 8,000 of these into sustainable employment. This equates to just over one in five participants achieving the hard outcome of sustainable employment. In November 2016, the CfW programme secured an extension until 2020 with the overall target of engaging 47,500 participants and progressing 10,000 of these into employment: a ratio of just under one in five.
- 4.5 Programme guidance makes it clear that employment outcomes relate to paid jobs which 'involve a minimum of 16 contracted hours a week'. Implicitly, paid employment must also be at or above the living wage.
- 4.6 Nevertheless, it was accepted by some stakeholders that CfW participants are more likely to progress into low pay/starter jobs, at least initially. In this context, it is notable that JRF (2013, p.12) noted that

'some jobs, often those disproportionately in reach of people in or at risk of poverty, are low paid or insecure, meaning they do not provide enough income to lift the household out of poverty.' It is thus salient that the evaluation considers the programme's effects upon participants' incomes and particularly whether it equips individuals to progress in employment to better paid, more secure jobs.

4.7 CfW targets suggest that of the planned 47,500 participants, 37,500 are not expected to achieve this hard outcome during the lifetime of the programme. However, these participants should still reap benefits from the wrap-around, holistic support offer of CfW in terms of addressing some of the barriers that they face and increasing their employability. Increasing employability gives individuals increased confidence and the self-efficacy necessary to engage in the search for work, as well as the skills to make the progression into employment at a later date.

4.8 As discussed in the previous chapter, individual CfW participants will progress at different rates since they will have differing starting points and labour market experiences. The speed and nature of the progress they can make may be dependent on their personal, and often multiple, barriers to employment and their state of job-readiness upon joining.

4.9 The Want to Work programme evaluation (Centre for Economic and Social Inclusion, 2013) provides some insights into the differential outcomes that might be achieved. According to the authors of this evaluation, some groups were more likely to achieve hard outcomes in terms of finding work than others: these were participants with fewer or less severe barriers such as:

- those without health conditions and disabilities
- those with higher level qualifications
- those not claiming any benefits
- those who had been out of work for shorter periods.

4.10 The same evaluation also found some groups were more likely to achieve soft outcomes than others:

- women were more likely to [achieve these] than men

- carers and lone parents were more likely than non-carers and non-lone parents
- those without a work limiting health condition or disability were more likely than those with one
- those with lower level qualifications were more likely than those with higher level qualifications.

4.11 As noted earlier, the longer term outcomes for young people are also likely to be different to those for adults engaged by CfW. With young people there is a greater emphasis on re-engaging with education and training as a precursor to sustainable employment.

4.12 These variations in outcomes are likely to be seen in CfW and suggest it is important to test the achievement of interim as well as final outcomes by different participant groups in the primary research. It will also be salient to test outcomes by the nature of support received since those most distant from the labour market will work with Mentors and different outcomes should thus be expected.

### **'Levers for change' that are expected to lead to outcomes**

#### *Referral*

4.13 There are a number of routes for referral to the programme, and a number of methods used for marketing the programme. This aims to ensure the programme attracts the widest group of participants. Moreover, it should help to ensure CfW can gain referrals amongst those hardest to reach. For example, the evaluation of the Want to Work programme (Centre for Economic and Social Inclusion, 2013, p. ii) found that close relationships with other organisations to create referral pathways helped overcome suspicion of government programmes, fears of coming off benefits, and concerns about not being better off in work.

4.14 The Jobs Growth Wales evaluation (Welsh Government, 2016, p.79), however, noted the importance of clear guidance to ensure that referrals are suitable.

- 4.15 The Lift programme evaluation found that the quality of referrals depended on the individual mentors/brokers' relationships with key referral agencies, which can vary dramatically from one area to another (Welsh Government, 2016c, p.55).
- 4.16 The achievement of outcome targets is dependent on the achievement of output targets, namely the service being able to attract and engage the requisite number of individuals in order that the ratio of hard outcomes in respect of employment can emerge. It will be important that the evaluation assesses the effectiveness of local collaboration in respect of referrals as well as the approaches to attracting the target groups to refer themselves for support.

*Trusted, less formal settings*

- 4.17 CfW staff are seconded<sup>13</sup> from other local bodies and their delivery based in Communities First premises, Integrated Children's Centres, community centres, or other similarly-appropriate venues which are accessible and well used for a broad range of activities in the communities where target participants live. These facilities are 'established and relaxed', and based in the premises of 'well-established brands with excellent records for engaging communities' (Welsh Government, 2015b, p.31).
- 4.18 CfW Advisers' services are not branded as belonging to JCP, on the assumption that this would make them more accessible to those who are reluctant to engage with formal employment support. The Want to Work evaluation found that embedding programmes in local communities can act as 'a major strength' in engaging those who are hardest to reach (Centre for Economic and Social Inclusion, 2013, p.120).
- 4.19 Evidence also suggests that for young people who are NEET as well as those not engaging with formal employment support, it is important to work with them in an informal way (NFER, 2009). The Evaluation of the JCP Advisory Services in Integrated Children's Centres (ICC)s Pilot

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<sup>13</sup> Individuals employed by partner organisations are assigned to work within CfW teams for a defined period

found the pilot owed its success to its Parent Employment Advisers, who were 'friendly, approachable and knowledgeable ... working flexibly and creatively' (Foley et al., 2016, p.36).

- 4.20 A theory that could thus be tested is the degree to which CfW support is perceived as accessible and welcome because it is not delivered through formal employment offices (JCP), by staff who are perceived as 'officials' and using structures that require individuals to conform to certain procedures rather than a less formal service that is tailored to their needs as well as inspiring their confidence to engage.

*Holistic and integrated support*

- 4.21 In the business plans, the Welsh Government states that CfW will ensure 'a coordinated approach with partner organisations'. This builds on UKCES (2010, p.31) finding that 'increasing employability skills in isolation may not be enough to move people into employment and that employability skills should be delivered as part of a holistic package of support that meets individual need'. Using secondees and basing staff in shared community settings was partly intended to ensure integration with such other services (Welsh Government, 2015b, p.31).
- 4.22 The evaluation of the Welsh Jobcentre Plus Advisory Services in Integrated Children's Centres pilot found that strong partnerships and a multi-agency effort were key to its success (Welsh Government, 2012, p.38). The Lift programme evaluation found that integration with other services, including Communities First and its infrastructure, was helpful in dealing with participants with multiple barriers to employment (Welsh Government, 2016c,p.37). However, there is also evidence that weaknesses in local partnerships affected the nature and shape of delivery and the progress that could be made (Welsh Government, *ibid*).
- 4.23 A consideration for the CfW evaluation to test is whether relationships between stakeholders are strong enough to take advantage of the links in respect of referrals, coordinated working and the use of local third party provision. Some stakeholders highlighted during interviews that some challenges were emerging in areas where individual relationships

were weak, especially between CfW and Lift, given that the two programmes have overlapping target audiences and targets of their own to meet. This may suggest that Lift and CfW are not sufficiently differentiated so that local stakeholders understand the value of each and refer suitable participants accordingly.

### *Caseloading*

- 4.24 There is an assumption that local referrals can be fed to Advisers and Mentors via the triage team. However, DWP staff and Lead Delivery Bodies (LDB) staff have separate caseload targets and this may instil an element of competition between these three planks of support within CfW. Understanding the intended and unintended consequences of the targets set could generate further lessons on how collaboration can best be established.

### *Local labour markets*

- 4.25 CfW aims to target skills development according to local employers' needs and CfW staff are expected to build a 'practical and working knowledge of the local labour market' through working in local communities (Welsh Government, 2015c, p.7), intelligence flowing from Regional Skills Partnerships and, in the case of Advisers, through interactions with JCP Employer Advisors<sup>14</sup>. The primary research might explore whether CfW staff feel sufficiently informed about local labour markets. However, there is also an implicit assumption that participants' aspirations will match the opportunities available in the local labour market, and if they do not, that they can be negotiated to align with the opportunities that actually do exist. It will be interesting to explore whether participants' appreciation of what local employers are looking for improves as a result of working with Advisers or Mentors. It will also be interesting to understand, particularly amongst young participants who may be more mobile, whether local or wider labour markets are the greater concern. Thus, understanding goals and aspirations at the outset

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<sup>14</sup> Employer Advisers are based in JCP and work with local employers to understand their workforce needs in terms of numbers, skills, recruitment or lay-off plans etc.

of participation, and whether these change following the intervention, will provide insights into the effects of CfW.

### *Resourcing*

- 4.26 According to the original business plans, a scoping exercise was carried out to identify the level of need within Clusters and inform the allocation of resources. Statistics from Communities First, the Office for National Statistics, and Stats Wales that were used for this exercise included: number of workless households; residents aged 50+; number of people claiming JSA, ESA or IB; number of carers; number of 16-24 year olds; BME as a percentage of the population; and employment ranking as per WIMD 2014 (Welsh Government, 2015b, p.38).
- 4.27 As a result of this analysis it was determined to allocate similar resources to the majority of Clusters, as the evidence pointed to a need for support in every area. The evaluation will consider if this approach to resource allocation was effective within the context of the programme.

### *Triage*

- 4.28 The triage process involves an early assessment of individuals' distance from the labour market, and thus, support needs. This allows clients to be referred to Advisers, Mentors or other programmes, as appropriate, and to ensure a balanced caseload within CfW teams. Whilst the ESF business plans would suggest that it was envisaged that Triage Workers would 'control first contact by undertaking first stage ESF eligibility checks and low level vocational skills assessments' (Welsh Government, 2015a, p.32) before referring participants on as appropriate, it was clear from our discussion with stakeholders that the triage process is somewhat more nuanced in practice. It is now accepted that early stage eligibility checks and needs assessments might be undertaken by Triage Workers, Advisers or Mentors, though the intention that individuals will be referred onwards to the most appropriate form of support remains.
- 4.29 The inclusion of the triage process suggests that an effective early assessment of needs can be made ahead of an in-depth diagnostic assessment. This novel feature of CfW, which was introduced in

response to consultation findings during the programme planning process, has not been present in foregoing programmes. Understanding more about how the triage process operates, its value and effectiveness in understanding proximity to the labour market and whether early assessments effectively determine support needs, and thus drive outcomes should be examined.

- 4.30 Consideration might also be given to whether the triage function supports Advisers and Mentors to do their jobs more effectively as a result of appropriate referrals and case-loading and by helping to absorb some of the administrative burden attached to CfW.

*Advisory support*

- 4.31 Advisers and Mentors are seconded from DWP and LAs/LDBs respectively. As secondees, they are assumed to have established networks and partnerships within communities, and a full understanding of job search and matching strategies (Welsh Government, 2015b, p.33). Tusting and Barton (2007) pointed to the importance of 'skilled, committed personal advisers' able to 'research and source opportunities', to 'challenge expectations' and to develop 'realistic action plans'. This design feature of CfW seems aligned with the existing evidence base, although stakeholder interviews suggested that recruitment of staff has not been as straightforward as planned, which may have implications for the working knowledge and networks CfW staff are intended to have and any future support they might need.

- 4.32 Allied to this, the time taken to set in place suitable staffing may have implications for initial flows of participants into the programme and, thus, outcomes in the longer term.

- 4.33 CfW participants are allocated to an Adviser or Mentor, ensuring continuity of support throughout the programme. It is assumed that continuity of Advisers/Mentor allows CfW to deliver a service built upon rapport and trust that will enable participants to consider movement towards the labour market, perhaps undertaking activities they had previously not considered. The evidence base suggests that such



continuity is an important factor in encouraging individuals to make progress (e.g. Green and Hasluck, 2009).

- 4.34 The four CfW logic chains indicate that the way Advisers work with individuals may vary between the two priorities. Within Priority 1 (which covers unemployed and inactive adults respectively) an Adviser or Mentor is expected to work with an individual throughout their experience of CfW.
- 4.35 In contrast, within the Priority 3 logic chains, there appears an expectation for a handover between the two adviser types - Youth Employment Mentors and Specialist Employment Advisers. The intention for this handover to take place was also highlighted by a policymaker during interview discussions. It thus appears that the two roles are intended to feed into each other, depending on the starting point and progress made by each individual young person. As with Priority 1, Mentors will support those judged to be most distanced from the labour market, working with them intensively and procuring provision that will enable them to progress. As they move closer to the labour market, such young people will be referred by Mentors to the Advisers to overcome their final hurdle to employment and acquire skills related to labour market understanding, jobsearch skills and application procedures. Aligned to the Adviser stage of work, there is an expectation for collaboration with Jobs Growth Wales.
- 4.36 As within the scope of CfW, 'complex barriers' cover a wide range of challenges, its design assumes that the personalisation offered by continuity of EA/Mentor support is an important lever to help participants address and overcome their specific hurdles. The business plans also justify the tailoring of support on grounds of value for money. The evidence base suggests this is a reliable assumption. For example, the National Research and Development Centre for Adult Literacy and Numeracy (Evidence base 3 what works p.2) found that – in relation to literacy, numeracy and language – long-term, positive, supportive relationships increase the likelihood of employability policies being effective. UKCES (ibid) states that tailored approaches flexible to client

needs constitute best practice. These relationships encourage participants to consider career ideas and forms of progress they previously had not:

*‘The qualitative research strongly emphasized the high quality of services offered by Personal Advisers, with customers noting that the trusting relationship with their Personal Adviser helped them more openly discuss their barriers to work. Customers considered that PAs made them realise that they could look for work in professions that they had not previously considered, and helped them look for work in jobs that they wanted rather than looking for any type of work’* (Centre for Economic and Social Inclusion, 2013, p.46)

4.37 The Work Programme evaluation participant report highlighted the value attached to ‘continuous personal attention’ from advisers by those ‘who felt very uncertain about being able to work, or felt a long way away from the labour market, with ill-health, caring responsibilities, lack of work experience and/or little in the way of skills, education or qualifications’. The report noted that the support received helped them to take ‘small steps and gradually building confidence and self-esteem’ (Department for Work and Pensions, 2014a) The report from the evaluation of Want to Work found that customer opinions on their Personal Advisers were very positive, with customer satisfaction rates of upwards of 80 per cent. The programme also demonstrated some impact<sup>15</sup> such that 49 per cent of customers ended up in at least one hour of employment per week as a result of participation (Centre for Economic and Social Inclusion, 2013, p.81).

#### *Action planning*

4.38 Following the in-depth assessment, Advisers/Mentors are expected to develop action plans for each participant ‘*to provide structure and focus*’ to their efforts to move closer to the labour market (Welsh Government, 2015b, p.34). Evidence from the Want to Work evaluation suggests that Advisers generally did not develop formal action plans for the hardest-to-

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<sup>15</sup> Relative to a counterfactual group found in administrative data whose motivation to work was unknown

help claimants. Only 45 per cent of claimants recalled having such a plan, although those that did found them valuable (p. iii). The Lift programme evaluation found the approach to action planning to vary significantly between delivery areas (p.26). The primary research for CfW could unpick how formal and more informal action planning processes help different participants to make progress relative to their starting points and what might be realistic expectations for their outcomes.

### *Referrals*

4.39 Having built up an understanding of the participant's needs, CfW staff may consider referring participants to training. Training comes from one of three sources:

- mainstream and pre-existing training within the locality, some of which comes from Communities First, such as 'prepare to...' and 'routes to employment' courses
- a suite of centrally procured motivation and confidence building courses that can be accessed where suitable provision does not exist locally
- bespoke vocational training courses, including ones that enable participants to achieve qualifications they need to progress into employment e.g. forklift driving, security, and HGV driving.

4.40 The assumption is that training will increase employability, and that Advisers/Mentors have sufficient knowledge of the local labour market to be aware when opportunities will arise and be able to broker participants into suitable training and work. It will thus be important to understand the nature of bespoke training delivered for CfW as well as existing training that participants are referred into, in order to understand how training might affect later labour market outcomes.

4.41 While there is evidence available associated with the relative merits of each approach, the balance of the evidence suggest that job search and work placements have a larger impact for less cost in the short-term

while training interventions may have better impacts in the long-term, especially when a concern with transitions into employment are combined with concerns for progression in the labour market (Hasluck, 2011, p.iii).

#### *Barriers fund*

- 4.42 CfW staff are able to offer funding to overcome financial barriers to training or employment opportunities. For example, they may be able to fund clothing for interviews, transport, childcare costs, or essential qualifications. An assumption is made here that these are inhibiting employment, essentially acting as a 'final barrier' to moving into employment. The evaluation of the Lift programme found that its barriers fund was highly responsive, and able to react to barriers as they emerged (Welsh Government, 2016c, p.54).

#### *Programme exit*

- 4.43 CfW participants exit the programme once employed, although crisis support from Mentors is available after exit, on an informal basis. Within the design of CfW there is no intention to provide in-work support on any more formal basis than crisis support potentially on demand. This is in line with existing evidence which indicates a lack of interest in in-work support from participants. For example, both Want to Work and Work Programme evaluations found little demand for it as participants were not keen to be contacted during working hours, and did not necessarily understand the purpose of such contact.

#### *Support beyond initial outcomes*

- 4.44 In the Work Programme evaluation, there was little evidence to suggest that in-work support makes a positive difference, though this may have stemmed from the nature of the support that was offered, which arguably focused on monitoring sustained employment outcomes, rather than any support needs individuals had (Department for Work and Pensions, 2014a). In the evaluation of the Lift Programme, employers reported that the work preparedness of participants was limited and that they needed on-going support on attendance, time keeping and attitudes. This is

because employers felt these were outside their remit to deliver. Similar to findings from the Evaluation of the Learning Agreement Pilots (Maguire et al, 2009) this may indicate a requirement for Mentors to provide input to employers in respect of participants' needs in order to create an accommodating work environment. There may also be a role for on-going advocacy between participants (particularly young people) and employers (Learning Agreements Pilot; Maguire et al, ibid). This helped to build bridges when relationships were strained and vulnerable young people were unable to express the challenges they were facing in attending work<sup>16</sup>.

- 4.45 In aiming to achieve sustainable employment, progression in employment is likely to be salient and aligns strongly with Universal Credit policy. In referring to the Welsh Government's emerging Employment Plan, the Minister for Skills and Science noted that 'it is not enough to focus only on getting people into work. There is a need to ensure that individuals gain decent and sustainable employment and that they progress into, and within, secure jobs' (National Assembly for Wales, 2016). There is some positive evidence on this in the Want to Work evaluation which revealed that: '18% got a pay rise from their initial employer, 16% moved into better paid work, 7% reported promotion, 19% said they were in a better job than the one they started after W2W support' (Centre for Economic and Social Inclusion, 2013). Notably, those in certain types of job were more and less likely to progress than others.
- 4.46 Whilst advancement may not be an express aim of CfW, it would nevertheless be useful to test in-work progression amongst the participant sub-groups, to better understand the programme's longer term effects and the interplay between this and particular forms of work.
- 4.47 Although a general lack of high quality longitudinal research is apparent, the available evidence suggests that initial employment retention for benefit leavers is a problem for some socio-demographic groups: those

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<sup>16</sup> This could include, for example, being made homeless and having to sofa surf

with low qualifications and lone parents for example. Research suggests that this occurs for a sizeable minority more generally; for example, one in five JSA claimants reclaim benefit after 13 weeks and two in five reclaim within six months.

*External factors and potential obstacles*

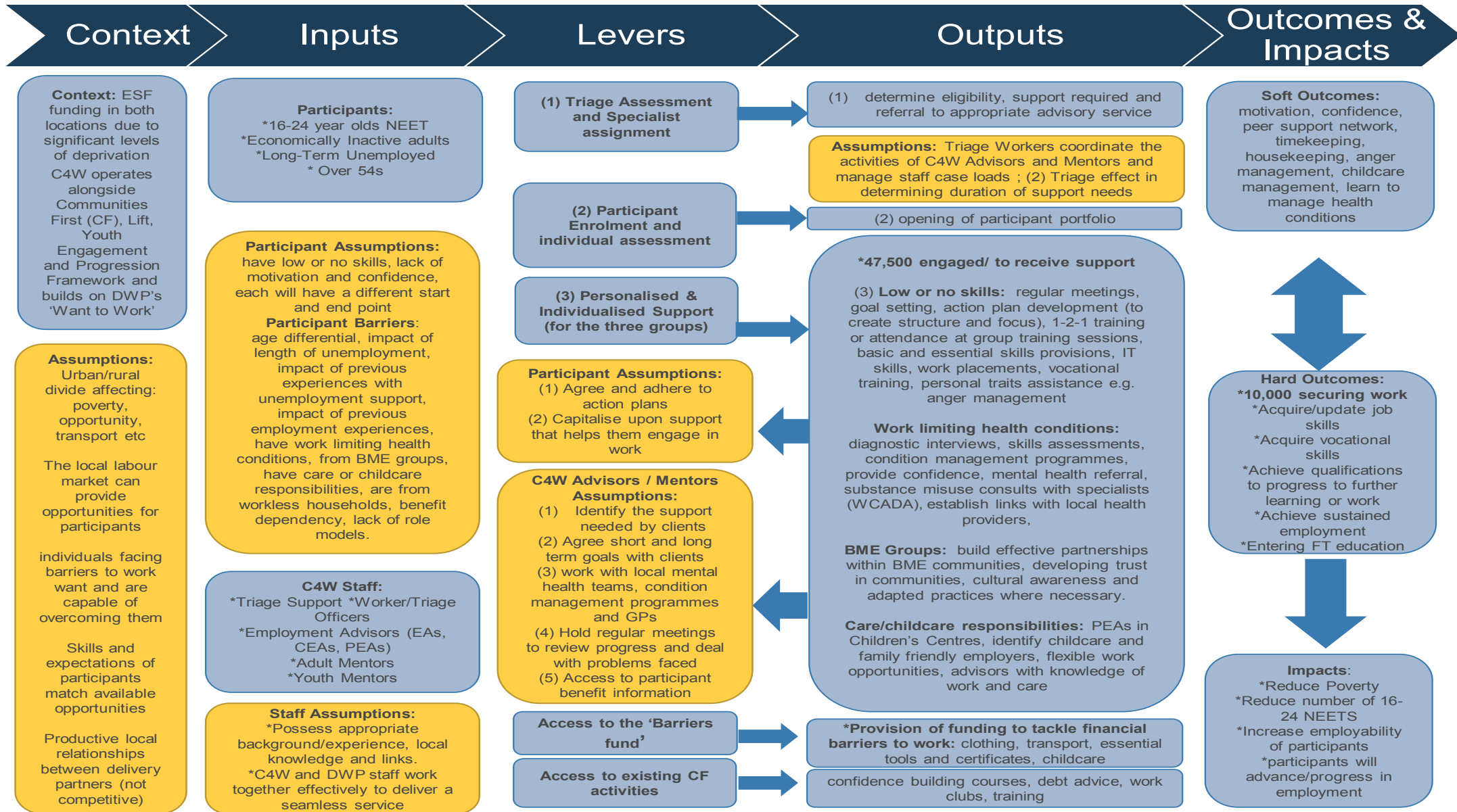
- 4.48 The relationship between CfW, Communities First, and other related programmes (such as Lift) will be critical to CfW's delivery. Variation may be found between clusters due to relationships between individuals (Welsh Government, 2016c, p.38). For example, Lift teams raised fears about CfW on the grounds that it could lead to duplication and the marginalisation of their own service. While preliminary indications suggest that these fears are unfounded – anecdotally, Lift referrals have increased following CfW's inception. However, there may be competitive tensions between programmes if they are not managed effectively (ibid).
- 4.49 Identifying employment and training opportunities in more isolated areas can be challenging. The Lift programme evaluation (ibid, p.31) gave an example where a construction company had offered opportunities, but they were inaccessible for participants due to lack of vehicle ownership and poor public transport. Indeed, a key feature in the design of CfW is a suite of centrally procured training which can be made available where suitable provision cannot be sourced locally. Alongside this, the barriers fund is available to help meet costs associated with participation in training (e.g. the costs of travel and accommodation) where such costs would otherwise prevent individuals from participating.
- 4.50 The Jobs Growth Wales evaluation (Welsh Government, 2016, p.104) suggested that self-employment could be a suitable alternative to working for an employer for people in rural areas. One interviewee said that they expected geography and local economies to affect outcomes more than the 'type of participant', and that the absence of public transport – particularly for those who work shifts – was a significant barrier.

4.51 The Jobs Growth Wales evaluation also noted that as the economic recovery takes hold, it will be important to work to reduce deadweight on the programme, either by focusing on disadvantaged young people who would be less likely to access a job opportunity, or reduce overall rates of wage reimbursement, as economic pressures on employers ease (ibid, p.9).

### **Communities for Work Theory of Change/Logic Models**

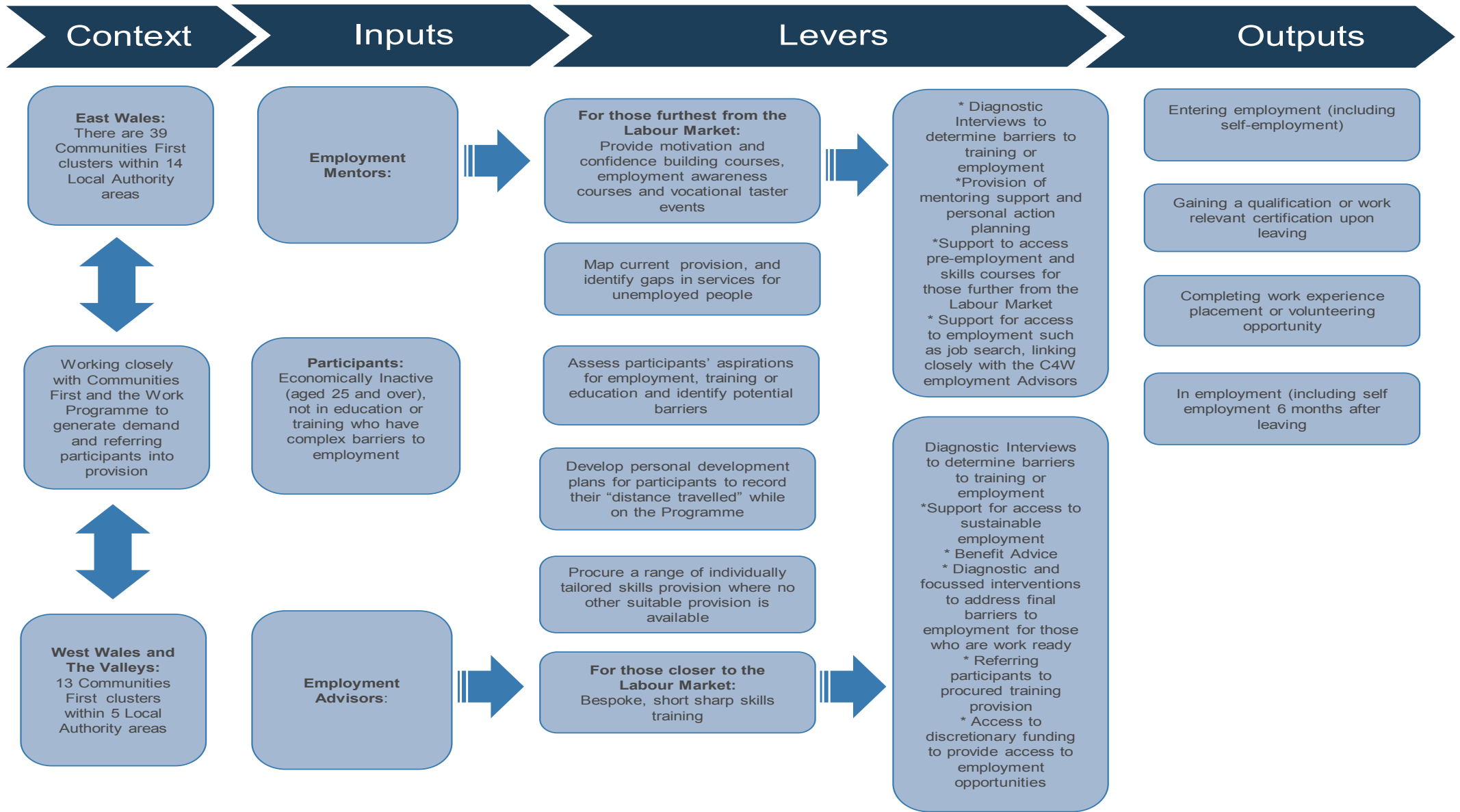
4.52 This section presents an overarching model for the CfW programme as well as two separate models in respect of the long-term unemployed and economically inactive (ESF Priority 1) and young people NEET (ESF Priority 3). These models are based on the evidence presented above and seek to capture participants' expected progression through CfW and through interim, short and mid-term outcomes into longer term hard outcomes. The models identify the range of assumptions that underpin the programme and which the primary research will test during forthcoming stages of the evaluation.

**Figure 4.1: Communities for Work Overarching Theory of Change Model**

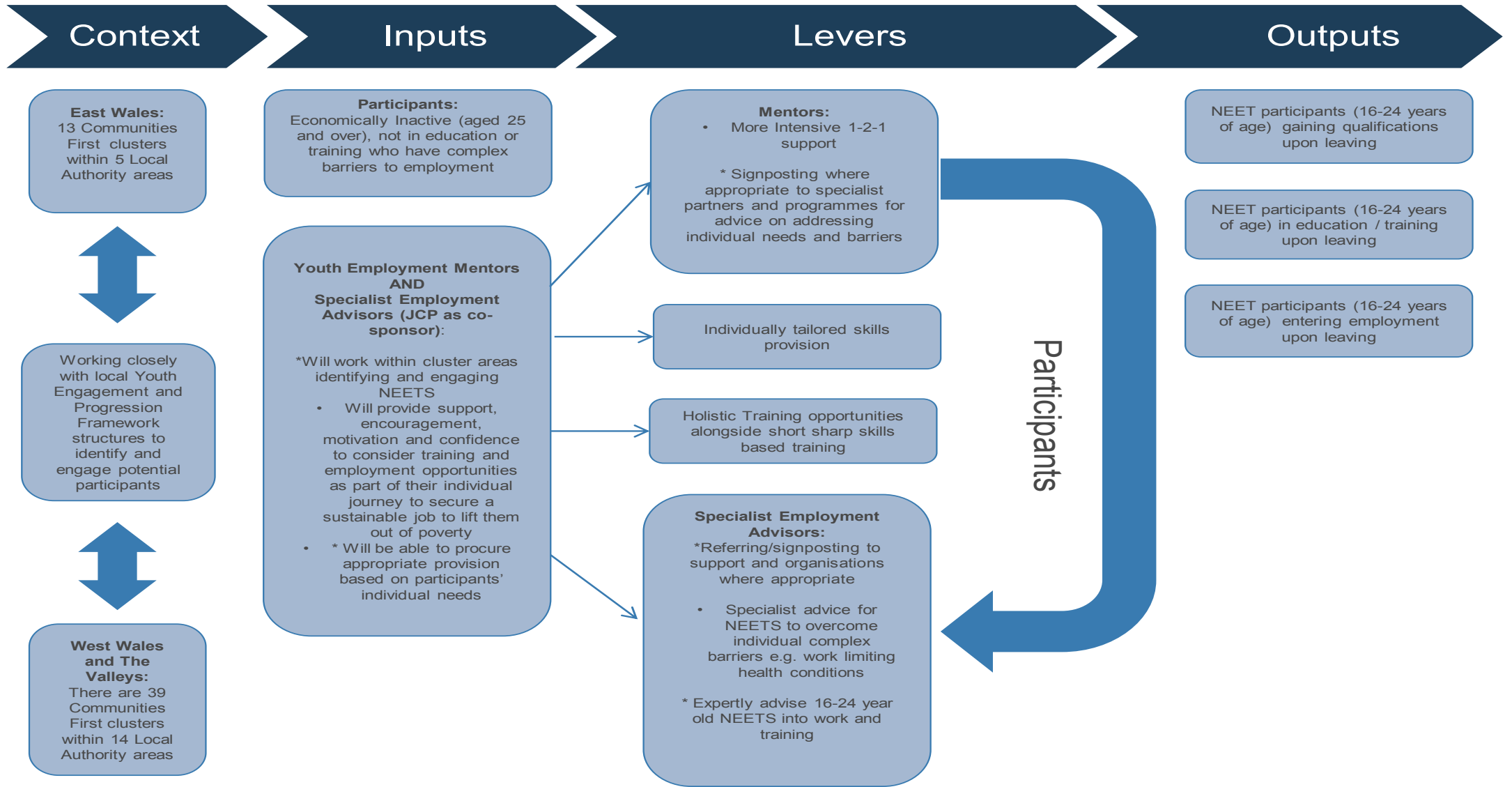




**Figure 4.2: Communities for Work Priority Axis 1 – Tackling Poverty through Sustainable Development – Theory of Change Model**



**Figure 4.3: Communities for Work Priority Axis 3 – Youth Employment (and Attainment) – Theory of Change Model**



### **Veracity of the CfW theory of change**

- 4.53 Throughout the chapter, various theories and assumptions stemming from the design of CfW have been highlighted as has the supporting evidence base for many of these. It is clear that lessons have been learned from previous programmes that should mean that CfW can achieve many of its stated aims.
- 4.54 For example, there is strong evidence for providing continuity of support through a trusted adviser. Thus, case-loading within CfW and allowing the personalisation of service to emerge from this is a tried and tested mechanism through which outcomes can be achieved.
- 4.55 Similarly, there is a strong evidence base that holistic, integrated work is effective and can support the hardest to reach when delivered in trusted spaces such as the Communities First venues and Integrated Children's Centres.
- 4.56 There is a clear rationale for targeting the programme in that way, but the design has also been driven by the need to fit with ESF funding structures. Although many of the barriers faced are the same, the needs of individuals are likely to vary, as are their starting points. The ability to address this range of need through a personalised, advisory relationship is well established and does not indicate or assume that all groups require the same or specialised support.
- 4.57 Additionally, it is known that intervening to address the barriers of young people NEET to enable them to make better transitions can result in huge economic and social returns relative to the costs that emerge from this status.
- 4.58 Less well known is whether the triage concept can work effectively as this is a novel characteristic of the programme. Similarly it is unknown how well this will direct resources to ensure cost effectiveness.
- 4.59 Also less certain is whether the referral mechanisms can generate the planned level of demand that will lead towards the target outcomes being achieved.

4.60 A further uncertainty is the degree to which local contexts will affect delivery. There is some evidence that there may be an urban/rural provision divide, particularly in the context of differing labour market opportunities. Of greater concern is evidence that local relationships vary and where these are less collaborative, it may hamper effective delivery. This will be an issue for the Stage 2 'process' evaluation to address in particular.

4.61 Nevertheless, the theories underpinning CfW appear to be based on sound programme logic and build on the evidence base.

### **Implications of the theory of change for the research**

4.62 Some theories and assumptions inherent in the programme's design that will inform the primary research are listed below:

- there are sufficient referrals and self-referrals stemming from marketing campaigns and work to engage local stakeholders with delivery. Adequate numbers of participants emerge from these sources that enable target outcomes to be achieved
- people who participate in the programme voluntarily are at least open to the possibility that they might progress into work; attitudinally, they believe work might be possible and this will underpin their engagement
- seconded staff have experience of local areas as well as of delivering initiatives such as CfW and will, thus, be seen as knowledgeable and trustworthy
- working within less formal settings instils greater trust to enable the engagement of hard to reach claimants
- triage provides an effective early assessment of needs which allocates individuals to the optimal form of support. The ability to move between support forms overcomes any misallocation
- the triage function frees Advisers and Mentors to work with participants rather than being weighed down by administration
- the majority of the target group will work with Advisers. This assumes that the majority require work-related support and work-

related activity in order to make progress towards the labour market

- a smaller group will require intensive support from a Mentor. Mentors, working with third party agencies, will be able to diagnose their needs and put together a support programme that will progress them towards the labour market. In the case of young people, Youth Mentors will make an effective assessment of when a young participant is ready to be referred to work-related support to overcome their final hurdle to progression
- young people who are NEET especially, will need to acquire qualifications and skills in order to prepare them for the achievement of sustainable work. Their longer-term outcomes may, thus, encompass training as a prerequisite step towards employment entry and sustainment
- appropriate training can be secured either through existing provision or procurement that will enable participants to make progress
- individuals will have different starting points, different needs and these will affect and determine the progress that can be achieved;
- benefits can be gained from participation in the absence of the desired outcome (sustained employment) being achieved. Individual participants might derive unforeseen benefits from addressing some, if not all, of the complex barriers they face. Furthermore, participation in CfW may have spill-over effects for the families of participants.

4.63 The overarching aim of CfW is to progress those furthest from the labour market into employment. This is reflected in the programme's main outcome target, which measures individuals' destinations immediately upon leaving CfW. However, the sustainability of employment outcomes is a recurrent theme in the CfW business plans and ESF Operational Programmes, echoing wider employment and tackling poverty policy ambitions. The ESF participant survey (which is a key tool in assessing the impact of Structural Fund programmes) seeks to assess

respondents' employment status six months after leaving specific interventions, such as CfW. The survey also seeks to establish whether individuals in employment have held the same or different jobs continuously since leaving, the nature of employment contracts held, hours worked and earnings.

4.64 ESF participants survey data should provide an insight into the degree to which CfW provides a route into sustainable employment, possibly applying definitions for 'sustainable' implied by the Well Being of Future Generations Act national indicator, the 'percentage of people in employment, who are on permanent contracts (or on temporary contracts, and not seeking permanent employment) and who earn more than 2/3 of the UK median wage' (Welsh Government, 2016a, p.2). A CfW specific module within the ESF participants survey should also provide an insight into 'soft' or 'intermediate' outcomes achieved by participants, regardless of whether or not they progress into employment in the short term. These include indicators of changes in individuals' personal resilience such as their feeling 'more motivated to find a job', 'better able to cope with the things that made it difficult ... to find work' 'more skilled, particularly in terms of the skills that local employers want' and 'more confident in ... employment or career prospects'.

4.65 Finally, CfW is being implemented against an evolving policy background and the evaluation will need to consider the effects of key developments such as the phasing out of Communities First along with a new approach to Resilient Communities and the emergence of the Welsh Government's Employability Plan.

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