

The Longer Term Impact of Capacity Building in ESF Evaluation of Objective 3 Priority 4

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**Research Report
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1. INTRODUCTION

1.1 Background and aims of Priority 4

The 1997-1999 European Social Fund Objective 3 Programme in Great Britain introduced a new priority – Priority 4 – called Enhancing the Capacity for Community Development.

This is the report of a longer term impact evaluation of Priority 4 which has been carried out by Local and Regional Development Planning (LRDP) and the UK Research Partnership (UKRP) between December 2000 and April 2001.

The aim of Priority 4 was to build the capacity of organisations that could reach and deliver support to the client groups of the Objective 3 programme.

Broadly speaking, these clients were young and adult unemployed people who were known as the Objective 3 target groups. Several sub-target groups were listed in the programme. They included the following:

- ◆ people with no up to date, relevant qualifications;
- ◆ young people with no work experience at all;
- ◆ school leavers aged under 18 who are not in employment or education;
- ◆ the long-term and very long-term unemployed;
- ◆ those aged over 50;
- ◆ disabled people (including those with health or learning difficulties);
- ◆ minority ethnic groups;
- ◆ people who need training in English or Welsh as a second language;
- ◆ homeless people;
- ◆ ex-prisoners and offenders;
- ◆ single parents and those with caring responsibilities;
- ◆ returners who have been out of the labour market for at least two years;
- ◆ people living in rural areas;
- ◆ people with literacy and numeracy problems;
- ◆ people who have lost their jobs in large scale redundancies.

In the long term, Priority 4 was intended to contribute to a process of addressing labour market disadvantage among these groups.

1.2 Rationale and beneficiaries

The rationale for introducing Priority 4 was twofold:

1. some among the disadvantaged target and sub-target groups of the Objective 3 programme were not being effectively reached and served by the programme;

2. some of those organisations that *could* reach and deliver to the target groups were not themselves gaining access to the Objective 3 programme. These organisations required capacity building in order that they could more effectively reach and deliver to the target groups; and in order that they could access ESF.

The Single Programming Document (SPD) for Objective 3 in Great Britain 1997-1999 stated that Priority 4 would develop “the appropriate structures to guarantee effective delivery of projects for the target groups listed under Priorities 1, 2 and 3” (the priorities that directly deliver training and other employment related support to the target or sub-target groups).

It makes clear that the *immediate beneficiary organisations (IBOs)* will be “the regionally and locally-based organisations delivering support to target groups” and that “capacity building involves assisting [these] organisations to develop their own capacity to deliver projects for the target groups. This involves providing support to develop the skills of individuals within these organisations as well as improving organisational structures and processes themselves”.

These IBOs could themselves be the applicants for funding, but in many cases they were not. In other words, many projects involved a large voluntary sector organisation or local authority, for example, building the capacity of a range of smaller – typically – voluntary and community organisations.

Applicants and IBOs could be from the public or voluntary and community sectors, but particular importance was attached to securing the involvement of those that are “close” to the target and sub-target groups. Closeness implies understanding, representativeness and participation.

The *ultimate beneficiaries* of Objective 3 Priority 4 were to be the target and sub-target groups themselves – those individuals that are disadvantaged in the labour market.

1.3 Orientation and implementation

In 1996 the DFEE, on behalf of the Objective 3 Monitoring Committee, commissioned a Study to inform the implementation of Priority 4 which considered further the meaning of capacity building in the context of Priority 4. The main output of this Study, the Orientation Report¹, defines capacity building as “an enabling and empowering process that seeks to improve the effectiveness of responses to economic, employment and social problems by the people and communities experiencing, or closest to those experiencing these problems”.

The report makes clear that capacity building is not a synonym for community development, but is additional to it. It also states that: “since [Priority 4] forms part of the Objective 3 programme, its ultimate objective is to enhance capacity such that it leads to labour market

¹ Enhancing the Capacity for Community Development under the GB Objective 3 SPD 1997-1999: Orientation Report produced for DfEE on behalf of the Objective 3 Monitoring Committee by LRDP in association with the Policy Research Institute, April 1997.

integration. Its more immediate objective is to facilitate a *route* to labour market integration by guaranteeing support for the most disadvantaged individuals under the first three priorities of the SPD². Priority 4 is thus not about community development or regeneration in its general sense.

A range of capacity building needs and potential types of action were identified in the Orientation Report and set out in the guidance notes. They included: training; advice and information; organisational mentoring; study visits and exchanges; employment of new staff or secondments; facilitating or resourcing of networks and partnerships; auditing, profiling, research and analysis; publicity, guides and manuals; establishment of new systems; small grants; and development work.

Implementation of Priority 4 began towards the end of 1997, although many projects did not get off the ground until well into 1998. In 1997/98, 498 projects were funded, several of which continued in 1999. In 1999, 413 projects were funded.

1.4 Interim evaluation

In 1999, an interim evaluation of Priority 4 was carried out². Its principal focus was the experience of Priority 4 in 1998 although it also examined some developments in 1999. This evaluation identified, among other things, that:

1. Priority 4 was engaging organisations that could work with the most disadvantaged and was starting to improve their capacity;
2. there was often at least another level of organisations between the IBOs and the ultimate beneficiaries. These could be described as the indirect, or *secondary beneficiary organisations (SBOs)*. Capacity was starting to flow to these organisations;
3. it was not clear whether capacity building was having a positive impact on the ultimate beneficiaries – the unemployed people. This was partly because capacity building is a long-term process, but also because the link between projects and labour market disadvantage was commonly more implicit than explicit;
4. there was confusion about the extent to which capacity building was intended to increase access to ESF among those organisations working with the target and sub-target groups. The evaluation concluded that there should be *some* increase in access.

² Capacity Building in ESF: Evaluation of Objective 3 Priority 4. Helen Judge and Haris Martinos, LRDP, and Mike Campbell, Policy Research Institute, Leeds Metropolitan University. DfEE Research Report RR124. August 1999.

1.5 Specific questions for the current evaluation

Following on from this, the specific questions that have been identified for this evaluation are:

1. has the capacity of IBOs increased such that they are able to work better with ultimate beneficiaries?
2. has the capacity of IBOs improved such that they are able to apply for ESF to work directly with ultimate beneficiaries (as opposed to capacity building for their organisation)?
3. has the capacity of IBOs improved in other ways?
4. have the above factors led to improved labour market outcomes for the ultimate beneficiaries?

As well as enabling us to look back at the experience and achievements of Priority 4, the evaluation also has considerable potential use in the future, not least in the new Objective 3 programme.

1.6 The 2000-2006 Objective 3 Programme

A new Objective 3 programme commenced in the year 2000, which will run until 2006. This programme does not include an explicit capacity building priority or measure but does provide for capacity building *action*.

The 2000-2006 programme is structured around the five policy fields of the revised ESF, rather than the traditional approach of priorities equating to target groups (ie Priority 1 for adult unemployed and Priority 2 for young unemployed).

The Community Support Framework (CSF) for Objective 3 in Great Britain 2000-2006 makes suggestions for appropriate types of actions under each policy field, and under two fields there is explicit mention of capacity building.

Policy Field 1: Active Labour Market Policies suggests as a type of action:

To build the capacity of local partnerships

- ◆ encouraging local partnership approaches to intermediate labour market projects, including support for capacity for community development.

Policy Field 2: Equal Opportunities for all and promoting social inclusion, includes

Develop local responses to local needs with one potential specific action being:

- ◆ building capacity for local development and for community delivery. Building durable and committee local partnerships with strong community participation, including Local Learning Partnerships.

Under the auspices of the CSF there are separate programmes for each of England, Scotland and Wales. Each of these offers scope for a more specific capacity building focus, and English regions were also encouraged to identify a focus for capacity building actions.

The CSF states that capacity building “should build on that introduced to the programme in 1997 as a route to integration”.

It acknowledges that “capacity building was well-received and thought to add value by enabling improved access to ESF [but that] in some cases there was an inadequate link to the aims of Objective 3 [and] those regions which carried out a regional audit to identify target groups had a clearer focus”. It states therefore that “in order to get the best result in 2000-2006, regions will be expected to clarify the priority groups for support to help target resources effectively.”

2. EVALUATION METHODOLOGY

2.1 Introduction

The specific questions for the current evaluation have been set out in Section 1.5, above. Since this is a longer term impact evaluation, the emphasis is on the benefits felt by IBOs following their participation in capacity building activity and how this has impacted on their work with unemployed people. Where relevant, we have also examined the extent to which capacity has reached and impact on the secondary tier of beneficiary organisations referred to in Section 1.5.

2.2 Key tasks

Analysis of applications and final claims data

We analysed:

- ◆ applications data for Priority 4 projects in 1999. This assisted in the selection of case study projects and enabled us to obtain an overview of implementation of the Priority in that year. Analysis of 1998 data was carried out for the interim evaluation;
- ◆ applications and final claims data for all projects in 1999. This enabled us to identify whether Priority 4 applicants and IBOs had proceeded to access the other priorities of Objective 3 directly, the beneficiaries that they were reaching and the outcomes achieved. It also meant that we could summarise outputs for Priority 4 itself in 1999;
- ◆ applications data for the year 2000. This enabled us to establish to some extent whether Priority 4 applicants had accessed Objective 3 directly in the new programme. However, limited data was available at a central level for the year 2000 at the time of analysis and we could therefore only cross check applicant organisation names manually against Priority 4 applicants in 1998 and 1999. We did, however, approach regional partners for information to supplement our results, providing a greater insight into the sorts of organisations that had applied for Objective 3 for the first time in the year 2000, the issues and gaps.

Twelve case studies

We selected twelve case study projects in five regions, namely: the East Midlands, the North West, Scotland, Wales and Yorkshire and the Humber. These include regions that have placed a strong focus on capacity building in the new Objective 3 Programme (eg East Midlands and Scotland). Case studies included some applicants and IBOs that have progressed to access ESF for the first time directly. The overwhelming majority were voluntary sector, reflecting the overall spread of Priority 4.

A short description of case study projects and a number of detailed write ups are attached at Annex 1.

Seven of the twelve projects were case studies for the interim evaluation and we felt this offered significant benefits, principally that we already had a good understanding of these projects and baseline information on them.

Interviews took place on the following levels:

- ◆ project managers and staff (applicant / deliverer of capacity building);
- ◆ consortia where applicable;
- ◆ IBOs;
- ◆ indirect beneficiary organisations (next level “down” from IBOs – where applicable);
- ◆ ultimate beneficiaries (individual clients).

Interviews took place in individual and one-to-one settings, typically involving two days spent with projects.

Comparison group

We also interviewed a number of IBO equivalent organisations that had not accessed Priority 4 support. The purpose of this was to contribute to a greater understanding of what Priority 4 offers that is additional to support obtained elsewhere, and how other organisations might have benefited from involvement if at all. In particular, we wanted to establish what enabled organisations to become involved in the Objective 3 programme with and without capacity building.

The selection of such a group was complex. It was achieved through discussion with case study projects themselves and with regional partners and comprised a combination of organisations that might have taken part in a case study project but for various reasons did not; and those that had applied for ESF for the first time in 1999 or 2000 both successfully and unsuccessfully.

Regional and national level consultations

Consultations took place with regional partners in group settings in each of the selected regions, and included a combination of sectors and in several cases Priority 4 project promoters. In some instances, these were followed with individual consultations. This has informed understanding of the benefits of Priority 4 in the longer term, likelihood of sustainability and actual and potential contribution of capacity building to the current Objective 3 programme.

We also held discussions with partners in most other regions, at least over the telephone, and examined documentation and data from every region. In addition, we undertook national level consultations with voluntary sector umbrella bodies through the England Third Sector European Network.

Questionnaire survey

We surveyed through a short questionnaire (attached at *Annex 2*) a sample of 1054 IBOs accessed through a sample of Priority 4 project managers as well as umbrella bodies in some regions. The questionnaire was tested with a small number of applicants and IBOs and a key regional umbrella body and amended in line with their suggestions.

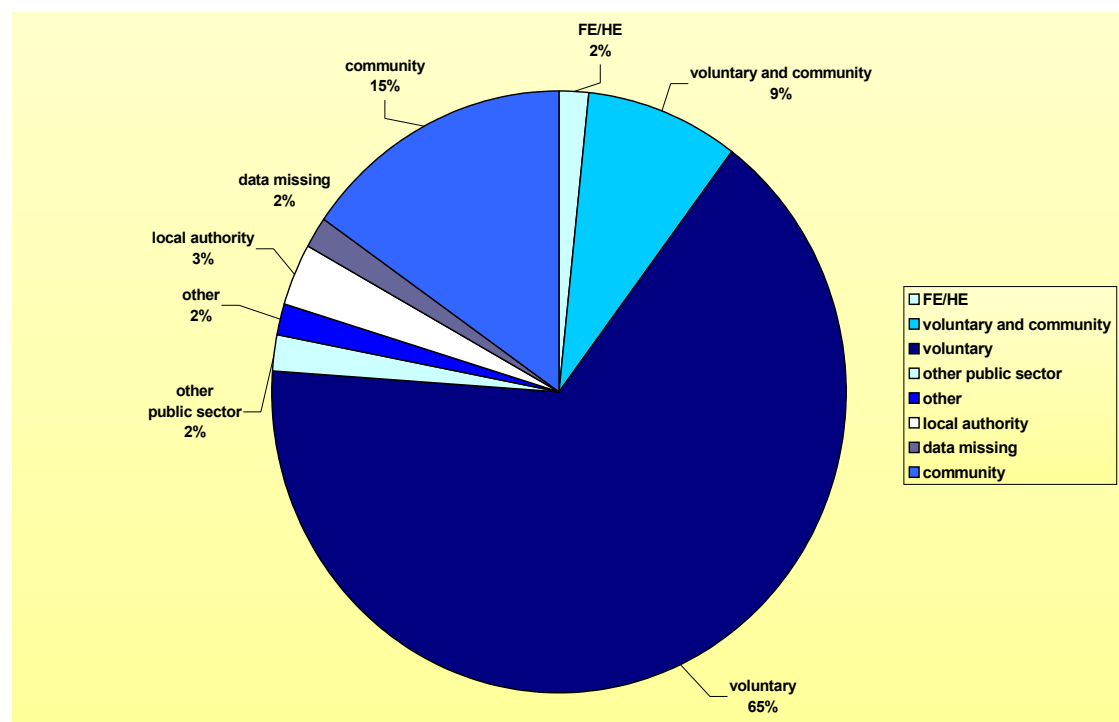
We achieved a sample of 222 – a response rate of 21.1 per cent. Responses were analysed using the Statistical Package for Social Scientists (SPSS).

In our experience, this response rate is normal for a survey of this type, and our findings are statistically robust. Because there is little statistical information in the DfEE's own database about the nature of IBOs, it is not possible to assess scientifically how closely the survey respondents mirror the overall pattern of IBOs.

However, as far as we can tell from our understanding of Priority 4 IBOs gained from both this and the interim evaluation, the achieved sample is representative of the totality of Priority 4 IBOs in respect of sector, type of organisation and client groups served.

The respondents to the IBO survey are predominantly from the voluntary sector (65.8%) and community sector (15.6%). In terms of their client groups, at least a quarter of the organisations in the survey identified each of the different target and sub-target groups of Objective 3. The only exceptions were people with English as a second language (15%), Welsh as a second language (4%) and ex-offenders (13%).

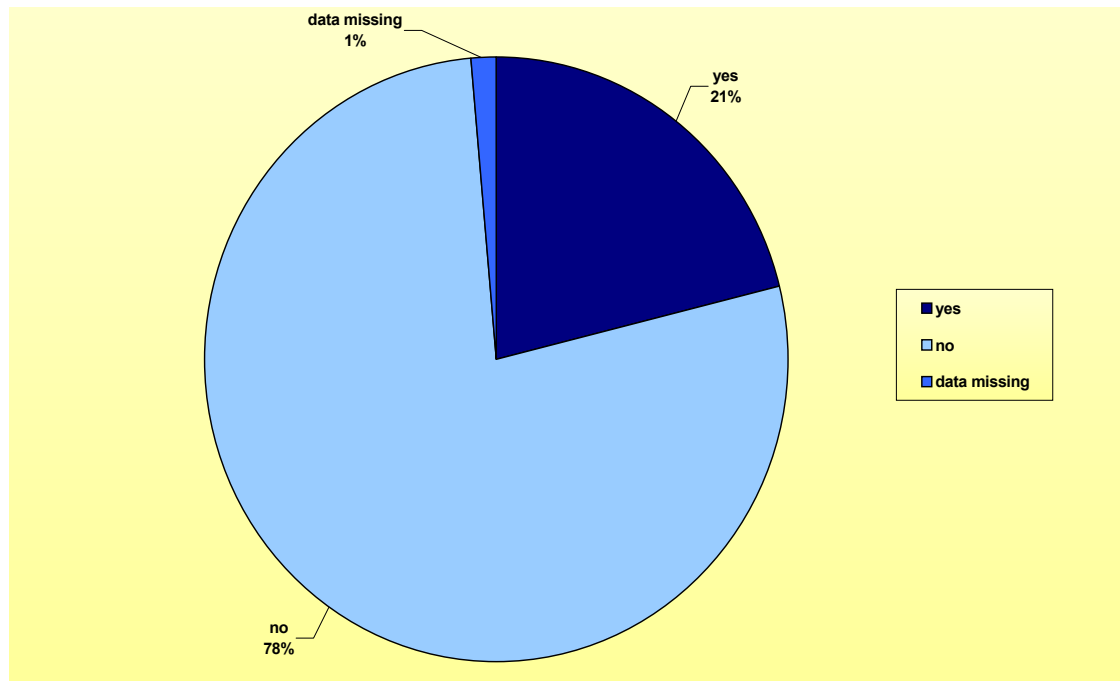
Fig. 1: Which of the following best describes the sector your organisation fits into?



Source: questionnaire

The overwhelming majority of questionnaire respondents are from the voluntary and community sectors (almost 90%). This is shown in *figure 1*. The 9% classed as voluntary and community sector are those that ticked both options. More than a fifth of respondents are also umbrella organisations that serve other voluntary and community organisations (VCOs) (*figure 2*).

Fig. 2: Is yours an umbrella organisation that serves other voluntary and community organisations?



Source: questionnaire

3. ORIENTATION TO THE REMAINDER OF THE REPORT

This short section of the report orientates the reader towards the main findings presented in the rest of the document.

Organisations Assisted By Priority 4 and outputs

The report proceeds *in Section 4* to summarise the sorts of organisations that Priority 4 has assisted, showing that:

- ◆ they are predominately local and neighbourhood based;
- ◆ the vast majority are new to the Objective 3 programme;
- ◆ a relatively significant percentage (20% of questionnaire respondents) also have no paid staff, according to the findings of the questionnaire.

This shows an immediate achievement for Priority 4 in respect of contributing to community development and involving new groups in ESF.

Based on final claims data, Section 4 sets out the outputs that have resulted directly from Priority 4 projects. They include:

- ◆ a wide range of training activities and advice sessions;
- ◆ 1789 new partnerships and 1914 new networks formed as a result of 1999 activity;
- ◆ 2,770 organisations have received small grants;
- ◆ just under 19% of questionnaire respondents received a grant for staff costs.

This analysis, however, confirms the findings of the interim evaluation that Priority 4 involved a core group of active beneficiary organisations and a much wider group that received perhaps one off advice or a leaflet.

Outcomes and impact

Section 5 of the report is concerned with outcomes and impact and is structured around the key questions of the evaluation.

Section 5.1 examines whether Priority 4 has enabled organisations to work better with ultimate beneficiaries. It identifies that Priority 4 has enabled new client groups to be reached and has meant that IBOs have increased their reach to other organisations working with the client group. This is contributing in some areas to substantially more representative voluntary and community organisations and the involvement with of a greater number of players that have a focus on economic development and employment. We have also identified that many of those organisations who previously had a limited focus on employment and economic development are now more oriented towards labour market activity for their client groups.

In general, Priority 4 has contributed significantly to increasing understanding of Objective 3 client groups among beneficiary organisations.

Section 5.2 examines access to ESF resulting from Priority 4, for both IBOs and ultimate beneficiaries. It finds quite substantial evidence that access to ESF among Priority 4 IBOs has increased, and that this has had an effect on the level of access among certain client groups. However, firm conclusions about the extent to which Priority 4 has helped address gaps in access for clients identified as inadequately served at the regional level are inhibited by a lack of analysis at that level, and we recommend that this is addressed in the current (2000-2006 programme).

Section 5.3 focuses on other ways in which capacity building has improved. It establishes that the biggest benefit of Priority 4 has been better developed and established voluntary and community organisations with more effective structures and systems. Throughout the report, we make the point that such internal capacity building is seen to be a necessary prerequisite to effective work with the most disadvantaged client groups of the Objective 3 programme. This is particularly important where infrastructure for community development is lacking, whether it be for communities of place, or communities of interest.

There is some evidence that this internal capacity building, *and* the development of voluntary and community sector infrastructure, is leading to better service for smaller organisations and for the client groups. We conclude that capacity building focused on internal development and infrastructure should continue where the need is clearly evidenced, with more effort made to define clear outputs and outcomes from this process. Such outcomes could include business planning, internal systems and better developed partnerships that will benefit the client groups organisations.

In **Section 5.4**, we find some evidence that Priority 4 is leading to improved labour market outcomes for ultimate beneficiaries. However, although this is a longer term impact evaluation, the full impact of capacity building on many individuals has yet to be felt.

The case studies suggest that outcomes are likely to be improved and provide some examples of where this has already happened, but because we have also found that clients of Priority 4 projects tend to be among the more disadvantaged, softer outcomes and measurement of distance travelled is also important.

Section 6 finds evidence that the benefits of Priority 4 should be sustainable, although slightly less so where staff have been employed and funding has run out.

Looking forward

Section 7 reviews arrangements in the 2000-2006 Objective 3 programme and their implications for capacity building.

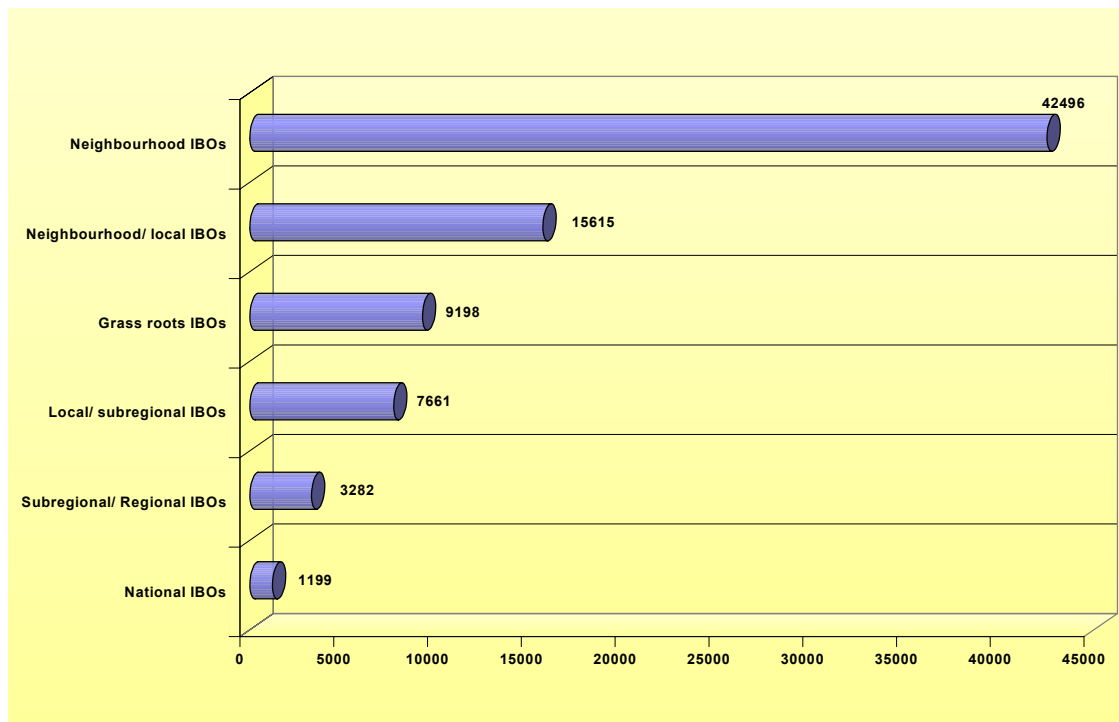
Section 8 sets out the main conclusions and recommendations of the report. It concludes that the impact of Priority 4 has been positive, but some improvements could ensure that its

efforts are built upon in the future. Most notably, an effort should be made to make use of the increased capacity in the current (2000-2006) Objective 3 programme, and to focus renewed efforts to build capacity on people and areas that remain under-represented and inadequately served within the programme.

4. BENEFICIARIES, ACTIVITIES AND OUTPUTS OF PRIORITY 4 PROJECTS

Priority 4 supported 79,451 IBOs in 1999 alone, an average (rounded mean) of 131 per applicant and reached a significant number of neighbourhood and grass roots level organisations. Judging by the questionnaire findings, many of these could be small community groups with no paid staff. The overwhelming majority of IBOs had never had Objective 3 before.

Fig. 3: Number of IBOs who received Priority 4 funding



Source: 1999 Objective 3 final claims data

Figure 3 summarises the numbers of beneficiary organisations (IBOs) at each of a series of levels, that have been supported through Priority 4 in 1999. It is based on final claims data for 607 projects funded in that year.

The total number of IBOs supported in itself represents a significant achievement, though a note of caution should be sounded for two reasons. First, the total and the average are pushed up by the presence of a number of projects whose beneficiary numbers were unusually high: one said they had 4,500 neighbourhood IBOs and another that they had 2000 sub-regional or regional level IBOs. Secondly, analysis for both the current and interim evaluations noted that applicants tended to overestimate the number of IBOs. A group of active participants could often be distinguished from a wider group of more passive recipients of help. The active group might, say, have attended workshops, received ongoing advice, pursued achievement of a quality standard or been involved in a mentoring programme. The wider group could perhaps have received a newsletter produced through the Priority 4 project, benefited from one off information given in a phone call or attended a meeting. Some organisations would include among their IBOs the totality of their mailing list.

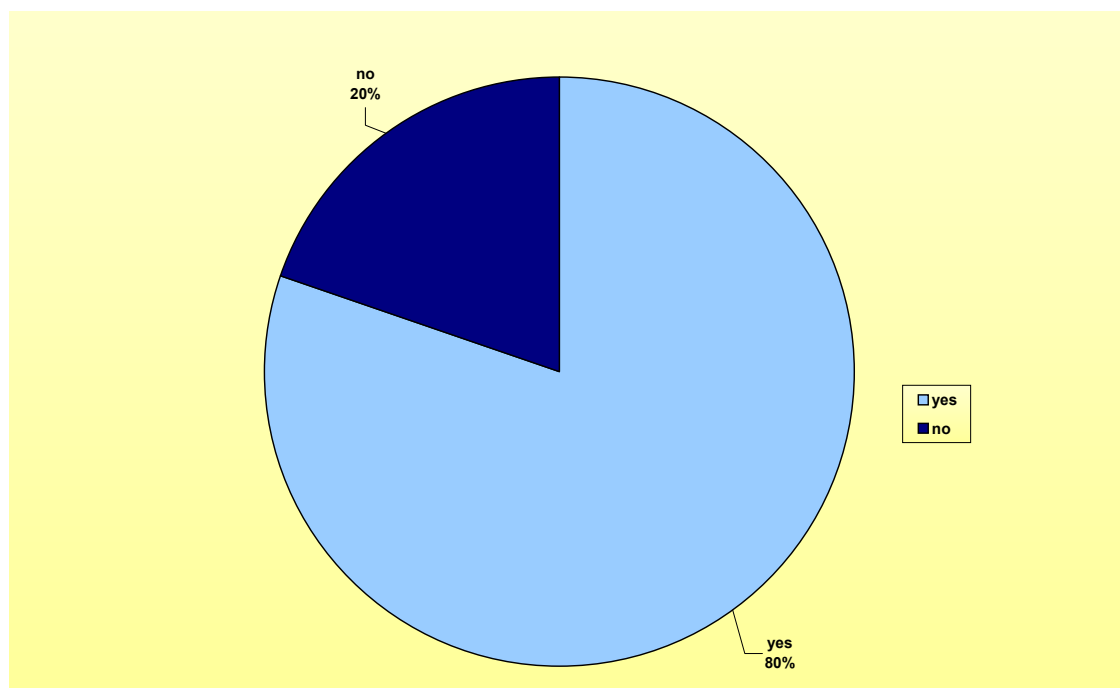
On the other hand, the benefits of capacity building have spread to a wide range of contacts beyond the core group of active beneficiaries. The Scottish Council for Voluntary Organisations (SCVO) for example, have produced a Quality Standards Framework that is useful to all Councils for Voluntary Service (not only the seventeen that remained active participants in its capacity building project). The Big Issue in the North Trust have developed as a result of their project a fortnightly publication called *the Source* which briefly summarises press articles pertinent to those working on unemployment and disadvantage and whose circulation far exceeds those immediately involved in their capacity building activity.

The most commonly supported category by far is neighbourhood level organisations, followed by neighbourhood/local. The number of grass roots level organisations reached, at 9,198, is also significant. This shows that Priority 4 *has* been effective in reaching those that are closest to the ground, and that experience suggests tend to be closer to the most disadvantaged people.

The extent to which capacity building under Priority 4 has reached the grass roots is borne out by an important questionnaire finding: 20 per cent of respondents said they had *no* paid staff (*figure 4*).

These findings are also similar to the position identified through the interim evaluation carried out in 1999 and based on 1998 projects. It showed a preponderance of grassroots/neighbourhood and neighbourhood/local organisations, with 59.8% of all projects aimed at small community organisations, 34.1% at local umbrella organisations and 34.5% at larger community organisations.

Fig. 4: Does your organisation have paid staff?

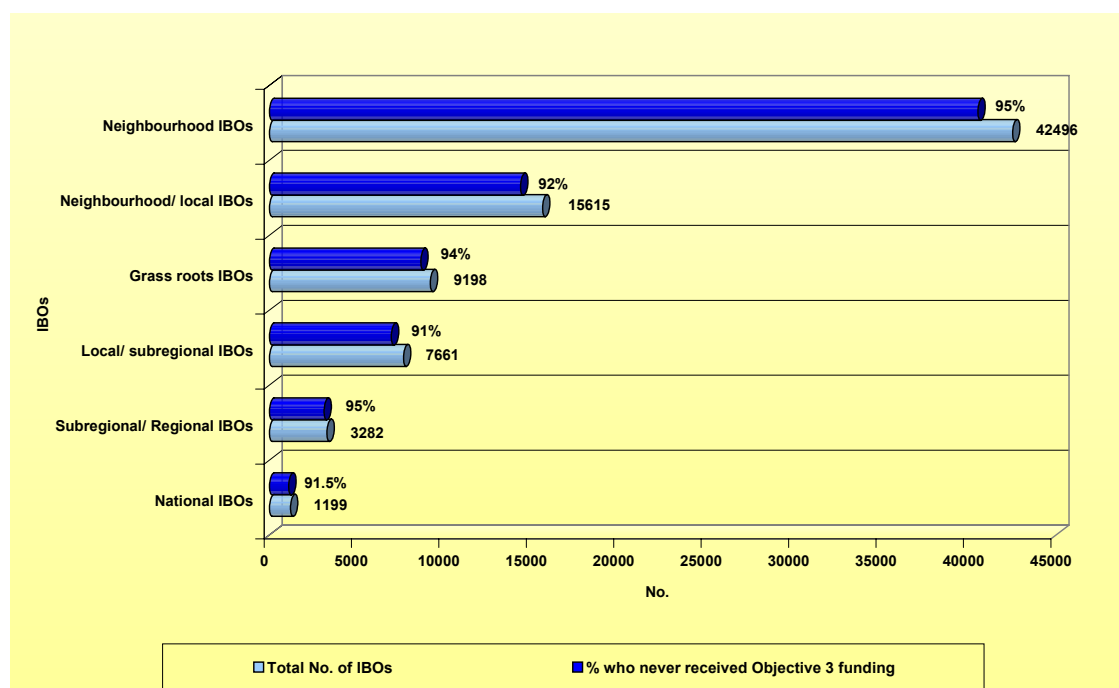


Source: questionnaire

The almost certain implication is that several projects have engaged small community organisations, several of which may be embryonic. Even among those that do have paid staff, numbers are relatively small. The median number of paid staff is four, and the mode number is one.

Priority 4 has also engaged substantial numbers of IBOs that have never had Objective 3 funding before. The 1999 final claims data shows that at every level, more than 90 per cent of IBOs were in this category. This is shown in *figure 5*. Even at the level of organisations serving a wider geographical area, or a potentially bigger client group (national and regional level organisations), the numbers that have had prior involvement in Objective 3 is minimal.

Fig. 5: Percentage of IBOs who had never before received Objective 3 funding



Source: 1999 Objective 3 final claims data

In the 1999 interim evaluation of Priority 4, we found that over one third of *applicants* to Priority 4 (36.7) were first time applicants, and that in some regions this rose to well over 40% (in the Eastern region it was actually 53.7%). We also concluded from our case study analysis that the “vast majority of IBOs had no experience of accessing ESF.” This finding is fully substantiated by the current evaluation.

In Section 5, we examine the extent to which Priority 4 IBOs have proceeded to become involved in direct delivery under Objective 3 and assess what impact this has had on their client groups. Suffice to conclude at this stage that it is unlikely to be appropriate for significant numbers of the smallest organisations to access Objective 3 directly.

Fig. 6: Summary of outputs of Priority 4 in 1999

Outcome Analysis for P4 Projects						
Organisations that received training	Individuals that received training	Training Assessments Undertaken	Trainers Trained	Training Events Held	Other Training Activities	Orgs that received Advice & Info
16885	62225	13265	4200	8401	17051	53770
New Info. Campaigns Launched	Advice & Info. Events Held	Advice & Info. Outputs	Orgs receiving Mentoring Support	Indivs receiving Mentoring Support	Other Mentoring Activities	Orgs participating in exchanges
1197	4194	26581	2647	9531	885	774
Indivs participating in exchanges	Study Visits Undertaken	Projects Transferred	Other Study Activity	New Support Staff Employed	New Support Staff Secoded	Other Employment/ Secondment Activity
1546	841	54	415	939	305	522
New Networks Formed	New Partnerships Formed	Other Network/ Partnership Activity	Audits Undertaken	Profiles Undertaken	New Analysis Generated	Research Generated
1914	1789	1001	1652	2102	787	843
Other Audit/Profiling Activity	Guides and Manuals Produced	Other Publicity Activity	New Internal Organisation Systems	New Training Systems	New Accreditation Systems	New Human Resource Dev Systems
628	8653	28536	1114	516	279	270
New Quality Systems	Other New System Activity	Orgs that received Small Grants	Orgs that received Hands-on Support	Other Small Grant Activity	New Pieces of Analysis Generated	Action Plans Development
428	189	2770	4847	338	1116	4197
Other Development Work Activity						
2701						

Source: 1999 Objective 3 final claims data

Figure 6 summarises the activities undertaken through Priority 4, based on 1999 final claims data on outcomes from projects.

Training and advice were by far the most common activities, and the ones from which a substantial proportion of IBOs benefited. A total of 16,885 organisations and 62,225 individuals received training from 1999 projects. The number of training assessments undertaken was 13,265, and 8,401 training events were held.

The high number of organisations shown by the final claims data to have received advice or information (53,770) is likely to reflect a high number of one-off, or less active participants receiving advice perhaps in a telephone call or group setting. The final claims data shows that 4194 advice and information *events* were held, whilst there were 26,581 advice and information outputs.

Case study analysis shows that most projects benefited from more than one type of activity. This reflects the findings of the 1999 interim evaluation which showed that all case study projects were involved in at least three categories of activity. And as would be expected, training and advice were by far the most common among all 1998 projects: 80.9% benefited from training, and 79.5% from advice and information provision.

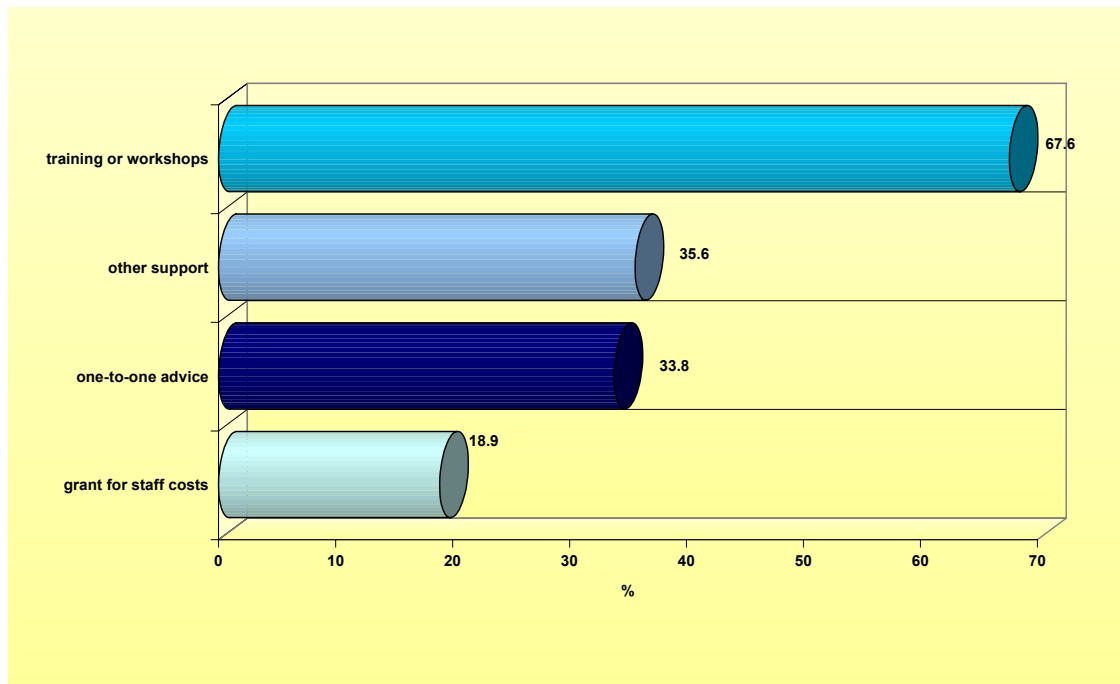
Some other significant findings from the analysis of 1999 *final claims* outcome data and shown in figure 6 include that:

- ◆ 1789 new partnerships and 1914 new networks have been formed as a result of 1999 activity;
- ◆ 2,770 organisations have received small grants;
- ◆ 1116 new pieces of analysis have been generated;
- ◆ 4197 action plans have been developed
- ◆ 2,647 organisations have received mentoring support;
- ◆ 4847 organisations have received hands on support.

It is not possible to deduce from this information the characteristics, for instance the sex, of individuals who have been involved in Priority 4. Outputs from the other priorities of Objective 3 are usually broken down according to the gender of beneficiaries. In the case of Priority 4, actions are principally directed towards organisations, but where there are individuals involved (for instance staff employed or training trained) the information is not disaggregated in this way.

Among our survey respondents, more than 67 per cent participated in training or workshops, whilst a third got one to one advice. Just under 19 percent benefited from a grant for staff costs (*figure 7*).

Fig. 7: Which of these best describes the nature of capacity building support you received through Priority 4?



Source: questionnaire

In subsequent sections of the report, we review the relationship between activities and outcomes.

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5. OUTCOMES AND IMPACT

5.1 Has the capacity of IBOs increased such that they are able to work better with ultimate beneficiaries?

Our primary concern in this evaluation is whether the benefits of capacity building are reaching unemployed people (ultimate beneficiaries, or the target and sub-target groups of the Objective 3 Programme).

There are a number of ways in which capacity to work with ultimate beneficiaries could improve. They include:

- ◆ reaching a new client group;
- ◆ understanding the client group better;
- ◆ delivering more effective and more labour market oriented support.

The following sub-sections will examine the extent to which Priority 4 has brought about improvements in each of these respects.

5.1.1 Client groups reached

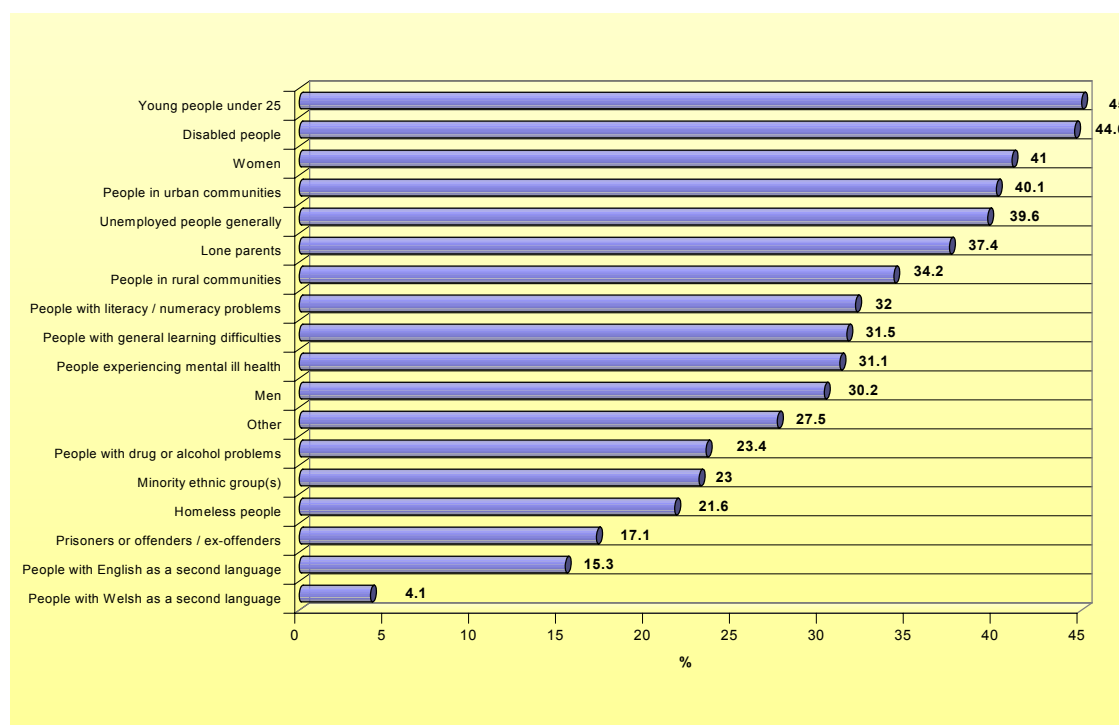
Existing clients of Priority 4 IBOs

In order to establish whether IBOs are better able to work with the ultimate beneficiaries, we must look at whether they are working with these groups in the first place, and/or whether they have reached new groups.

IBOs are working with all the client groups of the Objective 3 programme, according to the evidence from the questionnaire, case study interviews and final claims forms. And the case studies suggest that they are working with those who are disadvantaged among these groups.

Figure 8 shows the client groups with whom IBOs responding to the questionnaire say they are working. Those most likely to be clients, according to this analysis, are young people, disabled people, women, people in urban communities and unemployed people generally. Surprisingly fewer IBOs say they are working with men (10% fewer than are working with women).

Fig. 8: Which of these best describes the people with whom your organisation mainly works?



Source: questionnaire

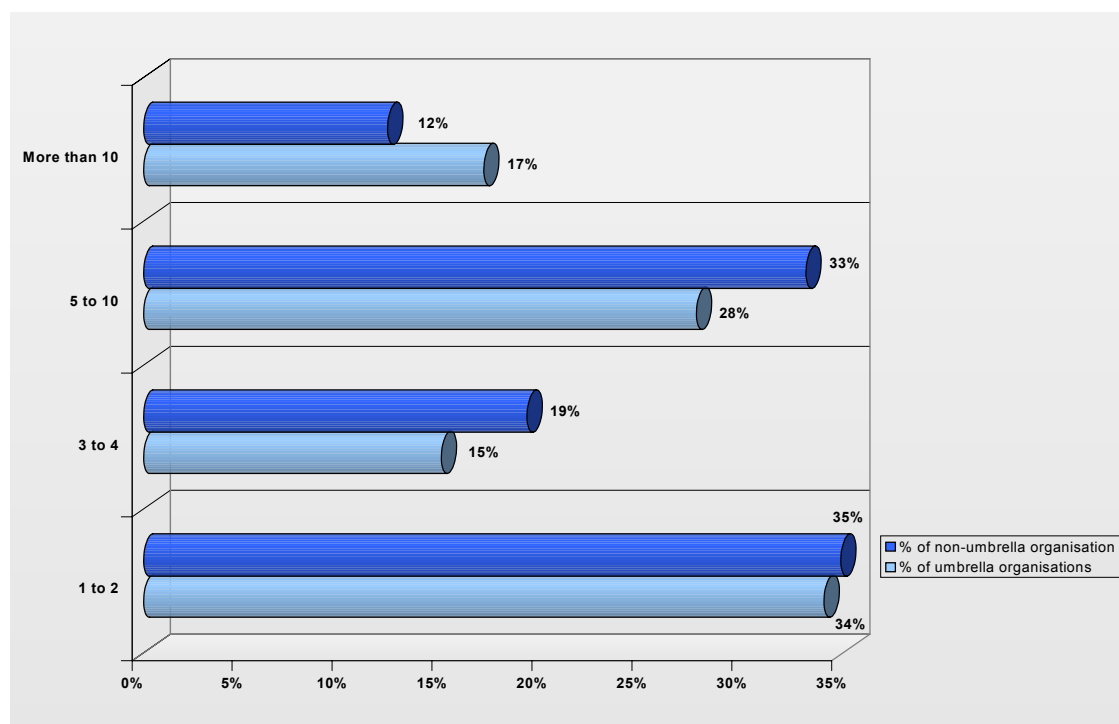
The vast majority of organisations are working with more than one client group (164 out of 222): the mean number of groups targeted is five and the median number is four.

Experience shows that organisations commonly tick a range of boxes in keeping with the inclusiveness of their approach. In the questionnaire, we tried to encourage respondents to indicate groups with whom they *mainly* work, but sometimes the number of clients worked with in a particular group may be small (for instance homeless people or those experiencing mental ill health, where the needs of these groups are not a particular focus for the organisation).

More than a third of organisations say they are working with only one or two client groups (*figure 9*) although a third of non-umbrella organisations say they are working with between five and ten. As might be expected, umbrella organisations are more likely to be working with more than ten client groups.

However the analysis of final claims data for 1999 suggests that projects involving organisations who have had capacity building support under Priority 4 (IBOs) are more likely to be working with significant numbers among the “sub-target groups” of the Objective 3 programme than those that do not involve Priority 4 IBOs. This is discussed in Section 5.2.

Fig. 9: Number of client groups worked with by umbrella and non-umbrella Organisations



Source: questionnaire

Among the case study projects, five are working very directly with the most disadvantaged people, either as the applicant and main IBO or as part of a consortium that directly involves the client group. Examples include the Big Issue in the North Trust that works directly with homeless people, and the Wales based Menter Fachwen project that works with people with learning difficulties. These and two other projects work with one, clear primary client group. In two cases it is clients with learning difficulties, in one case those who are homeless and vulnerably housed and in the fourth case disadvantaged young people.

However, the likelihood is that clients face multiple disadvantage and fall into more than one “category”. For instance the survey of vendors (those who sell the Big Issue Magazine) carried out by the Big Issue in the North Trust for the year 2000 showed that as well as being homeless, 44% described themselves as having a disability or long term illness; at least 57% have drug problems; 71% have not had a formal paid job for at least two years and 40% have not worked for five years.

In five further case study projects, the majority of IBOs are working very directly with the most disadvantaged and indeed in three cases, IBOs are principally comprised of the client group. Examples include CETA (Community Enterprise and Training Association), a Derby-based organisation working with minority ethnic groups. In this case, there is one primary client group although IBOs work with a range of different minority ethnic groups.

In two case study examples, the ultimate beneficiaries are geographical communities of interest where clients are excluded or at risk of exclusion. Some IBOs (who have also been instrumental in the development of the project), however, are also thematically focused on specific communities of interest. An example is the Scotland-based Poverty Alliance project

in which one IBO works with minority ethnic groups whilst the others are geographically focused on communities experiencing poverty.

In the remaining cases, IBOs are a combination of umbrella organisations for other VCOs (or secondary beneficiary organisations) and those that work directly with the client groups.

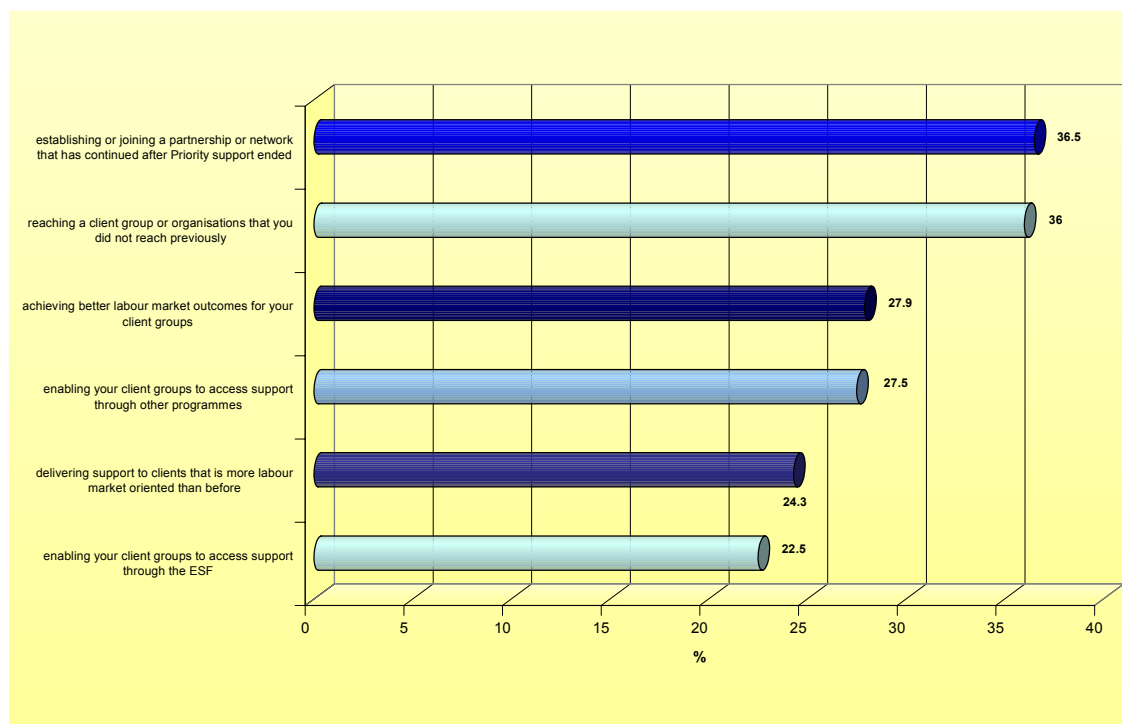
There is evidence that IBOs – where they are not themselves directly working with the client group - have sought to engage *secondary beneficiary* organisations with a direct link to those that are disadvantaged and excluded. For example Stewatry CVS, a beneficiary of the SCVO voluntary sector infrastructure capacity building project, held roadshows on Objective 2 and 3 funding for those working these client groups; and Edinburgh Voluntary Organisations Council (EVOC) ran training workshops for such organisations in Social Inclusion Partnership areas.

In the majority of case study projects, therefore, some direct link to the ultimate beneficiaries is clear. In the remainder, the link involves a tier of IBOs and one of secondary beneficiaries; there are longer term benefits to ultimate beneficiaries resulting from improvements to the internal capacity of these organisations, and to voluntary sector infrastructure.

IBOs reaching a new client group

Over a third of questionnaire respondents say capacity building under Priority 4 has helped them to reach a new client group or group of organisations that they did not reach previously. This is shown in figure 10.

Fig. 10: Can you say whether you feel that Priority 4 has helped you in any of the following ways?



Source: questionnaire

Examples from case study projects evidence this. Cardiff based Vision 21, for instance, that works with people with learning difficulties is discussing widening its range of client groups and a new project called Bold is looking to engage people who have a border line learning difficulty (and who would not therefore normally gain from social services' support) and those who are recovering from mental illness.

The North Nottinghamshire College Bassetlaw Coalfields Enhancing project indicated that access to a number of more vulnerable client groups had improved as a result of Priority 4 support, including: homeless people; those with mental health issues; those suffering various forms of addiction; and adult males.

This project, in common with a number of others, was particularly concerned with the establishment of and support to new and embryonic community groups to enable a better represented and more empowered community.

The Menter Fachwen project used Priority 4 to employ a volunteer co-ordinator, whose role included facilitating access to support through Menter Fachwen for community groups. As a result, such access has increased substantially and several new groups and outreach FE providers are now more involved with the organisation.

According to case study evidence, the most marked increase in those reached is among umbrella organisations working with other VCOs. In these instances, mailing lists have multiplied, new organisations have attended workshops and received advice and contact with many has been maintained. In the case of Edinburgh Voluntary Organisations Council, membership increased from 220 to 300 as a result of participation in the capacity building project, and several hundred more organisations have been identified. The vast majority of these are *not* social care organisations, whilst existing members tended predominately to work in that field.

Without doubt, it is support to fund staff to carry out outreach work that has contributed most strongly to this development. Figure 11 links the type of support received under Priority 4 with the ways in which it has assisted IBOs. It shows that 64.3% of those that received grants for staff costs have reached new client groups or organisations.

Fig. 11: Has Priority 4 funding helped you in any of the following ways?

	Nature of support received			
	Training or workshops (n=150)	One-to-one advice (n=175)	Grant for staff costs (n=42)	Other support (n=79)
Reaching client groups or organisations not previously reached	39.0%	43.8%	64.3%	43.6%
Delivering support to clients that is more labour market oriented than before	31.0%	34.2%	35.7%	24.7%
Achieving better labour market outcomes for your client group	34.5%	37.0%	45.2%	28.6%
Enabling your client groups to access support through the ESF	29.0%	24.7%	31.0%	1.3%
Enabling your client groups to access support through other programmes	33.3%	30.6%	40.5%	38.2%
Establishing or joining a partnership or network that has continued after Priority 4 support has ended	41.1%	46.6%	50.0%	41.6%

Source: questionnaire

5.1.2 Understanding clients better

For those organisations working directly with unemployed people, it was not usually an objective to reach a new group, but rather to increase understanding and effectiveness of work with the existing group. In general, the depth of organisations' understanding about those with whom they work has improved.

Case study projects provide evidence of this. One of the clearest examples comes from the Big Issue in the North Trust. This organisation used Priority 4 funding to carry out research into the needs of vendors of the Big Issue magazine, all of whom are homeless or vulnerably housed.

Funding supported workers to facilitate the research and analyse its findings, which enabled the organisation to have considerably greater insight into the health, housing and employment needs of the vendors. The research methods were also highly innovative. For example

Citizens' Juries were used to give vendors an opportunity to question expert witnesses about what would make better drug support services. The research contributed to the development of a three-stage programme geared towards addressing the life skills and employability of vendors. The project was based on the premise that a more holistic approach towards employability was required, with the chances of a vendor getting and sustaining a job based not only on their vocational skills but on their accommodation, drug use, general mental and physical well being and life skills.

Among questionnaire respondents, a third feel that they understand better the needs of the clients or organisations with whom they work as a result of Priority 4.

There are also examples of projects that have influenced provision among statutory sector providers to reflect a better understanding of the needs of the client group. For instance a local college was involved with the Lincoln Voluntary Sector consortium project. The FE sector in the area had traditionally offered standardised products not always appropriate to community organisations and groups: attention to location, content, assessment method and length were all needed. Examples of refined approaches include:

- ◆ using a verbal assessment instead of a written one for a catering course aimed at homeless people – some of whom could not read or write;
- ◆ delivery of courses in the community rather than college locations;
- ◆ provision of short, day time courses for volunteers.

In some cases, clients themselves have observed positive change. Menter Fachwen beneficiaries noted improvements to the organisation since it had received support from Priority 4. One person who was on placement there felt it was now a pleasure to work at the project, with environment much livelier and more going on.

5.1.3 Economic development and labour market orientation

Many of the organisations that work with the most vulnerable and excluded people do not focus on helping them to get jobs or access training, and neither are they sufficiently linked into the networks that will enable them to do so. On the other hand, employment and training organisations are not traditionally geared towards working with the most disadvantaged clients.

Preparatory work carried out with grass roots organisations in the East Midlands revealed a preponderance of groups with little or no economic development ethos.

Priority 4 has contributed to developing a labour market orientation among voluntary and community organisations working with disadvantaged client groups and this is a significant achievement.

Figure 10, on page 22, above, shows that 24.3% of respondents feel that Priority 4 has helped them to deliver support to clients that is more labour market oriented than before.

Interestingly, this ethos has developed from voluntary sector infrastructure projects, as well as those working more directly with unemployed people. The SCVO project, for example, encouraged participating CVSs to develop the skills to make the strategic links to economic development and to signpost constituent organisations towards regeneration partnerships and the like. They have had quite a lot of success. Some have got involved in local Social Inclusion Partnerships, others with Objective 3. One organisation is trying to enable local groups to make the connections between training and information and communications technology.

5.2 Has the capacity of organisations improved such that they are able to apply for ESF?

5.2.1 The role of Priority 4 in increasing access to ESF

Priority 4 was developed partly in recognition that some of the most disadvantaged people were not getting access to ESF, and was intended to guarantee effective support to the programme's target and sub-target groups.

There are two main ways in which this might have occurred: first, by new organisations themselves getting access to deliver support to their clients (the ultimate beneficiaries of Priority 4); and secondly by Priority 4 enabling their clients to get ESF support through other organisations.

There was always some confusion about whether Priority 4 was intended to increase access among a host of new organisations – principally in the voluntary and community sectors. We have seen in Section 4 that many of those benefiting from Priority 4 have been small grass roots and neighbourhood-based VCOs with few or no paid staff who would be almost certain to struggle with ESF. However, our conclusion is that some new organisations should get into the programme and many others should be able to link with partners that can manage a project to facilitate access for their clients.

5.2.2 Access to ESF among Priority 4 IBOs

Priority 4 has increased access to ESF among its IBOs according to our analysis of case study projects, the questionnaire and final claims data.

Final claims data

The 1999 final claim form asks whether any organisation involved in the delivery of a project has previously benefited from capacity building under Priority 4. A total of 160 organisations said yes. This figure is considerably higher than we might have expected and may be slightly misleading for a number of reasons. First, eighty of the organisations answering yes to this question were actually applicants to Priority 4 in 1999 themselves. This suggests that they were running a Priority 4 project and a project under another priority at the same time, but it does not necessarily mean that capacity building under Priority 4 has helped them get access to ESF. Secondly, a Priority 4 IBO may have only a very minor role in delivery, and thirdly, the question may have been misunderstood.

There are some limitations to the data available to us at this time that mean we cannot carry out a full analysis linked to this finding. For instance, we cannot identify how many of those involved in a project under an ESF priority other than Priority 4 were first time applicants to ESF in 1999.

However, even taking these issues into account, the figure of 160 organisations running ESF under a priority other than Priority 4 in 1999 and involving a capacity building IBO is high.

Case study projects

Case study projects have undoubtedly increased ESF access among IBOs, and even among secondary beneficiary organisations.

The Big Issue in the North Trust proceeded to access Objective 3 for the first time with two separate projects in the year 2000. One project was for further capacity building. The second was to deliver a programme of support directly to Big Issue vendors, informed by the research findings of the Priority 4 project.

When the SCVO voluntary sector infrastructure project started life, none of the participating organisations had accessed Objective 3 ESF directly. Of the seventeen who remained actively involved, four have now submitted applications and all have been successful. One organisation has submitted two bids, of which one was successful.

The aspects of the project that have enabled this to happen are:

- ◆ the networking among CVSs which has raised awareness of what can be done with ESF and permitted a sharing of experience;
- ◆ the establishment of systems (financial and monitoring) that can permit organisations to apply for and manage an ESF project.

Significantly, CVSs' own member organisations have also submitted applications as a result of the increased awareness of their CVS and its improved capacity to help them put in a bid. Not all have been successful, but there is some anticipation that their prospects will improve in the next round.

CETA, the Derby based organisation working with minority ethnic groups, has succeeded in obtaining a further ESF grant (subsequent to its Priority 4 funding) for a research project undertaken with the University of Derby resulting in a mapping of the black and minority ethnic community sector locally. The Derby Millennium Network established as a direct result of the project has also successfully accessed a number of other funding sources, most recently support for a Black Leadership programme from the Local Learning and Skills Council.

CETA has also subsequently assisted a number of community organisations in preparing funding bids, for example Derby African Association which put forward an application for Objective 3 funding.

The Lincoln Voluntary Council capacity building project has led to a number of examples of organisations becoming applicants for mainstream ESF Objective 3 funding. For instance the Phoenix Development Trust, a community organisation concerned with housing self build and refurbishment successfully bid for £65,000 ESF for training in relevant construction and related skills, completing the project in June 2000. Organisations such as Lincoln Industrial

Workshop, which had previously bid for ESF support, now feel able to go for more projects and generate better quality outcomes (through training of trainers).

IBOs concerned with the Lincoln project also felt better prepared for Objective 2 funding as a result of Priority 4 support.

In the case study project that was geared principally towards enabling organisations to access ESF, the Glasgow City Council / WEA Local Organisations Towards Employability (LOTE) project, only one organisation has so far been successful in accessing ESF out of the fifteen that participated in workshops and advice for this purpose. The successful bidder was the Centre for Independent Living in Glasgow. However, at least a further two had already submitted applications, one of whom which was on the reserve list, and the other of which was not selected. Both of these organisations will bid again. A further three IBOs from the sample of nine interviewed intend to apply for ESF in the future. Of the remainder, three have not bid and do not intend to and the remaining one has assisted a secondary beneficiary organisation to bid.

Difficulties in accessing ESF

This sample were overwhelmingly positive about the benefits that the capacity building project had brought them, but thirteen separate unsuccessful aspects were identified of which four related to the nature of ESF itself. The fund was perceived to be unsuitable, too bureaucratic, too “full of delays” or too focused on the labour market.

Similarly, those involved in the Lincoln Voluntary Council project expressed the view that the complexity of ESF application procedures, the fact that these procedures are the same for large and for small bids, the delays in notification of success or not, and in payment, as well as difficulties finding match funding reduce substantially the attractiveness of ESF. There has been a greater level of participation in other funding sources, such as lottery, felt to be more appropriate for many Priority 4 IBOs.

LOTE IBOs, in common, with several others with whom we spoke, suffered partly as a result of excess demand for Policy Field 2 (Equal Opportunities for All and Promoting Social Inclusion) measure 2, probably the most logical place for a project working with people excluded from the labour market.

LOTE IBOs also expressed disappointment about the significant gap between the beginning of the new programme and the end of the old one. Thus, even the organisation that was successful in accessing ESF had to pay for external support to enable it to develop its bid.

Questionnaire

Analysis of the questionnaire responses shows that of the 222 respondents, 27 said they had applied for Objective 3 for the first time as a result of Priority 4. This equates to 37.5% of the 72 that said they had applied for any source of funding for the first time as a result of Priority 4. It makes ESF the second most likely fund to be sought after the Lottery. A further four

organisations had gone for Objective 2, and three for Objective 1. These findings are shown in figure 12.

Fig. 12: What funding have you applied for?

Funding source	Applied for funds		Application approved		Was your organisation the applicant?	
	No.	% of orgs that applied (base =72)	No.	% of orgs that applied	No.	% of orgs that applied
a) Objective 3	27	37.5	17	63.0	18	66.7
b) Objective 2	4	5.6	1	25.0	2	50.0
c) Objective 1	3	4.2	0	0.0	2	66.7
d) SRB	13	18.1	11	84.6	8	61.5
e) Lottery	29	40.3	17	58.6	23	79.3
f) Other						

Source: questionnaire

Notes

- ◆ Objective 3 funding - received /applied for by applicants in the years 1998 - 2001
- ◆ Objective 2 funding - all received/applied for in 2001
- ◆ Objective 1 funding - all applied for in 2000
- ◆ SRB funding - received /applied for by applicants in the years 1998 - 2001
- ◆ Lottery funding - received/applied for in the years 1997-2001 - but most organisations indicate 2000 and 2001 as the year they received/applied.
- ◆ 164 organisations did not apply for/receive any type of funding
- ◆ 33 organisations applied for/received 1 source of funding only
- ◆ 15 organisations applied for/received 2 sources of funding only

Of those that applied for Objective 3, 17 had their application approved (63% of those that applied), and two thirds of all those that applied were themselves the applicant organisation.

However, according to this analysis, the numbers of unsuccessful applicants are relatively high for Objective 3, and very high for Objectives 2 and 1. In the case of Objective 2, one out of the four organisations that went for it having received capacity building support was successful, whilst none of the three that applied for Objective 1 had their bid approved. The success rate for Lottery funding among questionnaire respondents is actually slightly lower than that for Objective 3, whilst the success rate for SRB is – interestingly – substantially higher: eleven out of thirteen organisations that were involved in an application were successful, and eight out of the thirteen were themselves the applicant.

Comparison group

In our work with a comparison group as part of this evaluation, we consulted with seven organisations that had applied for ESF for the first time in the year 2000, and one that had accessed ESF before. Of these, five were unsuccessful, including the one that had accessed ESF previously, and three were successful.

All three of the successful applicants received external support to develop their bids, in one case from a sister organisation, in a second from a private company, and in the third from the regional voluntary sector umbrella organisation CEFET and a private consultant. One said that having the systems and structures already in place was what enabled them to bid successfully, coupled with the support from their sister organisation.

In this respect, Priority 4 has clearly added value by assisting some IBOs to *establish* the appropriate systems and structures. Whilst there may be a small amount of overlap between Priority 4 and technical assistance, it is the more in depth advice and support and, crucially for some organisations, the actual experience that Priority 4 offered to be involved in an ESF project that gave something additional.

The successful applicants in the comparison group were all working with disadvantaged unemployed people, in one case with those with learning difficulties, in a second with disabled people and in the third with problematic drug users in a residential rehabilitation centre.

Among the unsuccessful applicants, four out of five firmly believe that the way in which the bid was written was the principal reason for the failure of their application, and not that their proposal was inappropriate for ESF. One organisation was clear that they had put the information needed to score under equal opportunities in the wrong place, and not cross-referenced the appropriate section. A second was also disappointed with their score on equal opportunities.

Another of those consulted expressed the view that the way the bid was written probably missed the mark and he felt isolated in the development of the application.

Three out of five of the unsuccessful applicants received help putting in their bid, in two cases from the local authority.

One organisation was clear that too much was expected of small organisations in terms of absorbing information and putting together a bid. The consultee's view was that if such organisations are responding to community needs then they are unlikely to be able to free up the staff time to do all the work needed to win Objective 3 funding.

Priority 4 cannot be expected to have responded to this concern. It remains the case that ESF is inappropriate for many small organisations to bid to directly, but that where they are providing support that offers something additional to the programme, their access should be facilitated through partnerships and consortia.

Among the five unsuccessful applicants we spoke with as part of this comparison group, two worked with minority ethnic groups. Whilst this is by no means necessarily a representative sample, concern has been expressed about the capacity of the black and minority ethnic voluntary and community sector and the ex-ante evaluation of the Objective 3 programme finds that more support needs to be focused on this client group.

There is evidence that Priority 4 has increased access to ESF for organisations working with this client group (some is provided, for instance, from the case study project CETA). However, some analysis needs to be done to see the extent to which these client groups - and particularly those among them who are multiply disadvantaged in the labour market - are being served by the Objective 3 programme and the extent to which organisations in the black and minority ethnic black and community sector are failing with ESF bids.

Overall remarks on access to ESF

Despite some difficulties, the evidence suggests a relatively high number of new organisations are gaining access to ESF as a result of Priority 4 - either directly or indirectly, and a number of additional ones are seriously considering it.

Our main outstanding concern in the context of this evaluation is whether the most disadvantaged target groups are now effectively served by the programme. Before reflecting on this, we will examine briefly access to other sources of funding and then look at access to ESF for ultimate beneficiaries.

5.2.3 Capacity to access other funding

It is clear from this analysis that Priority 4 has also improved IBOs' capacity to access other sources of funding, in addition to Objective 3.

In some cases, the other source(s) is/are likely to be a match for the ESF. The analysis shows that most commonly, organisations that applied to and received more than one fund applied for or received Objective 3 and Lottery funding (twelve out of nineteen organisations that applied for / received more than one source of funding).

From the case studies and work with the comparison group, success factors that emerged in respect of funding access most commonly included size and expertise.

Whilst issues of ownership are important, some organisations may always find it more helpful to use another (usually larger and more experienced) organisation to help them access funding. An IBO of the Vision 21 project – the Sbectrwm Group – drew on the experience of Vision 21 to help them to succeed with a substantial lottery bid. The project was the vision of the local community association, and the final plans have not departed from their agenda. The key to their empowerment has been having their initial ideas taken on board and full, open communication throughout. Vision 21 will manage the building for three years, after which a new structure will be in place in order to allow the community to run the facility.

5.2.4 Access to ESF for ultimate beneficiaries

Figure 10, on page 22, shows that 22.5% of questionnaire respondents said Priority 4 had helped them to access support through the ESF for their client groups. This is significantly higher than the percentage of respondents that indicated they had actually applied for and received ESF themselves, and suggests that some organisations have developed partnerships with others to enable their clients to gain access. There is also a possibility that some of these organisations feel that because they benefited from Priority 4, their clients have benefited from ESF.

Figure 11, on page 24, shows that a variety of forms of support have contributed to this benefit, although once again those that have received support for staff costs are most likely to say that they have been able to access ESF for their clients.

Bearing in mind the origins and rationale for Priority 4, a most important aspect of this analysis is *who* are the clients that are gaining access to ESF as a result of Priority 4? Are they individuals that are disadvantaged in the labour market that were not sufficiently reached by the programme previously?

An analysis of the 1999 final claim forms data provides evidence that Priority 4 has enabled new and probably more disadvantaged clients to gain access to the programme.

We compared the characteristics of the client groups served by those that said their project involved organisations that had previously benefited from capacity building with those that had not. Figure 13, on page 34, shows the projects that had clients in each of the Objective 3 target and sub-target groups and the average number of clients in each group. In almost every case, projects that involved a Priority 4 IBO were more likely to have clients in these sub-target groups. For example 46% of projects involving a Priority 4 IBO worked with ex-offenders, compared with 26% of those that did not involve an IBO. The exception is people in rural areas.

Potentially more importantly, the projects involving organisations that have benefited from capacity building are more likely to have greater average numbers of clients from a particular group in the case of several sub-target groups. In a few cases (notably homeless people and ex-offenders) the average numbers of clients is substantially greater (64 compared with 17 in the case of homeless people and 117 compared with 30 in the case of ex-offenders).

This suggests that projects involving organisations that have received capacity building support are more likely to focus principally on certain disadvantaged sub-target groups.

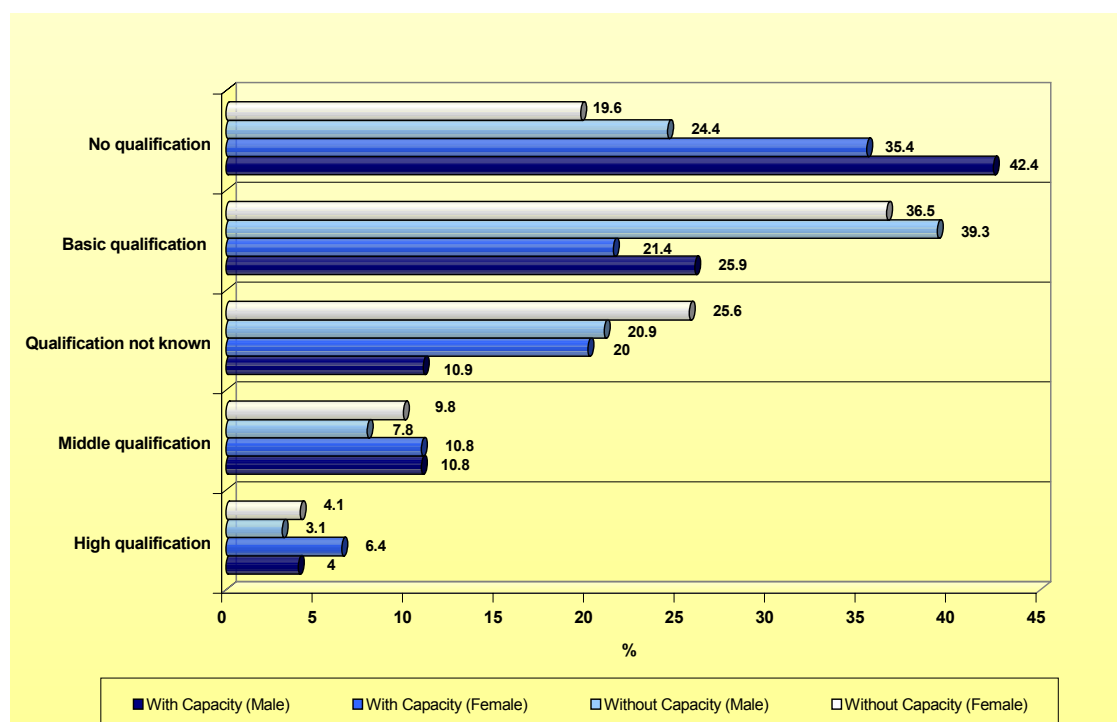
Fig. 13: Percentage of projects that have beneficiaries in each client group, and average client numbers

Target group	With capacity	Without capacity
PEOPLE WITH DISABILITIES % with any clients in this category	91%	76%
Average number of clients	38	43
LONE PARENTS/CARERS % with any clients in this category	67%	55%
Average number of clients	30	22
FIRST LANGUAGE NOT ENGLISH % with any clients in this category	44%	34%
Average number of clients	34	26
RURAL AREAS % with any clients in this category	28%	31%
Average number of clients	49	74
LARGE SCALE REDUNDANCY % with any clients in this category	18%	16%
Average number of clients	16	16
EX-OFFENDERS % with any clients in this category	46%	26%
Average number of clients	117	30
HOMELESS % with any clients in this category	39%	20%
Average number of clients	64	17
ETHNIC MINORITY % with any clients in this category	75%	70%
Average number of clients	67	52

Source: 1999 Objective 3 final claims data

One key measure of the level of labour market disadvantage of clients is their level of qualifications. Overall, projects involving an organisation that has received capacity building support are more likely to be working with clients that have no qualifications. Figure 14 shows the qualifications of beneficiaries in projects involving a Priority 4 IBO (with capacity) and those that did not involve Priority 4 IBOs (without capacity). In the case of the former, 42.4% of male beneficiaries and 35.4% of female beneficiaries had no qualifications before they started, compared with 24.4% and 19.6% respectively for the latter. Noticeably in both cases, more men than women benefited, suggesting a potential outstanding gap in targeting women with no qualifications, who are very substantially less likely to participate in the labour market than their male counterparts.

Fig. 14: Qualifications of beneficiaries before starting.



Source: 1999 Objective 3 final claims data

5.2.5 Addressing gaps identified at the start

When Priority 4 was first introduced, regions were encouraged to carry out a profile of existing capacity for community development. This was meant to help them identify needs for both communities of place and communities of interest and to target resources effectively, in particular where a lack of capacity coincided with labour market disadvantage.

The interim evaluation found that those regions that had carried out such an analysis and selected particular communities of place and interest on which to focus tended to be able to target resources more effectively.

A number of regions selected specific target groups or themes, for instance (and not exhaustively):

- ◆ South East: young people, disabled people, areas where there is coincidence of offending behaviour and unemployment among young people;
- ◆ West Midlands: disabled people, ethnic minority groups; ex-offenders;
- ◆ Wales: ethnic minorities, rural areas, intermediary bodies;
- ◆ East Midlands: ethos enlargement (in view of the fact that there were over 1000 grass roots organisations serving disadvantaged client groups, few of whom had any ethos of economic development, training or employment activity); research and development; widening membership of umbrella organisations; sharing experience;
- ◆ Scotland: building up the capacity of the CVS network; ex-offenders, black and minority ethnic organisations.

The final evaluation of Objective 3, which is based on 1997 final claims data, provides evidence that the programme reaches its main target groups but that more might be done to focus support on older workers and the very long term unemployed. It also suggests that particular groups of women still face problems accessing ESF.

A test of success is the extent to which access has improved for those client groups and areas where there were identifiable gaps.

Figure 13, on page 34, has shown that projects that have benefited from capacity building are more likely to have gained access to the programme for clients from minority ethnic groups, homeless people and those with an offending background, and significantly more likely to have done so in the case of the latter two groups.

Unfortunately, however, there is limited evidence on which to base a judgement of success at the regional level.

Among the regions with which we held face to face partner consultations as part of this analysis, none were in a position to make a fully informed judgement of the extent to which gaps in effective support and delivery through ESF for particular client groups had been filled, and where gaps persist in the new programme. However, a substantial amount of work has been carried out in the East Midlands to identify what has been achieved through Priority 4, in particular a survey of IBOs undertaken by CEFET, the regional voluntary sector European umbrella body.

Partners in Scotland and in the North West plan to map the extent to which different client groups are being served in the new programme, using applications data and final claim forms. In Scotland and in Yorkshire and the Humber, at least, partners highlighted the fact that more analysis needed to be carried out to get the most out of capacity building.

Partners in Scotland provisionally conclude on the basis of their review of applications to date that there are certain groups that are not being reached effectively by the programme, and they include homeless people and some of the more vulnerable client groups. In contrast, there was a feeling expressed that many organisations still tend to go for the “easiest hits” even in respect of social inclusion.

The ex-ante evaluation of the current (2000-2006) Objective 3 programme notes that the idea of concentrating resources on particular groups is given a lower priority, although effective targeting of resources remains nonetheless crucial to maximising the impact of the programme. It argues a need for greater focus on women returners; single parents; disabled people; ethnic minorities; older people; homeless people; men; and those with no qualifications.

There is also a gap in data on problematic drug users in the 1999 final claims data and we suggest that this needs to be filled and may show a need to focus support on this client group also. Drug users are recognised by Government as a priority for labour market support.

It would also be helpful to review the gaps identified in the context of 1999 and 2000 final claims data.

The conclusion must be that many among the Objective 3 client groups are gaining access to the programme and that Priority 4 has facilitated greater access, including for those that are potentially more disadvantaged (evidenced for instance by their greater likelihood of having no qualifications, and by client groups brought into the programme through case study projects).

However, there are a number of outstanding issues. First, some limitations to the data mean that we cannot analyse as fully as we might the organisations that have gained access to the programme and their relationship to Priority 4.

Secondly, there is at least anecdotal evidence from regions and data showing that some client groups remain underrepresented. They include homeless people, excluded clients from black and minority ethnic groups, women with no qualifications and some of the most vulnerable client groups. This requires further investigation using applications data and data from final claim forms.

Thirdly, further analysis needs to be undertaken concerning the characteristics of individuals within the broader client groups that are, and are not, gaining access to the programme. For instance, does it remain the case that clients from minority ethnic groups and those with disabilities are under-represented in general or is it the case that those with multiple disadvantage are least well represented and reached?

Fourthly, are certain client groups continuing to achieve worse or better outcomes and how sustainable are these outcomes? We examine below the contribution of Priority 4 to improved labour market outcomes for the client groups.

The answers to these questions have implications for what is required in terms of capacity building in the current Objective 3 programme.

5.3 Has the capacity of IBOs improved in other ways?

There are a number of key additional ways in which capacity building has improved as a result of Priority 4, and there is evidence that these can result in more effective work with ultimate beneficiaries. They are inter-linked and are as follows:

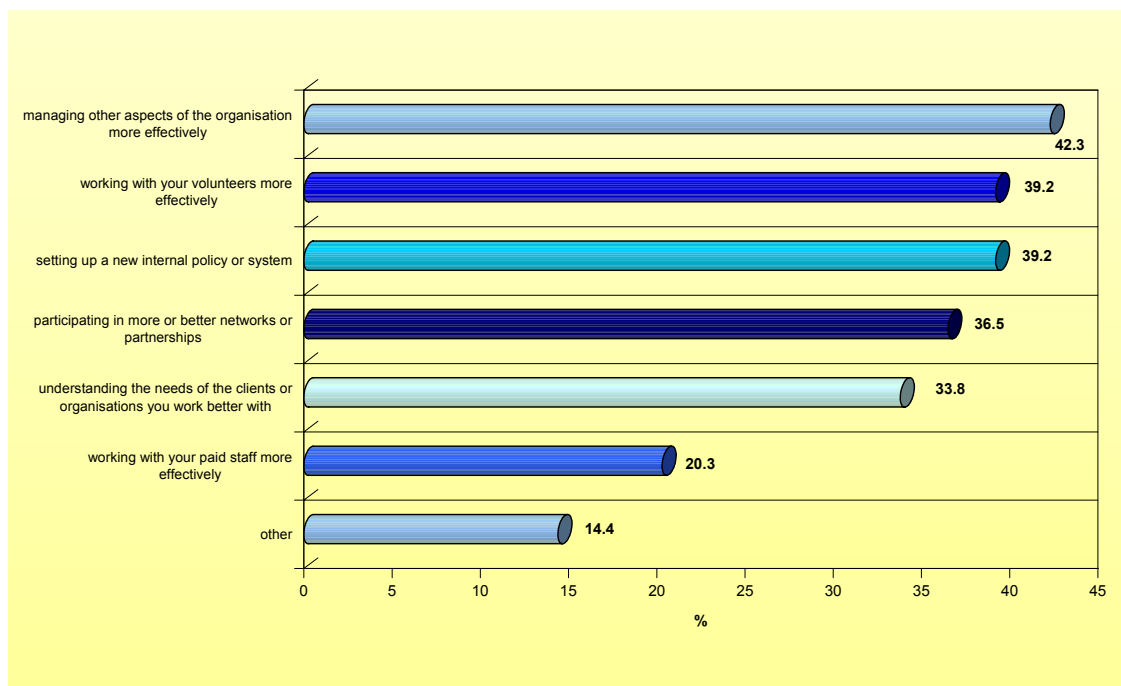
- ◆ internal capacity building for voluntary and community organisations;
- ◆ improvements to voluntary and community sector infrastructure;
- ◆ partnerships and networking.

5.3.1 Internal capacity building for voluntary and community organisations

Our overall analysis shows that the clearest immediate impact of capacity building has been better managed voluntary and community organisations, that have a clearer understanding of the wider environment in which they operate and their place within it, and are markedly more networked and represented. Many have better systems and structures in place (for instance financial and monitoring systems), can plan better, have developed new policies as well as strategies and business plans.

The questionnaire circulated as part of this evaluation asked IBOs about what capacity building had helped them to achieve. The responses are summarised in figure 15.

Fig. 15 Has capacity building under Priority 4 helped you to achieve any of the following?



Source: questionnaire

Figure 15 shows that 42 per cent of respondents feel they can manage aspects of their organisation more effectively and nearly 40% have set up a new policy or system as a result of Priority 4. The same number work more effectively with their volunteers, and more than a third (36.5%) participate in more or better networks or partnerships.

There is significant evidence for this from our case studies. LOTE IBOs, for instance, were most likely to mention “internal systems, better organisational management” as the greatest benefits achieved.

The corollary is that these VCOs now work better with their client organisations and individuals. Edinburgh’s CVS, EVOC, found that participation in the capacity building project had helped them to set up focus groups for New Deal participants to help design

better voluntary sector services for young people. This was highly innovative practice at the time. Several other CVSs participating in the SCVO Voluntary Sector Infrastructure project have fostered local structures to ensure better coordination of relevant services to local voluntary organisations. The first of these examples shows benefits reaching unemployed people quite directly. The second demonstrates the cascade effect of benefits flowing to CVS member organisations.

In Manchester, DASH (Drug Action and Support in Hulme), a community-based beneficiary of the Moss Side and Hulme capacity building project participated in a mentoring scheme. A key staff member was teamed with the Chief Executive of Body Positive, which works with people who are HIV positive. The DASH staff member was interested in advertising and marketing, as well as supervision of multi-talented staff. She went to Body Positive's premises one day a month for seven months, with an agenda agreed at the beginning of each session. DASH also participated in workshops run through the Moss Side and Hulme Capacity Building project.

DASH now feels more in touch with the Moss Side and Hulme Agency for Economic Development which ran the project, and is considering applying for ESF to carry out employment training for the client group. Clients of the project with whom we spoke were extremely positive about the provision made available through DASH, in particular IT training and support, which they felt contrasted with a stark lack of support elsewhere.

This is also an interesting example of the significance of the type of action carried out through Priority 4. DASH appears to have benefited from a combination of mentoring and workshops. The mentoring aspect was particularly helpful because the mentor was from a high profile organisation, was well known in the region and had much personal experience to offer.

5.3.2 Voluntary sector Infrastructure

A key issue that has emerged throughout the course of both Priority 4 projects has been the importance of building up the infrastructure for voluntary and community organisations, in order to achieve benefits for the client groups. Infrastructure should be taken to include: communication; networking; representation; technical advice and support.

At least three case studies projects had a strong element of building up infrastructure. Of particular interest here is CETA, the Derby based project that works with ethnic minority organisations. These organisations tend to be small, poorly resourced, fragmented and often not represented at strategic levels. They have had poor access to external funding including mainstream Objective 3 funding, SRB, City Challenge and other programmes. CETA identified a clear need to enhance capacity in relation to accessing EU and other funding programmes, to improve quality standards in small community organisations as well as to create a mechanism to strengthen the strategic role of the sector.

This project appears to have produced a highly visible and concrete outcome in respect of a strengthened black and ethnic minority community sector in Derby. It has led to the

establishment of the Derby Millennium Network, an umbrella organisation which is about to be constituted as a company limited by guarantee and now has a membership of just under 200 organisations from a very broad range of minority ethnic groups. They include: the African Caribbean, Pakistani, Indian, Chinese, Bangladeshi and Bosnian communities, and involve organisations representing women as well as older people and young people.

Consortium members and IBOs associated with the Lincoln project feel it has been vitally important in strengthening the community and voluntary sector in locally. The project coincided with and supported the evolving role of Lincoln Voluntary Centre as a developmental umbrella body operating in a wide area of the county. LVC now operates from new premises which were lottery funded, but it is felt that this would not have succeeded without the support of Priority 4. Networking between intermediary bodies and with the local authority and college sector have improved such that the area has moved away from the fragmented picture by which it was characterised in the past.

There is a strong argument to be made for the fact that these organisations would be much less effective in working with their client groups in the absence of such infrastructure.

The Development Worker for the SCVO capacity building project articulates clearly the importance of building up both internal capacity and voluntary sector infrastructure in saying that:

“before CVS and CVS member organisations could sustainably work with the target groups, the infrastructure needed to be strengthened. The CVS that are now in receipt of ESF funds to work with members and their clients, or are taking a more active role in for example New Deal or Social Inclusion Partnerships would be unlikely to have been in a position to do this before the project; similarly CVS who are able to advise their members about the availability of match funding, to advise on local strategic partnerships or offer project management support needed to have their own skills knowledge and signposting awareness raised first”.

This view was supported in separate discussion with the CVS for the Monklands area, where a key staff member articulated a recognition that they had focused a lot on the local voluntary sector, but not on themselves as an organisation, on how they can cope with the changes taking place and best represent themselves and the sector in an evolving climate. This is important bearing in mind that the CVS are themselves key voluntary sector infrastructure bodies in many areas.

5.3.3 Partnership, networking and representation benefits

The partnership and networking benefits resulting from Priority 4 are substantial, and among the most widely cited that the capacity building work has produced. Figures 10 and 15, above, (pages 22 and 38 respectively) show respectively that 36.5% of respondents feel that Priority 4 has helped them to establish or join a network or partnership that has continued after Priority 4 support, and exactly the same percentage say that they participate in more or better networks as a result of Priority 4.

One case study project is especially pertinent. Its principal focus was to consolidate the work of three organisations in a context in which delivery was seen to have become fragmented and at risk of duplication and confusion for client groups. The project was based in the Moss Side and Hulme area of Manchester – a part of the city that had been the subject of a plethora of initiatives designed to address its multiple disadvantage over the years. The Priority 4 project was a partnership between three organisations and has resulted in the merger of two of them.

Still in Manchester, the Big Issue in the North Trust developed significantly its relationships with other agencies through the work carried out as part of the Priority 4 project. For instance it forged a partnership with a Housing Association to develop a sustainable tenancy scheme for its clients, and a partnership with a drugs agency to deliver effective drug treatment services. Once again, this forms part of a more holistic approach to improving employability for the client group. Discussion with partner organisations highlighted substantial spin off benefits for them.

In the case of the WEA / Glasgow City Council LOTE project, “better networking and partnerships” was the second most commonly mentioned benefit of participation.

CVSs participating in the SCVO Voluntary Sector Infrastructure project have improved the level of networking among themselves, as well as being better represented on the national stage and at the sub-regional/ local level. Some have developed local forums for their constituent VCOs. SCVO feels its own understanding and capacity to work with these organisations has also improved.

One said: *“I don’t have to go in search of people now. They’re coming to me”*.

She was about to leave for a meeting with the local authority to discuss the development of the social economy locally.

Although the vast majority of IBOs interviewed in this analysis were from the voluntary and community sector, partnership and networking benefits are also clear for other sectors. Lincoln City Council, for instance, felt that the project with which it was involved had significantly strengthened individual organisations, relations between the community and voluntary sector and others in the city through the additional capacity created. Although most of the actual outputs were training related, the indirect results in relation to network development and partnership creation were extremely important.

In Boghall, one of four areas selected for work with the Scotland-based Poverty Alliance capacity building project, a community economic profile was developed to facilitate self-sustaining, community-owned regeneration. A key aspect of this was to identify from early on potential stakeholders in the statutory and private sectors and bring them into the process. This piece of work has led to the development of a number of cross-sectoral working groups, among them:

- ◆ Advice/ Credit Union: involving the Employment Service, Voluntary Action West Lothian, the local credit union (newly established), and local businesses;
- ◆ Social Group: Social Work, Community Education and Environment Departments of West Lothian Council, Play area agency and the local Social Club;
- ◆ Health Issues Group: Lothian Health Board, local NHS Trust, and three chemists, including Boots.

The partners on the working groups are “signed up” and statutory agencies have committed to delivering to jointly agreed targets. An open meeting, to include the local MSP, councillors, council officials and housing groups is planned.

Although these issues groups are not primarily concerned with employment, IBOs and ultimate beneficiaries interviewed as part of this project feel that improvements in the employability of and attitudes towards the unemployed will result from the project. Both unemployed people and employers are involved and encouraged to become more so.

Vision 21 also highlighted the fact that Priority 4 has helped them to gain credibility with the local authority.

Such partnership and capacity to represent is a major aspect of voluntary sector infrastructure and significant against a backdrop of the expectation that voluntary and community organisations can become increasingly important players in economic and employment development and regeneration.

5.4 Has capacity building led to improved outcomes for ultimate Beneficiaries?

5.4.1 Final claims analysis of outcomes

We can attempt some analysis of the extent to which Priority 4 has led to improved outcomes for beneficiaries by looking at final claims data. In analysing this data for 1999, we compared outputs and outcomes for projects that said they involved an organisation that had received capacity building support with those that did not.

First we compared completion ratios. The results are shown in figures 16a-c. For Priority 1, for adults aged over 25, there is very little difference between the completion ratios, whilst for Priority 2, targeted on young people, the completion ratio for those projects that had not benefited from previous capacity building support is more than 15% lower for both men and women. For Priority 3, on the other hand, focused on equality of opportunity between women and men, the completion ratio is higher for projects that did *not* benefit from capacity building for male clients.

Fig. 16 a: Completers and non-completers for projects that have benefited from capacity building and those that have not - Priority 1

Priority 1	Completers		Non-completers	
	Male	Female	Male	Female
With capacity building	7497	6733	1408	1078
Completion Ratio	84.2%	86.2%		
Without Capacity building	120411	144165	24247	15998
Completion ratio	83.2%	90.0%		

Source: 1999 Objective 3 final claims data

Fig. 16b: Completers and non-completers for projects that have benefited from capacity building and those that have not - Priority2

Priority 2	Completers		Non-completers	
	Male	Female	Male	Female
With capacity building	7966	3963	2633	1120
Completion Ratio	75.2%	78.0%		
Without Capacity building	64769	44250	42489	2744
Completion ratio	60.4%	61.7%		

Source: 1999 Objective 3 final claims data

Fig. 16c: Completers and non-completers for projects that have benefited from capacity building and those that have not - Priority 3

Priority 3	Completers		Non-completers	
	Male	Female	Male	Female
With capacity building	24	859	35	193
Completion Ratio	40.7%	84.7%		
Without Capacity building	6771	9766	2920	2344
Completion ratio	69.9%	80.6%		

Source: 1999 Objective 3 final claims data

From this analysis, it is difficult to conclude firmly that Priority 4 has made a difference to the extent to which beneficiaries complete on projects without carrying out further analysis of the different types of projects under each priority and the client groups on which they focus.

We then compared outcomes in respect of next destinations for clients of projects that benefited from the involvement of an organisation that had capacity building support and those that did not.

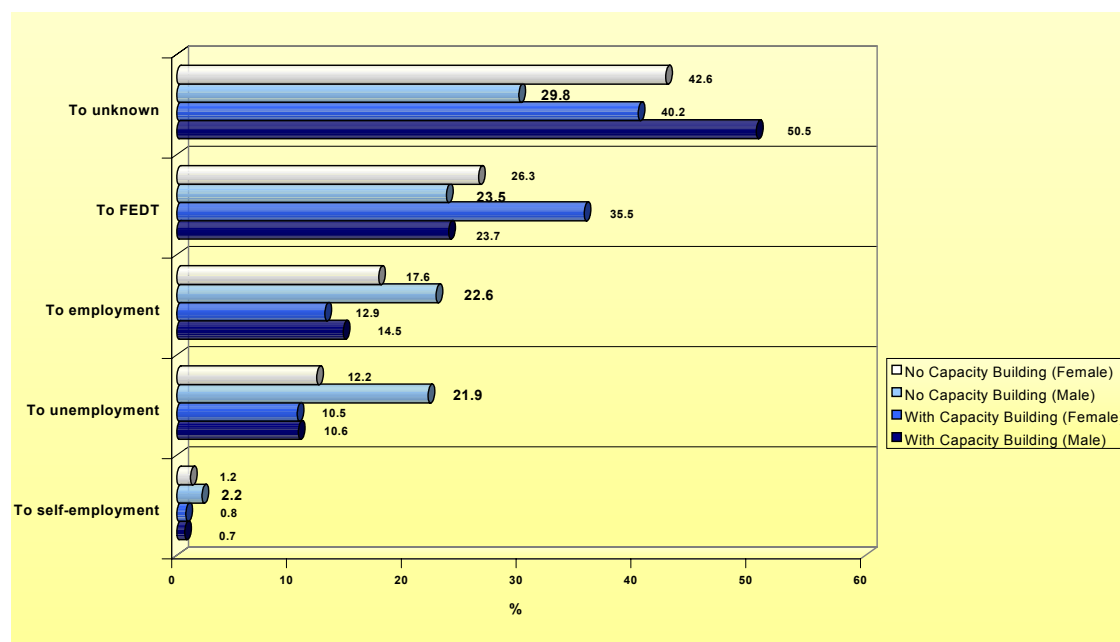
There are considerable limitations to the analysis here because a large number of outcomes are unknown.

However, figure 17 shows that beneficiaries of those projects with capacity building are less likely to go into employment than those of projects without capacity building – quite considerably less likely in the case of men: 14.5% compared with 22.6%. A roughly similar proportion of outcomes among men are likely to be further education or training for both groups, whilst for women, this is a much more likely outcome for projects benefiting from capacity building than for those not benefiting.

We would expect fewer employment outcomes for these projects, because there is evidence to suggest that their client groups are more disadvantaged in the first place.

Whilst unemployment appears to be a less likely outcome for those benefiting from capacity building (substantially less likely in the case of men – 10.6% compared with 21.9%) outcomes are also much less likely to be known about.

Fig. 17: Employment outcomes 1999



Source: 1999 Objective 3 final claims data

Figure 18 shows the results of a comparison of qualifications outcomes. It demonstrates that in general, beneficiaries of projects that have benefited from capacity building are less likely

to achieve NVQs at any level than their counterparts in projects that have not benefited from capacity building. They are *more* likely to leave without an NVQ at all, and substantially more likely in the case of men (78.4% compared with 56.8%).

Fig. 18: Qualifications Outcomes 1999

Unemployed beneficiaries: Male									
	To NO NVQ	To L1 NVQ	To L2 NVQ	To L3 NVQ	To L4 NVQ	To L5 NVQ	GNVQ advanced	GNVQ other	Total
With capacity building	7956	1101	572	214	30	2	14	262	10151
% of all outcomes	78.4%	10.8%	5.6%	2.1%	0.3%	0.0%	0.1%	2.6%	100.0%
No capacity building	106509	40231	25585	7574	1381	962	868	4565	187675
% of all outcomes	56.8%	21.4%	13.6%	4.0%	0.7%	0.5%	0.5%	2.4%	100.0%
Unemployed beneficiaries: Female									
	To NO NVQ	To L1 NVQ	To L2 NVQ	To L3 NVQ	To L4 NVQ	To L5 NVQ	GNVQ advanced	GNVQ other	Total
With capacity building	5052	1930	1023	482	62	28	48	182	8807
% of all outcomes	57.4%	21.9%	11.6%	5.5%	0.7%	0.3%	0.5%	2.1%	100.0%
No capacity building	70500	32842	22501	6251	700	690	987	4838	139309
% of all outcomes	50.6%	23.6%	16.2%	4.5%	0.5%	0.5%	0.7%	3.5%	100.0%

Source: 1999 Objective 3 final claims data

This table shows that for men and women – those beneficiaries of projects with capacity building – actions resulted in a higher proportion leaving the programme/ project with no qualification. (note also: higher levels of homeless, ex-offenders and ethnic minorities from these with capacity building).

In drawing conclusions about this finding, we must take into account the fact that clients of projects that have benefited from capacity building are much more likely to have no qualifications in the first place. However, this analysis also raises some questions about the extent to which projects working with the most disadvantaged people can deliver “hard” outcomes linked to jobs and qualifications under ESF.

The analysis comparing outcomes presented above looks at all those project involving an organisation that has benefited from capacity building and compares them with all those that have not. But we have seen that those that have benefited from capacity building are more likely to involve a higher proportion of clients from “disadvantaged” groups.

We therefore also looked at outcomes only from projects with similar proportions of people from particular client groups and compared the “benefited from capacity building” with those that had not benefited.

The results are presented in figure 19, on page 47.

The client groups examined are: those for whom English is not the first language; those who have been unemployed for three or more years; homeless people; ex-offenders; single carers (female); and disabled people.

The projects analysed are those for which one third or more of all beneficiaries come from one of these client groups make. Figure 19 presents the average percentage of outcomes achieved by that organisation as a whole – an organisation with a high proportion of beneficiaries who are from a particular disadvantaged client group.

The results have to be approached with some caution because the number of organisations that have benefited capacity building are small (*see figure 20*) on page 48 below. However, in most cases there are sufficient project numbers to be sure that the findings are reasonably significant.

Overall, among projects working with these client groups, roughly the same percentages are likely to go into employment (18.9% for those with capacity building compared with 19% for those without). Thus “previous capacity building” projects compare more favourably in terms of employment outcomes with what can be deemed to be similar projects in respect of client profiles than they compare with the overall profile of Objective 3 projects. Their outcomes are more alike.

There are, however, differences between client groups. In projects working with homeless people, for example, those from projects “with previous capacity building” are less likely to go into employment than those without (10.3% compared with 17.9%) and similarly for ex-offenders (11.1% compared with 16.7%).

In almost every case, clients of projects “with previous capacity” are more likely to go into further education than those without.

A further point should be made that in any case, organisations that have benefited from capacity building generally tend to have more clients from a particular group than non capacity building projects.

Fig 19: Outcomes from projects with at least one third of clients from a particular client group

	Base number in brackets	Into employment	Into Further Education	Back to unemployment	Unemployed achieved basic qualification	Unemployed achieved middle qualification	Unemployed achieved high qualification	Unemployed achieved other qualification
English not 1 st language	Previous Capacity (15) Average	11.4	47.7	22.6	34.2	20.9	6.9	7.3
	No capacity (175) Average	17.3	42.5	13.9	36.7	16.8	7.2	8.8
	All (190) Average	16.8	42.9	14.6	36.5	17.1	7.2	8.6
Unemployed 3+ years	Previous Capacity (66) Average	17.4	46.9	11.6	30.0	13.5	6.5	4.8
	No capacity (768) Average	16.6	40.1	16.1	28.2	15.7	7.0	7.9
	All (834) Average	16.7	40.6	15.7	28.4	15.6	6.9	7.6
Homeless	Previous Capacity (11) Average	10.3	36.4	18.8	17.5	3.2	1.4	1.0
	No capacity (71) Average	17.9	30.5	24.7	26.9	12.8	1.9	7.0
	All (82) Average	16.9	31.3	23.9	25.7	11.5	1.9	6.2
Ex-offenders	Previous Capacity (10) Average	11.1	12.0	24.2	22.7	4.1	2.4	3.5
	No capacity (109) Average	16.7	27.9	27.7	21.8	8.3	2.5	8.0
	All (119) Average	16.2	26.6	27.4	21.8	8.0	2.5	7.6
Single carers (female)	Previous Capacity (100) Average	17.1	37.2	15.5	24.3	20.4	6.8	4.1
	No capacity (1150) Average	18.9	31.4	17.0	23.7	20.4	9.2	6.8
	All (1250) Average	18.8	31.9	16.9	23.8	20.4	9.0	6.6
Disabled	Previous Capacity (145) Average	19.1	39.4	13.0	25.0	14.5	5.7	4.7
	No capacity (1652) Average	18.3	35.6	16.3	24.6	15.4	7.8	8.0
	All (1797) Average	18.3	35.9	16.0	24.7	15.3	7.7	7.7
ALL BENEFICIARIES	Previous Capacity (160) Average	18.2	38.7	13.5	25.0	15.5	5.4	4.7
	No capacity (2184) Average	19.0	34.7	15.5	24.0	17.1	10.0	7.6
	All (2344) Average	18.9	35.0	15.4	24.1	17.0	9.7	7.4

Fig 20: Ratio of organisations with previous capacity building to those without

Client group	Percent with previous capacity building
English not first language	7.9
Unemployed 3 or more years	7.9
Homeless	13.4
Ex offenders	8.4
Single carers (female)	8.0
Disabled	8.1
All organisations	6.8

5.4.2 Questionnaire and case study analysis of outcomes

Almost 28% of questionnaire respondents say Priority 4 has enabled them to achieve better labour market outcomes for their client groups.

There is also some evidence from case study projects.

One example comes from Vision 21, the Cardiff-based project that aims to identify employment and vocational training opportunities for people with learning difficulties. Priority 4 provided support to existing community groups engaged with these clients (the ultimate beneficiaries). All the clients with whom we spoke highlighted the improvements in their confidence and communication skills that had resulted from their involvement with the groups concerned, and some have now gone on to gain NVQs.

The aspect of the project that appears to have contributed most strongly to this outcome is the presence of a highly effective development worker who was able to spend time really building up the capacity of the groups and ensuring that the clients could benefit fully from their efforts.

A second example comes from the Bradford Youth Partnership. This project engaged youth partnership workers who were previously unemployed to build the capacity of projects working with young people. The workers have all gone on to get jobs with local organisations. The contributory factor here has clearly been the work experience afforded to them through the project.

A further illustration of the labour market linked legacy left with an IBO by workers from the Bradford Youth Partnership is the establishment of a programme called Freshstart aimed, at 16-21 year olds usually about to leave school, to enable them to progress to further education, training or employment. The main components are personal development, information technology (both accredited by the Open College Network), professional development and community sports leaders awards. A particular contributory factor here was that the workers (as young Bangladeshis) also acted as role models, helping young people into education and training.

In at least one other case, the capacity building project looks almost certain to improve the employability and employment prospects of clients: the Big Issue in the North Trust project is now running its three stage programme: Learn to earn; learn to live; and learn to work, whilst providing a range of other support services to clients.

Big Issue vendors remain for a maximum of two years selling the magazine and at the end of this period, the project hopes to have assisted them towards the labour market.

In North Nottinghamshire, there is a significant likelihood of enhanced employability for clients resulting from the Priority 4 project we studied there. The Carlton-in-Lindrick Parish Council, a beneficiary of the Bassetlaw Coalfields Enhancing project, has been involved in developing the Carlton and Lindrick Information Centre, which has an IT suite and offers free IT training, particularly focused on those with limited IT skills. It also provides an IT training service for the visually impaired, in partnership with the Nottinghamshire Blind Society.

In several other cases, it is clear that capacity building is enabling organisations to embark on assisting clients along a pathway towards the labour market. But this is a long pathway with both backward and forward steps. Capacity building remains a long-term process and it will still be some time before substantial evidence emerges of improved labour market outcomes resulting from Priority 4.

For those organisations involving secondary beneficiaries and those aimed principally at improving internal capacity and voluntary sector infrastructure, we have also provided evidence that labour market outcomes should ultimately be improved, although the time frame in this case is usually longer and the link less direct.

5.4.3 What outcomes for the most disadvantaged people?

Among those interviewed as part of this project, several have expressed concerns that they remain unable to access ESF because preferred outcomes are still hard outcomes.

Most regional partners articulated the view that whilst there is scope to specify alternative outcomes to jobs and NVQs, it remains difficult to do so and the emphasis is still on these traditional qualifications and destinations.

There may be some differences in interpretation of what is required in terms of qualifications outcomes at regional level, however, and some projects have succeeded in entering ESF without too many problems in this respect. The Big Issue in the North Trust, which has facilitated access to ESF for a vulnerable and disadvantaged client group that is a long way removed from the labour market, is accrediting its “learn to” courses through the Open College Network.

The DfEE Evaluation Unit is continuing to work on means to measure distance travelled under ESF. Projects can now measure, for instance, increased confidence. Also, outcomes such as volunteering have been introduced to the final claims form and there is space to write in additional outcomes.

The Unit has found that it is very difficult to identify national indicators to measure distance travelled that can be used by all projects.

Our suggestion is the addition of a small number of indicators common to many self-assessment systems, that can readily be measured, including confidence and reliability as well as key employability skills such as literacy, numeracy and communication. The challenge is to link the distance travelled with the next destination and then track a client through to the next stage of their pathway to the labour market. This can be achieved if information is collected about distance travelled against a small number of indicators and then mapped against where clients move on to next, with some clients tracked using the ESF Leavers survey.

The Evaluation Unit plans further research on Distance Travelled in the future.

5.4.4 A long-term pathway to the labour market and building social capital

In a small number of the case study projects examined as part of this analysis, some activity was focused on small community groups with limited labour market focus, whose principal emphasis was on quality of life. This was more common among small grants projects.

There is no doubt that these groups have generated significant benefits for the disadvantaged individuals who are involved in them. In some cases, there has been progress towards development of employability skills and participation has proved to be a first rung on the ladder. For example, the South Leeds Health for All Small Grants programme provided a small amount of money to support a group for women with long-term mental health needs. This helped the women to put together a programme of activities that included aromatherapy, arts and crafts, as well as inviting speakers to talk on welfare rights, benefits and health issues.

A key goal of the sessions was confidence building and they clearly achieved their objective. They were meant to provide building blocks that would help women consider other options.

The women themselves fed back that: *“Coming to the group and taking part in various activities together has given us the chance to learn new skills and to feel more confident – not only in the activities we do together, but also with other people in a social setting.”*

“Sometimes just being with other people and having the chance to talk together helps us to cope without difficulties and makes us feel we are not alone”

The co-ordinator saw a positive change in all the women involved and their need to access psychiatric support services also dropped.

They have become more inclined to attend other self-help groups and most have gone on to access activities such as adult literacy classes and IT training.

This is a clear example of a project that has helped a very vulnerable group of women develop their skills and confidence, and encouraged them on to a pathway towards further learning.

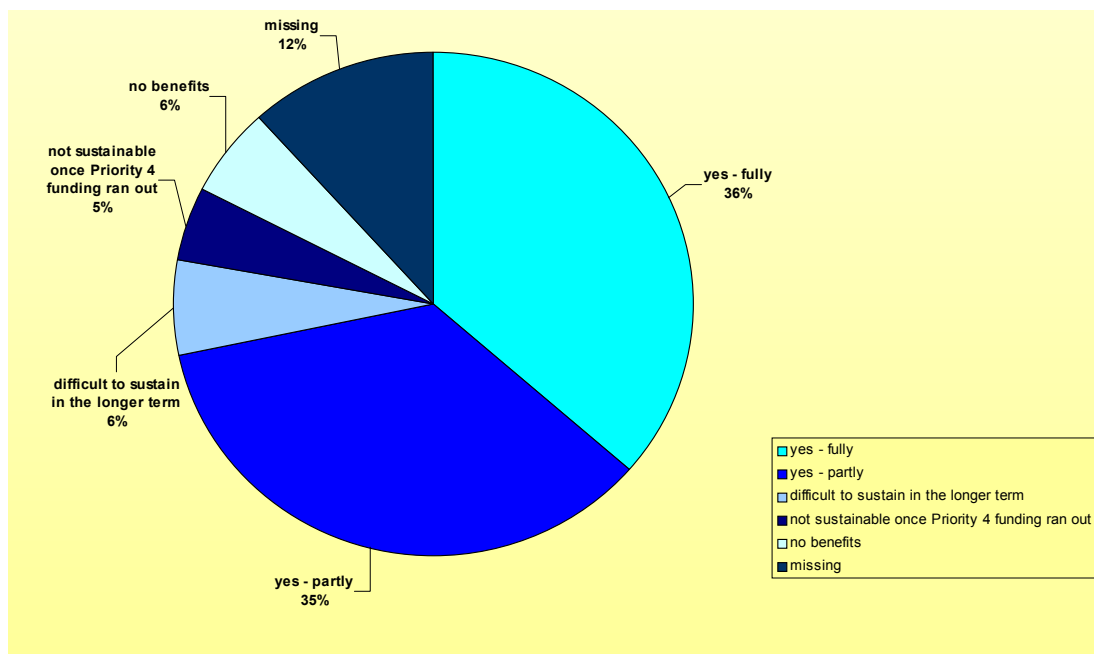
As a potential precursor to more employment oriented action there is a place for such projects as part of social inclusion efforts within ESF. The amounts of money involved are extremely small and it is up to the organisation awarding the grant to perceive and encourage sensitively the potential labour market link in the longer term. Such action is best supported through a small grants programme that removes most of the burden from the applicant.

However, its place may be within a Global Grants type initiative rather than a capacity building programme in the future.

6. SUSTAINABILITY OF PRIORITY 4 BENEFITS

The questionnaire asked projects about the sustainability of benefits highlighted during the course of this report. Figure 21 shows the results. A total of 71% of respondents felt that capacity building was either fully or partly sustainable in the longer term whilst 6% felt that the benefits would be difficult to sustain in the longer term, and 5% felt that they would not be sustainable once Priority 4 funding ran out.

Fig. 21: Do you think that the benefits that have resulted for your organisation from Priority 4 will continue - are they sustainable in the longer term?

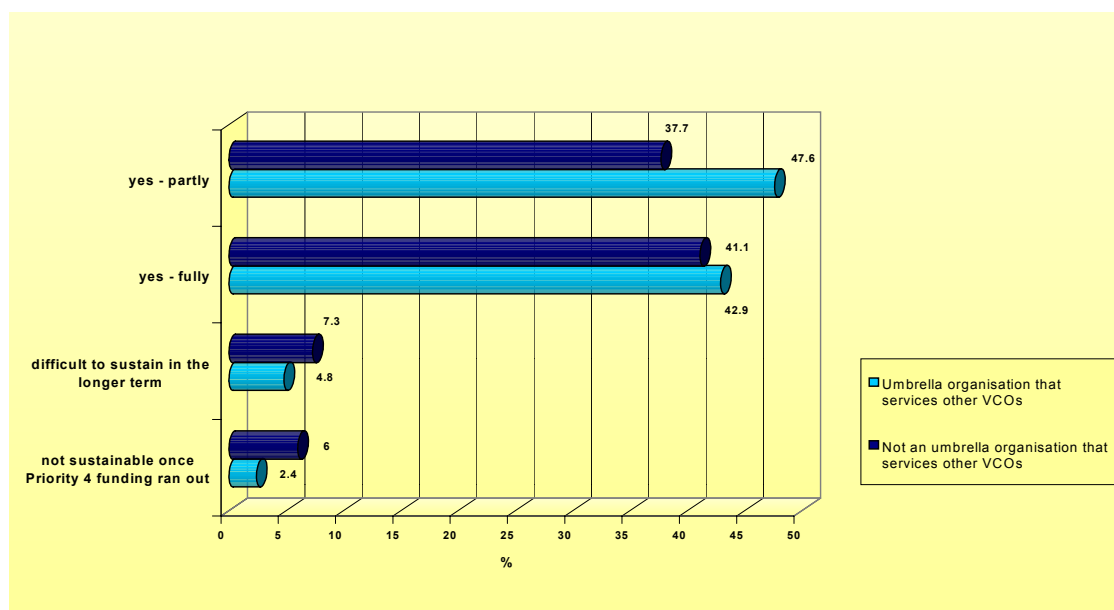


Source: questionnaire

Bearing in mind the importance of building up the capacity of umbrella organisations to create a supporting infrastructure and contribute to longer term sustainability, we examined the extent to which benefits were likely to be sustainable for these organisations and compared it with non-umbrella organisations.

Figure 22 shows that the former were even more likely to see the benefits as being fully or partly sustainable.

Fig. 22: Are the benefits sustainable in the long term?



Source: questionnaire

Two projects among the case studies in particular that were working with existing community groups stood out for the strength of emphasis on sustainability. The Vision 21 project recognised the importance of lasting benefits and placed considerable emphasis on developing skills in income generation and business planning. Whilst some groups expressed concern about the potential conflict between business and social objectives, the project highlighted the importance of developing the skills needed to maximise income to achieve their social goals.

The Glasgow-based Poverty Alliance, which worked with four community-based organisations in Scotland’s central belt to develop profiles of their own communities, emphasised that:

“The outcome of the process is not the production of a community economic profile, it is the capacity of a group and community to build upon and take forward their action plan”.

We also examined whether the benefits were felt to be more sustainable for certain sectors than others, and for organisations with paid staff compared with those without paid staff.

The sectoral analysis of responses on sustainability is presented in figure 23. The only significant finding from this analysis is that it is only voluntary and community sector organisations that feel the benefits of Priority 4 are not sustainable once funding runs out, or that there have not been any benefits.

Fig. 23: Breakdown of likelihood of sustainability by sector

	yes - fully	yes - partly	difficult to sustain in longer term	not sustainable once priority 4 funding ran out	no benefits	Total
(base number)	81	78	14	10	13	222
Voluntary	69.2	66.2	78.6	80.0	69.2	69.3
Community	17.9	14.3	7.1	20.0	23.1	16.1
local authority	2.6	3.9	0.0	0.0	0.0	2.6
FE/HE	0.0	5.2	0.0	0.0	0.0	2.1
Other	1.3	3.9	0.0	0.0	0.0	2.1
Voluntary & community	7.7	5.2	14.3	0.0	7.7	6.8
Other public sector	1.3	1.3	0.0	0.0	0.0	1.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: questionnaire

Figure 24 shows, interestingly, that there is relatively little difference in respect of the sustainability of benefits for those that have paid staff and those that do not.

Fig. 24: Breakdown of likelihood of sustainability for organisations with and without paid staff

	Do you have any paid staff?			
	yes		No	
are the benefits sustainable in the long term	no.	%	no.	%
yes – fully	64	39.8	17	48.6
yes – partly	65	40.4	13	37.1
difficult to sustain in the longer term	12	7.5	2	5.7
not sustainable once priority 4 funding ran out	9	5.6	1	2.9
no benefits	11	6.8	2	5.7
Total	161	100.0	35	100.0

Source: questionnaire

Finally, we examined sustainability in light of the nature of support provided through Priority 4, and the results are presented in figure 25. There is no significant relationship between the type of support received and how sustainable the benefits are felt to be, although those that received a grant for staff costs are slightly less likely to consider the benefits to be sustainable than those that received other forms of support.

Fig. 25: Likelihood of sustainability according to nature of support received

	Nature of support received			
	Training or workshops (n=150)	One-to-one advice (n=175)	Grant for staff costs (n=42)	Other support (n=79)
Yes – fully sustainable	42.9%	44.9%	24.4%	46.6%
Yes – partly sustainable	41.4%	40.6%	51.2%	37.0%
Difficult to sustain in the longer term	7.1%	5.8%	9.8%	8.2%
Not sustainable once Priority 4 funding ran out	5.0%	5.8%	9.8%	2.7%
No benefits	3.6%	2.9%	4.9%	5.5%
	100%	100%	100%	100%

Source: questionnaire

7. CAPACITY BUILDING IN THE NEW PROGRAMME AND ACCESS TO ESF

7.1 Introduction

This report sets out the findings of a longer term impact evaluation. However, throughout it has sought to provide analysis that can inform the future and in particular the current (2000-2006) Objective 3 programme.

This section raises briefly three further issues that require consideration in the new programme, namely measurement of capacity building; global grants; and co-financing.

7.2 Measurement of capacity building

A number of those interviewed have expressed concern about the measurement of capacity building in the new programme, including those responsible for scoring bids. This has two implications:

- 1) it makes it more difficult (potentially) for capacity building projects to gain access to the programme because they are less readily able to specify outcomes;
- 2) it makes capacity building harder to monitor and evaluate.

It remains difficult to measure increased capacity with any precision, in particular where internal capacity building and infrastructure are concerned.

In qualitative terms the combination of the following attributes would seem to be the most important for the impact of capacity building to be substantial and lasting:

- ◆ a financial attribute, such as acquisition of skills that will contribute to future income generation;
- ◆ an external working attribute, mainly partnership working that is useful for future operations and increases the effectiveness of outreach, and work with clients or constituent organisations;
- ◆ an internal working attribute, such as internal systems (eg financial reporting) and/or new organisational skills (diffused within the organisation rather than being limited to one or two individuals with the risk of being lost when they leave).

In quantitative terms, it seems desirable to define a level of capacity that an IBO should achieve at the end of a period of funded capacity building. Excluding grass roots/ highly informal groups and large regional/national umbrella organisations, in most other cases it would be feasible to establish a benchmark, for instance:

- ◆ become a properly constituted organisation (with rules, representation, and appropriate policies);

- ◆ develop business planning skills – essential for the organisation itself and for project development and implementation.

7.3 **Global grants and co-financing**

These two emerging arrangements are worthy of consideration in this context.

- ◆ **Global Grants:** there will be one or several intermediary bodies managing global grants in the regions under the 2000-2006 Objective 3 Programme Measure 2.2. Voluntary organisations will be able to access small grants (up to £10,000 pre-matched) for purposes similar to the Local Social Capital pilot of the European Commission, through simplified procedures. It is therefore likely that this arrangement will be suitable for smaller voluntary and community organisations close to the target groups to initiate addressing disadvantage.³ Early indications show considerable regional variations and in several cases there could be a high degree of institutionalisation with, in England, statutory bodies like Learning and Skills Council (LSC) assuming the role of the intermediary.
- ◆ **CFO (Co-financing organisations):** in each English region there will be CFOs – public bodies, notably the LSC, operating under one or more measures of Objective 1 and 3 programmes. After applying to the Regional Committee for CFO status, the CFO will present measure level bids for ESF funding and negotiate the total amount of funding with the Regional Committee. Individual projects will be selected by CFOs on the basis of tendering. Project providers will be funded by the CFO in a single funding stream of ESF and domestic matched funding. This arrangement would seem to offer considerable scope for VCOs to access ESF if managed appropriately. It will be introduced gradually, starting from September 2001. At this stage, it seems to be perceived as a potential threat by the voluntary and community sector. (There are no plans for similar schemes in Scotland and Wales).

³ The guidance distinguishes between (larger) O3/P4 type capacity building projects which should be the subject of normal ESF application procedures and micro-grants under the Global Grants (which it implies will be going to final beneficiaries, but the model forms assume that these are “organisations or groups” and therefore there could be scope for capacity building).

8. CONCLUSIONS AND RECOMMENDATIONS

8.1 Conclusions

The findings from the study show that:

1. ***Objective 3 Priority 4 has had a positive longer term impact.*** It has enhanced the capacity of organisations and engaged those at the grass roots level that work with the most disadvantaged;

IBOs working better with the client group

2. IBOs have ***reached new client groups and understand their existing clients better.*** Many have ***increased their focus on the labour market.*** This helps address a common problem, namely that a large proportion of those working with the most disadvantaged are not oriented towards provision of employment and training; conversely, employment and training providers are not traditionally oriented towards the most disadvantaged;

Access to ESF has improved

3. access to ESF among Priority 4 IBOs has improved. ***Many organisations have received support for the first time*** and Priority 4 has added value in enabling them to do so, evidenced by case studies and interviews with a comparison group. It has permitted more intensive support and the development of structures and systems to facilitate access to ESF and to enable IBOs to manage projects;
4. ***access to ESF among disadvantaged client groups has also increased.*** There is particular evidence of increase in support through Objective 3 for clients from minority ethnic groups, those with offending backgrounds and the homeless;
5. there is some evidence that ***client groups that have accessed ESF as a result of Priority 4 are at a greater disadvantage in the labour market.*** They are more likely to have no qualifications when they join a project, and less likely to achieve employment and NVQ-linked outcomes. Also, projects are less likely to be able to identify where they have progressed to. These facts point to a more disadvantaged client group, and a greater need to measure soft outcomes and distance travelled. They do not indicate less effective projects;
6. there are, however, gaps in data that can make it difficult to identify the organisations that have accessed ESF for the first time as a result of Priority 4. There is also a particular gap in data on drug users accessing ESF;
7. there is ***limited analysis of the extent to which Priority 4 has filled the gap in access among the most disadvantaged groups identified at the regional level.*** But there is anecdotal evidence that certain ***client groups remain under-served by the programme.*** They include homeless people, those who are social and economically

excluded among minority ethnic groups; women with no qualifications and more vulnerable client groups;

8. although access to ESF has improved for both client groups and organisations – probably more so than expected – many still express concerns that *the fund remains difficult to access and to manage*. Quite a significant proportion of those that have applied after benefiting from Priority 4 have been unsuccessful. This is partly due to overbidding in Measure 2.2 in the 2000-2006 programme. But among applicants in the comparison group and case study IBOs, it proved difficult to assemble a bid with the wording to score the right marks;

Capacity has improved in other ways in other ways

9. the *clearest impact of Priority 4 has been better managed voluntary and community organisations*. There is plenty of evidence that they:
 - ◆ understand better their wider environment and their place within it;
 - ◆ are markedly better networked and represented;
 - ◆ have better systems and structures in place;
 - ◆ have better infrastructure and support networks;
 - ◆ can plan better and have developed new policies, strategies and business plans;the *partnership benefits of Priority 4 have been substantial*;

But the new programme needs to make the most of these improvements in direct delivery to client groups.

10. projects that work most directly with the client groups - for example those with learning difficulties, homeless people, disadvantaged young people etc. show the clearest link between improved capacity and spin off benefits for ultimate beneficiaries, but client groups do benefit in the longer term from organisations' improving their internal capacity, and from better developed voluntary and community sector infrastructure. For instance, outreach and publicity improves, work with volunteers (who can include clients) is better and organisations know more about the opportunities for funding and training;

Some evidence of better labour market outcomes

11. *some clients have begun to achieve better labour market outcomes as a result of Priority 4*, and others should certainly do so, although because of the time it takes for capacity building to have an impact, evidence of this is limited at present;

Capacity building is better recognised

12. Priority 4 has made a substantial contribution to *improving recognition of the need for capacity building*, and has brought the term into the vocabulary of a range of regional partners in all sectors;

13. in spite of this, *capacity building in the 2000-2006 programme has been difficult to access* (although analysis is difficult because regional partners could often not identify how many capacity building projects have been funded) and *difficult to score and measure*.

8.2 Recommendations

A number of recommendations will help to improve the extent to which the benefits can be felt in the future. They are as follows:

1. Analysis should be carried out to identify:
 - ◆ Objective 3 client groups that are under-represented at the regional level, based on applications and final claims data;
 - ◆ whether beneficiaries of Policy Field 2 face significant disadvantage in the labour market, on the basis for instance of qualifications, work experience and non skills barriers;
 - ◆ client groups whose outcomes remain significantly lower than average, or not known.
2. Final claims data for the new programme should enable identification of whether projects involve organisations that benefited for the first time from ESF under Priority 4.
3. Where client groups are under-served (in terms of access and outcomes), regional and national partners should:
 - ◆ identify organisations that have benefited from Priority 4 and can reach and work with those groups;
 - ◆ work with voluntary and community sector infrastructure projects to make the most of the capacity they have built with other organisations. See if they can identify organisations that can help fill gaps for particular client groups;
4. Capacity building in the new programme should be geared towards:
 - ◆ organisations that work with client groups and areas that remain under-served by the programme (especially after seeking previous Priority 4 beneficiaries to fill gaps);
 - ◆ building voluntary and community sector infrastructure for areas and client groups that can evidence a lack of infrastructure to address labour market disadvantage.
5. In communities where there are few established groups capable of gaining access to ESF and proposed projects do not have a clear labour market link, the first step is probably about building social capital by working with small community organisations. Global Grants then provide a more appropriate vehicle for funding.
6. The most disadvantaged clients will find it difficult to achieve harder labour market outcomes. Projects should be encouraged to measure softer *outcomes* – some of which

are now included in the application form (eg volunteering), and a small number of indicators that measure distance travelled (eg confidence and attendance). The value of these outcomes and the means to measure them should be clearly communicated to regional partners and as far as possible widely understood by partners concerned with the Objective 3 Programme.

7. In order to improve the application process, monitoring and evaluation for capacity building projects:
 - ◆ introduce a small number of standard outcome (as opposed to output) indicators to measure increased capacity, particularly where the focus on internal capacity and infrastructure. They could include internal systems; business planning; and external partnership working linked to improved capacity to work with clients.
 - ◆ add a small number of specific alternative questions to the application form in consultation with regional partners and successful and unsuccessful projects.

These recommendations reflect the findings of the work that has been carried out by the DfEE Evaluation Unit itself.

8. Global Grants and co-financing potentially open up new opportunities for VCOs. But there is a risk that some will be unable to gain access to the programme at all and increased capacity will be lost. Intermediaries and partners must monitor the types of organisations and client groups gaining access and introduce flexible systems to facilitate access. An evaluation of co-financing is planned, that will look at who is getting funding and how this compares with previous years.

Summary of case study projects

The Big Issue in the North Trust

The Big Issue in the North Trust covers most of the Northern region of England and works with homeless and vulnerably housed people. Its Priority 4 project was an action research initiative aimed principally at achieving greater understanding of the barriers that kept people homeless and the partnerships and approaches that would permit these barriers to be overcome. It included analysis of the health, housing and learning needs of vendors of the Big Issue Magazine, through innovative research methods in which vendors got a chance to express their views and question expert witnesses on the best ways to provide a more effective service. The project has informed the development of a Futures programme with three key “learn to” elements: learn to live, learn to earn, and learn to work and the establishment of partnerships with key housing and drugs support organisations. The Trust has now obtained Objective 3 funding to run the “Learn To” programme.

Bradford Youth Partnership

Bradford Youth Partnership involves local statutory and voluntary organisations that deliver services to young people. The major aims of Priority 4 working were to use capacity building to formalise partnership working, strengthening links between the partner organisations and to aid smaller organisations with funding. Capacity building involved the employment of young people as partnership workers either to directly deliver projects (such as small grants schemes) or to assist with activities within beneficiary organisations. The project has enabled organisations to be better positioned to respond to the needs of ultimate beneficiaries and given them the space to concentrate on core youth work activities, whilst developing future direction for their training, employment and education work.

Cardiff Vision 21

Vision 21 works with people and organisations concerned with learning difficulties. The main aim of the project has been to establish alternative employment options for people with learning difficulties. It provides an example of the benefits of investing in an organisation over a period of time that allows expertise to be built up, cascaded and shared with other organisations. Vision 21 recognised that smaller groups tend to struggle to bring together the information and skills for successful bids. Through the initiatives sponsored by Vision 21, new projects and opportunities have been developed. Throughout the course of the project, Objective 3 Priority 4 resources became used increasingly to support initiatives aimed at this group of beneficiaries developed by other organisations.

Community Enterprise and Training Association, Derby

Ceta provides support for the development of community enterprises and is based in Derby. The Ceta project was conceived as a mechanism for the development of the capacity of the minority ethnic community and voluntary sector organisations in Derby in order to better meet the needs of disadvantaged groups. This was achieved through benchmarking, research activities and the organisation of a conference to bring together all the relevant groups in the city. As a consequence of the priority 4 funding, an umbrella organisation, Derby Millennium Network has been set up which will increase significantly the capacity of the black and minority ethnic group sector in Derby to access ESF Objective 3 and other funding programmes and also to participate in strategic partnerships.

Lincoln Voluntary Centre

Lincoln Voluntary Centre is an umbrella body for the community and voluntary sector, originally only within the City of Lincoln but increasingly in other areas of the county. The Lincoln Voluntary Centre project provided a means to facilitate training in small community and voluntary sector organisations in Lincoln City and also more broadly in Lincolnshire. The project has enhanced the capacity of the Centre itself as well as facilitating training of staff and volunteers within small organisations. In a number of cases volunteers were drawn directly from the client group. Priority 4 funding has therefore resulted in a strengthening in the capacity of the sector as a whole as well as assisting access to objective 3 funding and to other funding programmes.

Local organisations towards employability, WEA and Glasgow City Council

Local Organisations Towards Employability is a joint project between Glasgow City Council (the applicant) and the Workers Education Association (WEA), Glasgow (the delivery organisation), which aimed to provide capacity building for community organisations in the Glasgow area, ultimately to be in a stronger position to develop ESF projects and to provide support services and activities aimed at integrating potential ESF beneficiaries back into the labour market. Within a wider group of IBOs that received support, an “ESF group” of fifteen worked towards developing a project application – a worthwhile process judging by the responses of the group. Although only one organisation has so far put in a successful bid, others intend to and access to a variety of other sources of funding has increased.

Menter Fachwen

Fachwen is a village in Gwynedd, and Menter is Welsh for Initiative. The Priority 4 project aimed to build the capacity of Menter Fachwen to deliver better and more effective training to its client group of people with learning difficulties, and to build a partnership with the county council to develop training opportunities across Gwynedd. More partners have also joined. This partnership has resulted in a successful joint ESF bid. Local capacity building momentum, partly due to the Priority 4 project, has led to widened community group provision at Menter Fachwen and the development of a new IT suite.

Moss Side and Hulme capacity building project

MSHAED, which ran the Priority 4 project, is an acronym for Moss Side and Hulme Agency for Economic Development. It was formed as a merger of two delivery organisations in 1997. The Moss Side and Hulme Capacity Building project ran from 1998 to October 2000, its aim to co-ordinate the delivery of economic development initiatives in these disadvantaged areas of Manchester. Project capacity building activities were split between internal activities within MSHAED, and external activities for other organisations which included the production of a newsletter and the provision of training days for local VCOs. As a result, local groups accessed the project for information, training and support. MSHAED submitted a further capacity building bid in 2000, but this was unsuccessful.

North Nottinghamshire College Bassetlaw Coalfields Enhancement project

North Nottinghamshire College includes in its hinterland the former mining district of Bassetlaw. Its Priority 4 project aimed to assist local Bassetlaw people to establish their own supported grass roots organisations that would tackle exclusion. This led to the “Open Doors” initiative whereby clients stated what services, including training, they needed - and services were developed to suit. A forward strategy was supported by the FEFC and SRB, and the project has been largely seamless. Throughout, community groups have been assisted to develop. A further ESF capacity grant has been secured, with Learning and Skills Council support being explored.

The Poverty Alliance

The Poverty Alliance is an anti-poverty umbrella organisation with membership across Scotland. Its Priority 4 project aimed to develop community profiles that could act as catalysts for economic development. Three “communities of place” and one “community of interest” (minority ethnic women) were agreed. The profiles were primarily carried out by local people, capacity building was at a grass roots level and project ownership resided with local partners. The project had a positive influence on statutory provision in the three “communities of place” identified (although to varying degrees), with agencies signed up to thematic groups in one case in West Lothian. The fourth project brought about significant developments in respect of equal opportunities within the organisation concerned.

SCVO Voluntary Sector Infrastructure project for Councils for Voluntary Service

The aim of this project was to improve the voluntary sector infrastructure in Lowland Scotland. The objectives were to build the capacity of Councils for Voluntary Service (CVSs) to work more effectively in their own localities, network better with each other and with external organisations, and represent their sector at a local and regional level. In particular, the project was intended to enable CVSs to become more engaged in local economic development. The main immediate ways in which capacity has been improved have been by developing the internal systems and structures of participating CVSs themselves, their capacity to operate more effectively as a network, and their capacity to

represent their sector on local and sub-regional partnerships. In the current evolving policy context, the significance of this cannot be overestimated. The project has also improved access to ESF and generated benefits for CVSs' own member organisations.

South Leeds Health for All

South Leeds Health for All takes a holistic approach to wellbeing in the communities within which it operates. The project consisted of a small grant scheme for its existing network of local groups serving the needs of disadvantaged communities. Assistance was only provided where organisations were formally established and would not become dependent upon grants. Funding was used for training and organisational development, including promotional events, materials and childcare provision. The project has assisted in increasing the opportunities for employment and training for participants as well as enhancing the capacity of small organisations, directly involving excluded communities, to access external funding programmes.

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Capacity Building in ESF Objective 3 Priority 4

Organisation _____

Address _____

_____ Postcode _____

Tel _____

Fax _____

e-mail _____

1. Which one of these best describes the sector into which your organisation fits?

1 Voluntary	
2 Community	
3 Local authority	
4 FE / HE	
5 TEC / LEC	
6 Other (Please give brief details)	

2. Does your organisation have any paid staff?

yes

no

2a. If yes, how many full time equivalents?

3. Is yours an umbrella organisation that serves other voluntary / community organisations?

yes

no

3a. If yes, can you say approx. how many?

4. Was your organisation an applicant for ESF Objective 3 Priority 4 in 1998-1999?

yes

no

5. As far as you know, was your organisation an immediate beneficiary of an Objective 3 Priority 4 project in 1998-2000 (i.e. did it receive capacity building support)?

yes

no

6. If you answered no to question 4, which applicant organisation for the Priority 4 project assisted you?

Applicant _____

7. Which of these best describe(s) the nature of capacity building support you received through Priority 4? (✓ as many boxes as apply)

a Training or workshops	
b One to one advice	
c Grant for staff costs (Please say what for)	
d Other support (Please say what)	

8. Which of these best describe(s) the people with whom your organisation mainly works? (✓ as many boxes as apply)

a Disabled people	
b Homeless people	
c Lone parents	
d Men	
e Minority ethnic group(s) (Please give brief details)	
f People experiencing mental ill health	
g People in rural communities	
h People in urban communities	
j People with drug or alcohol problems	
k People with English as a second language	
m People with general learning difficulties	
n People with literacy / numeracy problems	
o People with Welsh as a second language	
p Prisoners or offenders / ex-offenders	
q Unemployed people generally	
r Women	
s Young people under 25	
t Other (Please give brief details)	



Capacity Building in ESF Objective 3 Priority 4

9. Thinking of your own organisation, has capacity building under Priority 4 helped you to achieve any of the following? (✓ if applicable)

a Setting up a new internal policy or system <i>(Please give brief details)</i>	
b Working with your paid staff more effectively <i>(Please give brief details)</i>	
c Working with your volunteers more effectively <i>(Please give brief details)</i>	
d Managing other aspects of the organisation more effectively <i>(Please give brief details)</i>	
e Understanding the needs of the clients or organisations you work with better <i>(Please give brief details)</i>	
f Producing new research <i>(Please give brief details)</i>	
g Participating in more or better networks or partnerships <i>(Please give brief details)</i>	
h Other <i>(Please give brief details)</i>	

11. Please tell us a bit more about the funding you have applied for as a result of Priority 4. Circle as applicable and enter year.

Funding source	Application approved?	Was your organisation the applicant?	Year
a Objective 3	Yes/No	Yes/No	
b Objective 2	Yes/No	Yes/No	
c Objective 1	Yes/No	Yes/No	
d SRB	Yes/No	Yes/No	
e Lottery	Yes/No	Yes/No	
f Other <i>(Please give brief details)</i>	Yes/No	Yes/No	

10. Has Priority 4 helped you to apply for a particular funding source for the first time, either yourself or as part of a partnership?

yes no

If you answered **yes to question 10**, please go on to question 11. If **no**, please go to question 12.



Capacity Building in ESF Objective 3 Priority 4

12. Thinking about the longer term impact on your target client group of people or organisations, can you say whether you feel that Priority 4 has helped you in any of the following ways?

a Reaching a client group of people or organisations that you did not reach previously

yes no

Client group(s) _____

b Delivering support to clients that is more labour market oriented than before

yes no

Client group(s) _____

c Achieving better labour market outcomes for your client group(s)

yes no

Client group(s) _____

d Enabling your client group(s) to access support through the ESF

yes no

Client group(s) _____

e Enabling your client group(s) to access support through other programmes

yes no

Client group(s) _____

Programme(s) _____

f Establishing or joining a partnership or network that has continued after Priority 4 support ended

yes no

13. Do you think that the benefits that have resulted for your organisation from Priority 4 will continue - are they sustainable in the longer term?

a Yes fully	
b Yes partly	
c Difficult to sustain in the longer term	
d Not sustainable once Priority 4 funding ran out	
e No benefits	

13a. Please give reasons for your answer to Q.13

Please tell us a little more about how you feel capacity building has helped your own organisation, and the organisations or individual clients with whom you work. In particular, we would be interested to know **if you feel capacity building has ultimately generated benefits for individual unemployed people, and if so how this has happened / is happening?**

**Thank you very much for your help.
 Please return the questionnaire in the free post envelope provided to the UK Research Partnership by **Friday 9th March 2001**.**

