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# WCVA Active Inclusion Fund Evaluation

## Phase 1 & 2 Final Report

5<sup>th</sup> March 2020



## **Foreword**

This report presents the results of a three-year independent evaluation of phases 1 and 2 of the European Union funded, Wales Council for Voluntary Action delivered, Active Inclusion Fund. The Programme provides support for people who have, and often continue to experience profound challenges to help them move towards work, or to provide them with work experience and, for those who are ready, help into longer term employment.

At the core of the programme is a soundly based premise that finding and sustaining suitable employment is a means to help people out of poverty, has benefits for the wellbeing of the individual, and ultimately, benefits communities and the Welsh economy more widely.

The Active Inclusion Fund demonstrates the value of a flexible element in employability policy and programmes to foster innovation, locally responsive approaches and to tailor support to suit challenged people whose needs may not be wholly met by larger institutional approaches. It also demonstrates the value of engaging a wide range of bodies including many in the third sector with equally wide-ranging skills and experience in supporting diverse individuals and groups that larger more institutional programmes can find 'hard to reach'.

The fact of the UK departure from the European Union is an opportunity to review approaches in helping people towards and into work in the context of specific Welsh conditions and needs. This report therefore draws on evaluation findings and makes suggestions for how any successor arrangement might be developed to further enhance impacts and benefits whilst sustaining the core value of the current approach.

We are grateful to colleagues past and present at WCVA, Welsh Government, the Evaluation Steering Group and the WCVA Economic Inactivity Panel for their help and insight, and to all the many bodies and individuals who gave generously of their time in interviews, discussions and workshops to inform this work.

**Tim Allen**  
**UKRCS**  
**March 2020**

## **Purpose**

1. This is the final report of the Active Inclusion Fund (AIF) evaluation covering phases 1 and 2. It summarises evaluation findings and addresses the questions set when commissioned in December 2016 and extended in January 2018 to cover phase 2. The report also makes recommendations to help inform the design and operation of any potential successor after completion of the current phase 3 of AIF.

2. Although a standalone document, there are accompanying documents that develop aspects of the evaluation:

- a) An independent executive summary.
- b) A working document providing supplementary information that includes:
  - A literature review conducted as part of the evaluation in May 2017.
  - A summary analysis of good practice in engaging and supporting people with complex and often chaotic lives that draws on evaluation evidence and the wider literature.
  - A compendium of AIF participant quotes gathered during fieldwork.
  - The methodology for phases 1 and 2, 'WCVA AIF Evaluation: Methodologies for Evaluation, & Interview Topic Guides'.
- c) Five case studies recording the experience of individual AIF participants.
- d) Five case studies recording aspects of good practice in the delivery of AIF that have wider relevance for employability programmes working with hard to reach individuals and groups.

3. This report brings together findings reported in earlier working documents that include:

- a) Four phase 1 interim reports (March, May, & November 2017 & February 2018) and a consolidated Summary of Phase 1 Findings & Recommendations (May 2018).
- b) Two phase 2 interim reports (November 2018 & May 2019).

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**March 2020**

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## WCVA Active Inclusion Fund Evaluation: Glossary of Terms

TERM	EXPLANATION
<b>AIF</b>	Active Inclusion Fund
<b>WCVA</b>	Wales Council for Voluntary Action
<b>WEFO</b>	Welsh European Funding Office
<b>WWV</b>	West Wales and the Valleys
<b>EW</b>	East Wales
<b>EU</b>	European Union
<b>ESF</b>	European Social Fund
<b>PDS</b>	Project Data System: WCVA IT based system to track, record and report on AIF
<b>Programme</b>	RCS descriptor for AIF
<b>Operation</b>	WEFO descriptor of AIF.
<b>Project</b>	Individual grant agreement with a beneficiary.
<b>Beneficiary</b>	AIF grant funded organisation*.
<b>Participant</b>	Individual supported by beneficiary organisation
<b>Validated Participant</b>	Precise description of a supported individual participant who has been confirmed as eligible for AIF help through an AIF beneficiary.
<b>Fund</b>	These are the four AIF EU grant funds that are accounted for separately.
<b>Strand 1</b>	Support designed to help participants progress towards work
<b>Strand 2</b>	Supported employment placements that prepare individuals for entering into employment.
<b>Intermediary Body</b>	WCVA is an intermediary body sanctioned by WEFO to deliver EU funds, in this case, AIF
<b>Combined</b>	Phase 2 AIF change to allow single applications to participate in both Strand 1 and Strand 2.
<b>Mixed Fund 'Groups'</b>	A phase 2 change to enable beneficiary bodies to have more than one project concurrently across differing age groups.
<b>Phase 1</b>	AIF as launched in 2015
<b>Phase 2</b>	The extension to AIF with applications invited from September 2017 and projects finishing by December 2019
<b>CCT</b>	Cross Cutting Themes: general principles embedded in EU Funding programmes: Equal Opportunities, Gender Mainstreaming, the Welsh Language & Sustainable Development and Tackling Poverty and Social Exclusion.

**\*Please note:** we understand that the term beneficiary is consistent with EU nomenclature for organisations in receipt of an award. However, as evaluators, we believe that it is inappropriate and that provider or even supplier are better descriptors of the role of organisations funded to support individuals experiencing challenging circumstances.

# Section 1. Report Structure

1.1. This report is structured to provide:

- a) A summary of the context for AIF, the key evaluation questions and the methodology adopted.
- b) Findings and recommendations structured around the key evaluation questions.
- c) Recommendations to inform potential successor arrangements based on findings and lessons learned from the evaluation.

## Section 2. The Evaluation Context, Brief and Approach

### 2.1. AIF: Context

2.1.1. The European Union (EU) funded Active Inclusion Fund (AIF) was conceived and designed to address longstanding challenges in helping 'hard to reach' people in Wales engage or re-engage in the labour market. In doing so, the programme set objectives to help to lift participating individuals out of poverty and achieve improved life outcomes. When launched in 2016, the context was a continued need for action in Wales to help hardest to reach groups that were proportionally more numerous than the UK average.

2.1.2. The goals of the Well-being of Future Generations (Wales) Act 2015 to improve the social, economic, environmental and cultural well-being of Wales and accompanying obligations on public bodies to focus on the longer-term, to work better together, set a clear strategic context for AIF.

2.1.3. There is wide evidence to demonstrate that poverty and poor life chances correlate with long-term unemployment and economic inactivity. For example, this was described in the 'Tackling Poverty Action Plan' (Welsh Government 2012), and in the subsequent Child Poverty Action Plan, which underlines the importance of supporting parents into employment (Welsh Government 2015).

2.1.4. The challenges of addressing long-term unemployment and economic inactivity in adults, and of engaging with young people not in employment, education or training (NEET) are complex. Public policy in Wales and the UK have and continue to apply a wide variety of approaches that include work experience, skills training, employer subsidies, sanctions or incentives through employment services and benefits, job search support and bringing health and work support closer together.

2.1.5. Equally, evidence shows a positive cost benefit from successful support, and the cost of economic inactivity to the economy, society and the individual.

2.1.6. AIF was launched in 2016 (subsequently labelled phase 1), extended for a phase 2 in 2018 (with targets and the budget reprofiled), and then further extended in 2020 (again with targets and budgets reprofiled) to run to 2022.

## **2.2. The Evaluation Brief**

2.2.1 The evaluation brief was to ‘continuously analyse progress, and impact on participants and on other economic inactivity and employment projects’, with the following core questions:

- a) Did the four individual funds within AIF achieve their objectives?
- b) How varying approaches taken by beneficiaries affect outcomes: what worked for particular target groups and which were less successful?
- c) Is the operation successfully reaching target groups, broken down by demographics, and again, what is or has worked well and what didn’t?
- d) Assess the impact on participants in terms of the development of skills and employability.
- e) The extent to which AIF adds value to the delivery of other relevant programmes.
- f) How AIF contributes to Well-being of Future Generations (Wales) Act 2015 objectives and to tackling poverty, for example, by encouraging and supporting organisations paying the living wage.
- g) The extent to which the operation integrates Sustainable Development into awareness raising, education and training.
- h) How language preferences are identified and met: Welsh and English being a key aspect, but also recognising minority groups.

2.2.2. The brief also required working ‘with the operation to develop intervention logic’. These core questions and requirements were sustained in extending the evaluation to cover phase 2 of AIF.

## **2.3. Methodology**

2.3.1 The brief required a mix of quantitative and qualitative primary research to engage participants, beneficiaries and other stakeholders. The agreed multi-methodological approach was people-based to assess outcomes against objectives, including the psychological impact of participation in AIF. The methodology and accompanying topic guides for interviews are available in the accompanying WCVA Active Inclusion Fund Phase 1 & 2 Final Report: Working Document (the Working Document).

2.3.2. Phase 2 methodology sustained that for phase 1, subject to examining changes introduced for phase 2. The methodology document and approach were updated to assess the impact of substantive changes. Key phase 2 changes included:

- a) Inviting single applications that combined Strand 1 (support to prepare individuals for labour market participation) and Strand 2 (funded placements for individuals to participate in the work place).
- b) Providing participant support jointly across differing age groups.
- c) Some significant administrative changes including capacity to offer larger grant awards up to £1.5m per project.

2.3.3. A core aspect of the agreed methodology was to examine the singular underlying approach and consistent system adopted in delivering AIF across all four funds, whilst recognising that the four funds are accounted for separately<sup>1</sup>.

## **Section 3. Key Findings & Recommendations**

### **3.1. The AIF Theory of Change and Intervention Logic**

3.1.1. Evaluating the AIF theory of change and intervention logic drew on interviews with key actors and stakeholders, together with analysis of business plans and strategic documentation.

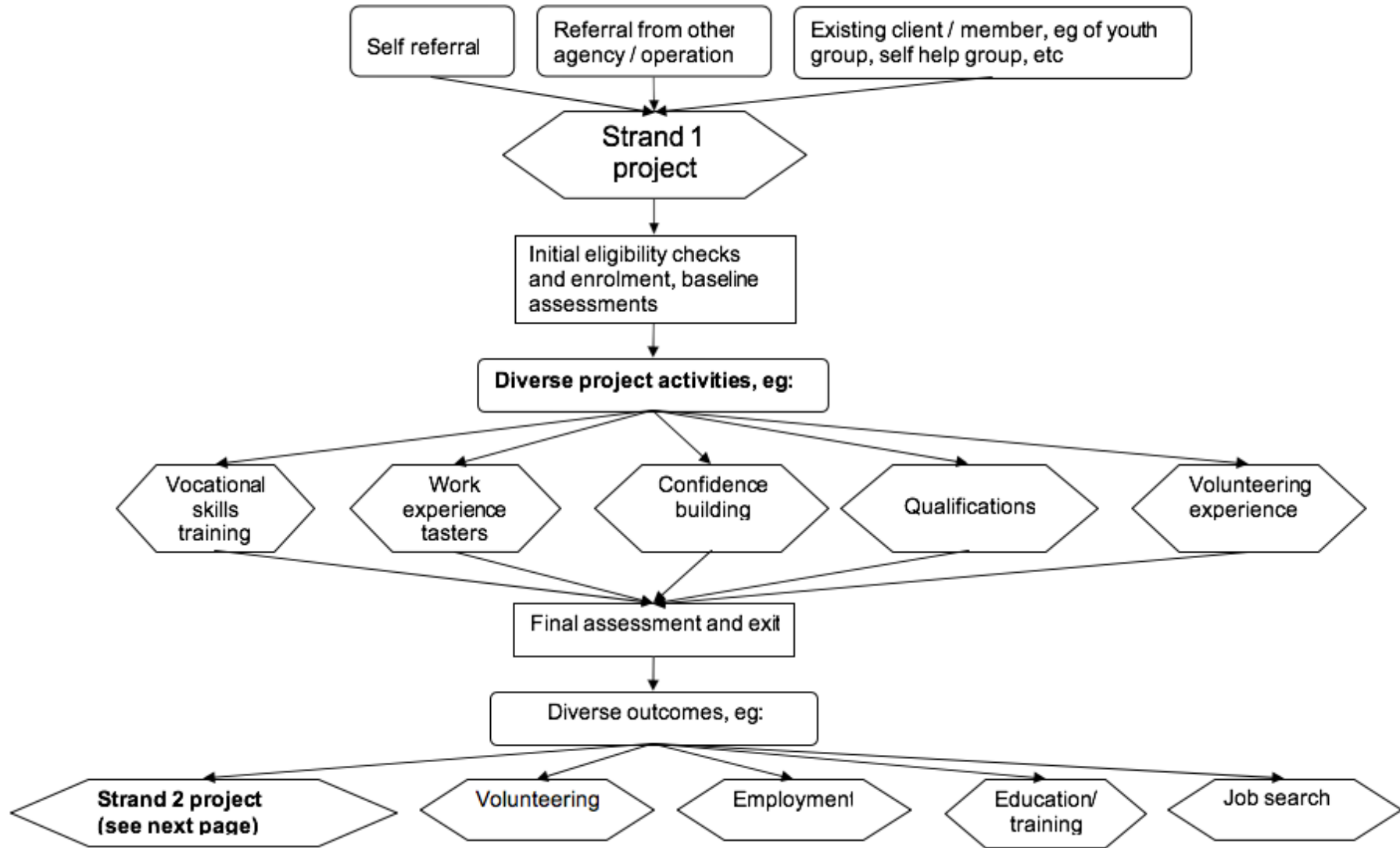
3.1.2. There were Operational Logic Models for each of the four funds (see the example in Section 3 of the Working Document) with participant 'journeys' summarised diagrammatically as in the example in Chart 1 below<sup>2</sup>.

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<sup>1</sup> The four Funds are: West Wales and the Valleys Age 25+, East Wales Age 25+, West Wales and the Valleys Age 16 – 24, and East Wales Age 16 - 24

<sup>2</sup> Source: Programme – West Wales and the Valleys European Social Fund Priority 3: Youth Employment Attainment March 2016 FINAL version 1

**Chart 1: Example of AIF Mapping of Participant Journeys: Youth**



3.1.3. AIF has no simple input / output logic model or single theoretical link between projects funded and the outcomes approved, or a single view on what works. The underlying theory of change implied in the principles adopted by WCVA combines pragmatism in meeting EU and Welsh Government Welsh European Funding Office (WEFO) requirements with a distinctive approach that:

- a) Draws on previous experience, including the Intermediate Labour Market Programme and the Engagement Gateway Programme.
- b) Identifies that the complex and multi-faceted challenge of engaging with 'hard to reach' individuals is not amenable to a 'one size fits all' solution: the AIF model has the potential to foster experimental, flexible, innovative and locally responsive solutions.
- c) Focuses on those farthest from labour market participation who typically face more extreme forms of exclusion and, often, complex mental health conditions: these are characteristically long-term challenges, so a singular, shorter term, focus on 'getting people into jobs' is not applicable.
- d) Distinguishes between progressing and equipping people for work (Strand 1) and helping people into work (Strand 2), recognising that this requires different approaches.
- e) Requires participant motivation and engagement for success, i.e. co-production rather than a service 'done to' participants.

3.1.4. Additionally, there was a meta-objective in demonstrating and sustaining third sector capability and credibility in delivering support, with a differentiation from other programmes in this policy area based on the principles above.

3.1.5. The AIF model provides an invitation to deliver one or more AIF objectives without detailed prescription about how to achieve these objectives. The aim is to fund knowledgeable and qualified providers capable of 'sympathetic' participant interventions, and to motivate these people towards or into work.

3.1.6. This lack of prescription is 'bookended' by detailed due diligence processes to assess potential provider experience and capability, and to challenge, performance manage and support awards during the life of the project.

3.1.7. AIF has a combination of strategic steering and transactional oversight through WEFO and through the WCVA Economic Inactivity Panel. AIF is distinct from previous broadly similar programmes in that WCVA is an intermediary body sanctioned by WEFO to deliver EU funds.

3.1.8. AIF is underpinned by a sophisticated business planning process (to meet EU and Welsh Government objectives) that defines target groups, and sets detailed numerical, geographical and demographic targets, based on statistical projections. Table 1 below is an early example of the detail involved.

3.1.9. Whilst well founded targets underpinned by reliable analysis are key to defining and agreeing outcomes, AIF targets were numerically ‘over precise’ and ‘over localised’ to the extent that they:

- a) Were at odds with the AIF challenge to support people who will often experience chaotic lifestyles, mental health conditions, addictions, learning disabilities and who will often not have linear or predictable responses to the offer or actuality of support.
- b) Skewed accountability processes too far towards assessing numerical outcomes at the expense of outcomes and impacts for the individuals supported.
- c) Created substantial administrative overheads in both reprofiling programme targets and budgets, and in not more firmly challenging beneficiary over optimism at application stage in terms of the number of participants that they could realistically engage or support in a given timescale.

3.1.10. For example, it is unclear whether exceeding a target of engaging 144 participants under AIF Strand 1 with low skills by 1 person in a particular local authority area is over achieving, or whether securing 1 less constitutes under performance, or where these bars are set. This becomes more acute if only 50 people are engaged, but all successfully enter volunteering or the workplace as a result of AIF support?

Table 1: Example of the Profiling of Early AIF Business Plan Targets

Target group	Local Authority area															Outcomes						
	Blaenau Gwent	Bridgend	Caerphilly	Carmarthenshire	Ceredigion	Conwy	Denbighshire	Gwynedd	Isle of Anglesey	Merthyr Tydfil	Neath Port Talbot	Pembrokeshire	Rhondda Cynon Taf	Swansea	Torfaen	Total Engaged	Part quals	Full accredited qualifications	Further learning	Volunteering	Employment	Positive outcomes
Low skills	144	55	150	182	18	154	177	73	103	196	269	128	646	308	204	2,806	340	982	675	473	275	2,220
S1	144	55	150	182	18	154	177	73	103	196	269	128	646	308	204	2,806	340	982	675	473	275	2,220
S2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
WLHC	99	36	80	99	13	94	105	42	40	102	224	81	361	119	185	1,680	208	634	395	394	227	1,368
S1	91	30	72	92	13	78	88	25	33	99	214	81	346	112	179	1,554	208	493	382	335	134	1,242
S2	15	12	17	15	0	33	33	33	13	6	19	0	29	15	12	252	0	141	13	59	94	126
EI Carers	43	8	44	75	4	53	83	17	15	65	86	27	175	36	35	767	72	322	189	109	162	602
S1	40	5	41	73	4	43	73	14	13	63	83	27	169	36	33	718	72	282	189	98	119	553
S2	4	6	6	4	0	19	21	6	4	4	6	0	13	0	4	98	0	40	0	11	43	49
EI 54+	36	20	49	44	7	84	99	44	50	34	63	46	139	90	44	849	85	340	157	329	181	728
S1	28	20	33	35	7	75	89	34	41	27	51	46	129	90	34	740	85	238	147	153	44	619
S2	17	0	31	19	0	19	19	19	19	15	25	0	19	0	19	219	0	101	11	176	137	109
LT BAME	0	0	1	3	0	1	2	0	0	0	3	0	3	51	0	65	15	15	22	8	8	40
S1	0	0	1	3	0	1	2	0	0	0	3	0	3	51	0	65	15	15	22	8	8	40
S2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Jobless Households	93	48	85	130	7	120	144	74	95	188	104	85	356	115	95	1,738	160	1,061	334	254	581	1,455
S1	83	35	68	118	7	83	110	41	57	171	87	75	314	90	74	1,414	160	594	314	206	219	1,132
S2	21	25	33	25	0	75	67	67	75	33	33	18	83	50	42	648	0	467	21	47	361	324
Total	415	167	408	534	49	506	609	251	302	586	748	368	1,680	720	563	7,905	880	3,355	1,773	1,566	1,434	6,415
S1	387	145	364	503	49	433	539	188	247	557	706	359	1,608	688	525	7,297	880	2,605	1,728	1,273	799	5,807
S2	56	44	88	63	0	146	140	125	110	58	83	18	144	65	77	1,216	0	750	44	293	635	608

## Key Findings & Recommendations

3.1.11. AIF design aligns with the principles for success in addressing both *capacity* and *opportunity* for participants i.e. individuals require *capacity* (provided through Strand 1) to operate in the market and *opportunities* (provided through strand 2) to enter and then hopefully stay engaged in the labour market.

3.1.12. EU and wider accountability requirements necessitate careful and considered targets and quantification, however, the detail, short timescale and ‘over’ precision of AIF targets, were inconsistent with the challenge set for AIF and the ‘fit for purpose’ flexible model adopted. We note significant target reprofiling to resolve these difficulties during phase 1, and particularly through phase 2 (see also Section 3.2).

3.1.13. Any successor to AIF would benefit from a review of how targets and measures of success are set, and to rebalance them towards longer-term outcomes for individuals and therefore also communities. This implies a system for ensuring that participant journeys are supported for the duration needed to achieve such successful outcomes and that such journeys – and subsequent outcomes – are observed and recorded.

3.1.14. Shifting this emphasis suggests creating a more strategic oversight function for the Economic Inactivity Panel that would combine ‘high level’ scrutiny of performance, outcomes and impacts with bringing relevant stakeholders together in a collaborative environment (see also Sections 3.2 and 3.3). The current Panel has tended to be the recipient of detailed numerical and financial reporting that clouded any wider role in reviewing outcomes achieved.

3.1.15. Accepting the need for an operational scrutiny function, this ought to be through a more operationally oriented group, possibly as a sub group reporting to the Economic Inactivity Panel.

**Recommendation 1:** rebalance core targets for any successor arrangement to place more weight on recording the quality of outcomes for individuals and the longer-term value for those individuals and their communities, with numerical targets that are more realistic in terms of local geographies and in terms of time scales for achievement.

**Recommendation 2:** review any successor steering arrangements, including any role for the Economic Inactivity Panel, to create a strategic overview function and a separate, but related, operational oversight function.

## 3.2. Did the Four Individual Funds within AIF Achieve their Objectives?

3.2.1. This section looks at performance against targets as set and subsequently reprofiled.

## Commentary: AIF Phase 1 & 2 Performance Against Targets

3.2.2. The following tables summarise cumulative and average grant awards and recorded match funding for all four funds over phases 1 and 2 covering a total of 15,433 participants (WCVA data 2020/02).

<b>Table 2: Total Awards for Phase 1 &amp; 2 for all Completed Awards</b> (Excludes any part payments for withdrawn awards)			
<b>Fund</b>	<b>Grant Award</b>	<b>Match Funding as Recorded by WCVA</b>	<b>Total</b>
<b>WWV 25+</b>	£8,638,863	£2,653,229	£11,292,098
<b>EW 25+</b>	£1,827,309	£1,146,225	£2,973,534
<b>WWV 16 - 24</b>	£4,952,888	£2,068,163	£7,021,052
<b>EW 16 - 24</b>	£561,165	£279,741	£840,906
<b>Total All Funds</b>	<b>£15,980,225</b>	<b>£6,147,358</b>	<b>£22,127,590</b>

<b>Table 3: Average Awards for Phase 1 &amp; 2 for all Completed Awards</b> (Excludes any part payments for withdrawn awards)			
<b>Fund</b>	<b>Average Grant Award</b>	<b>Average Match Funding as Recorded by WCVA</b>	<b>Average Total</b>
<b>WWV 25+</b>	£62,600	£19,226	£81,827
<b>EW 25+</b>	£67,678	£42,452	£110,131
<b>WWV 16 - 24</b>	£64,323	£28,859	£91,183
<b>EW 16 - 24</b>	£40,083	£19,982	£60,065
<b>Average All Funds</b>	<b>£58,671</b>	<b>£27,630</b>	<b>£85,802</b>

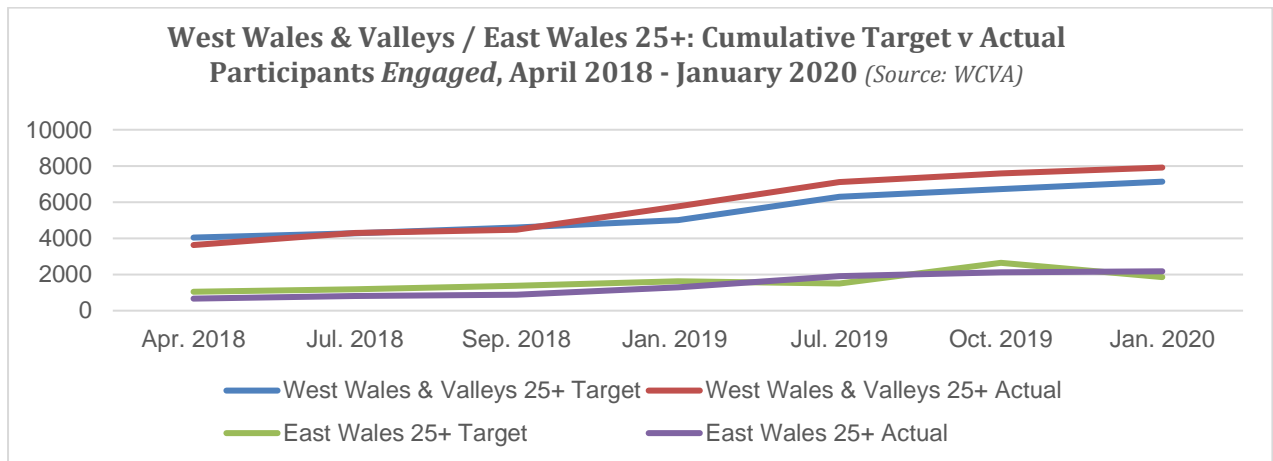
## Performance Against Targets Overview

3.2.3. The charts below show cumulative progress against individual targets for key participant outputs to the conclusion of phase 2, noting:

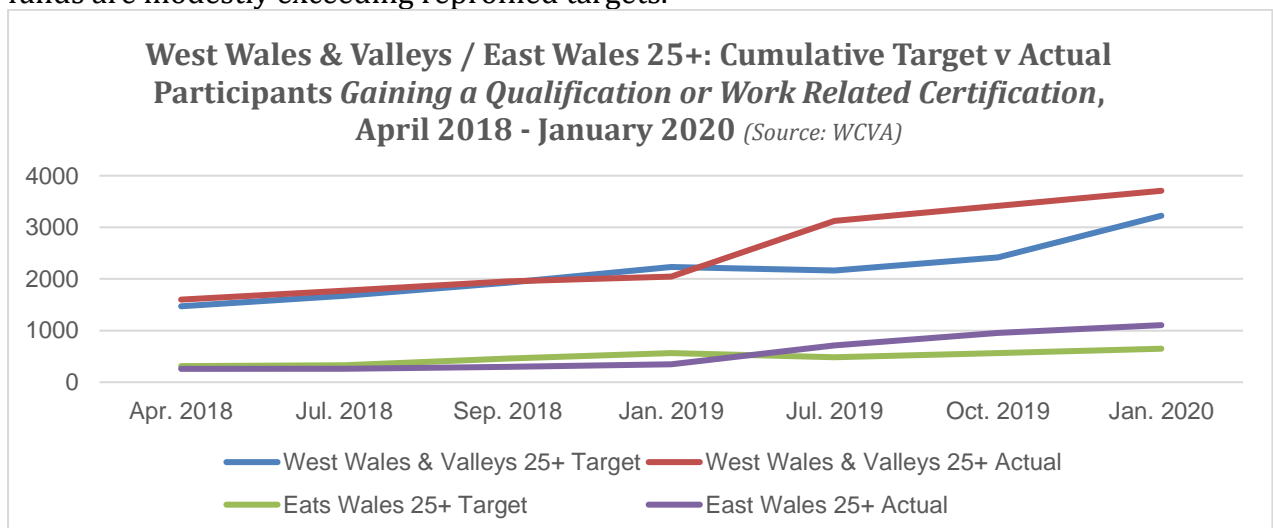
- a) Since launch, AIF targets have been subject to substantial WEFO / WCVA review and reprofiling of original budgets in the light of performance: fluctuations in the charts reflect this.
- b) That phase 3 involved further target reprofiling with increased budgets for three funds and a reduction in that for East Wales 16 - 24: figures shown for 31<sup>st</sup> January 2020 are phase 3 reprofiled cumulative targets often reflecting a reduction in original phase 2 January 2020 cumulative targets.

## West Wales and Valleys and East Wales Participants Aged 25+

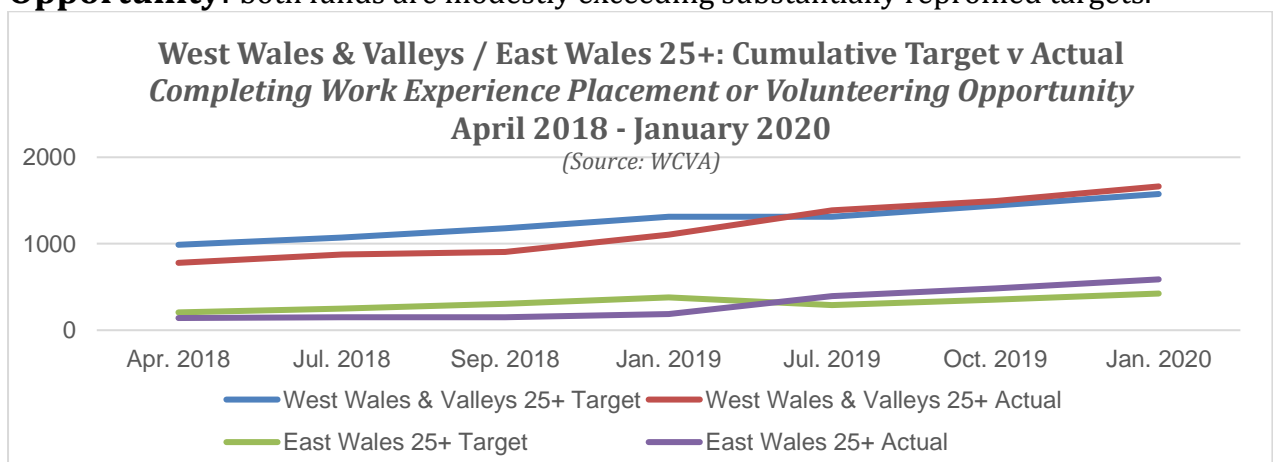
3.2.4. Chart 4: **Participants Engaged:** both funds are exceeding reprofiled targets.



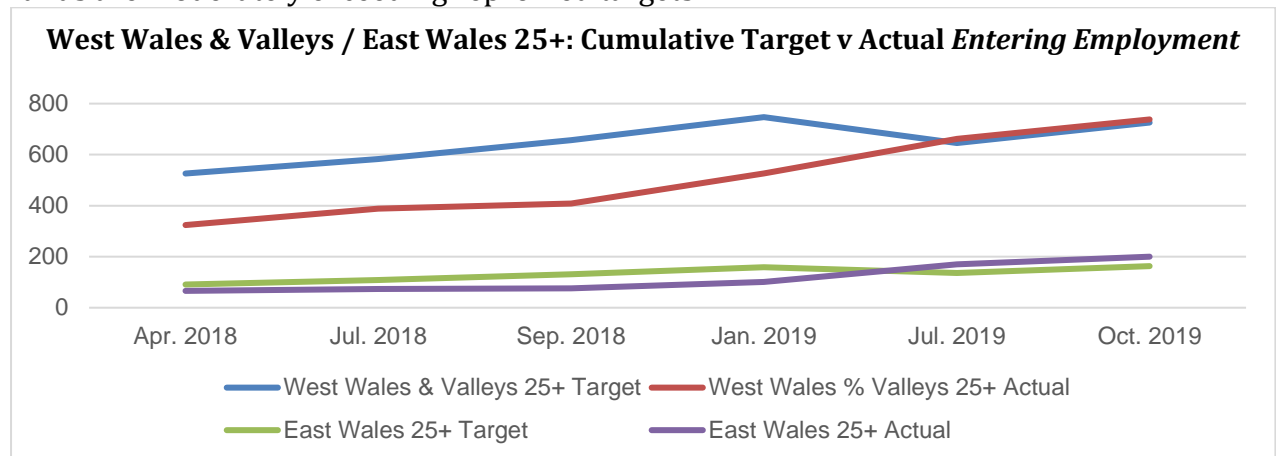
3.2.5. Chart 5: **Gaining a Qualification or Work Relevant Certificate:** both funds are modestly exceeding reprofiled targets.



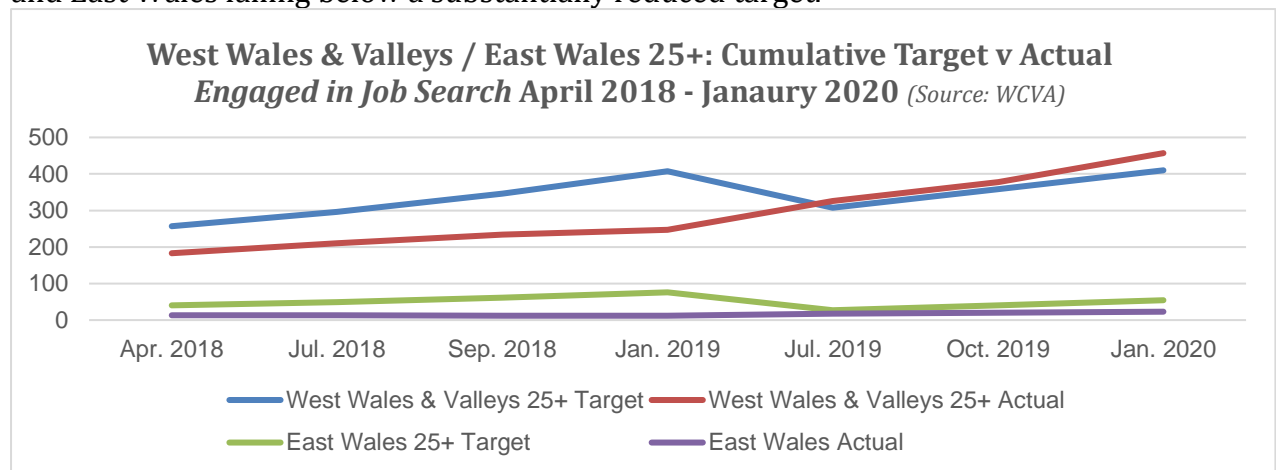
3.2.6. Chart 6: **Completing Work Experience Placement or Volunteering Opportunity:** both funds are modestly exceeding substantially reprofiled targets.



3.2.7. Chart 7: **Entering Employment Including Self Employment:** both funds are moderately exceeding reprofiled targets.

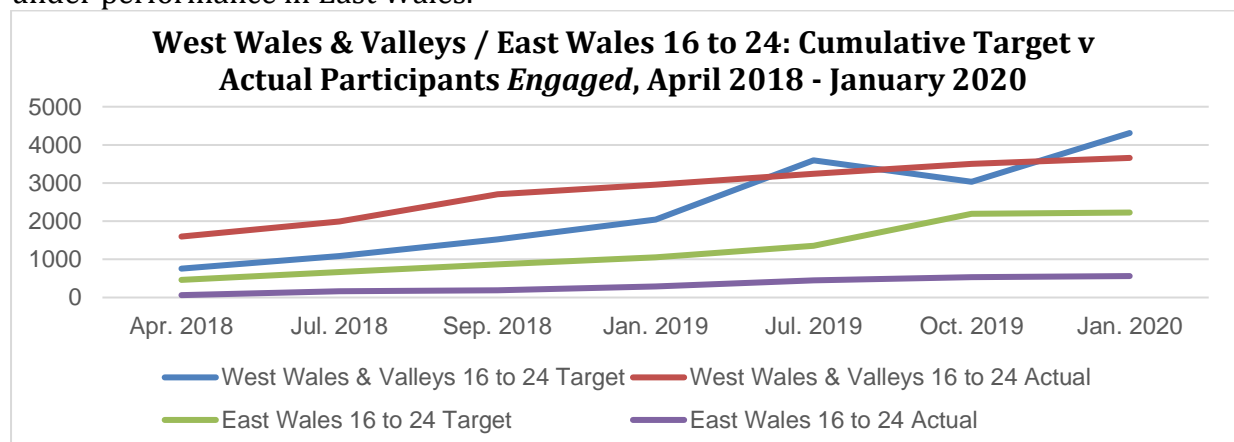


3.2.8. Chart 8: **Engaged in Job Search:** both funds are now closer to adjusted expectations of performance with West Wales and the Valleys modestly exceeding target and East Wales falling below a substantially reduced target.

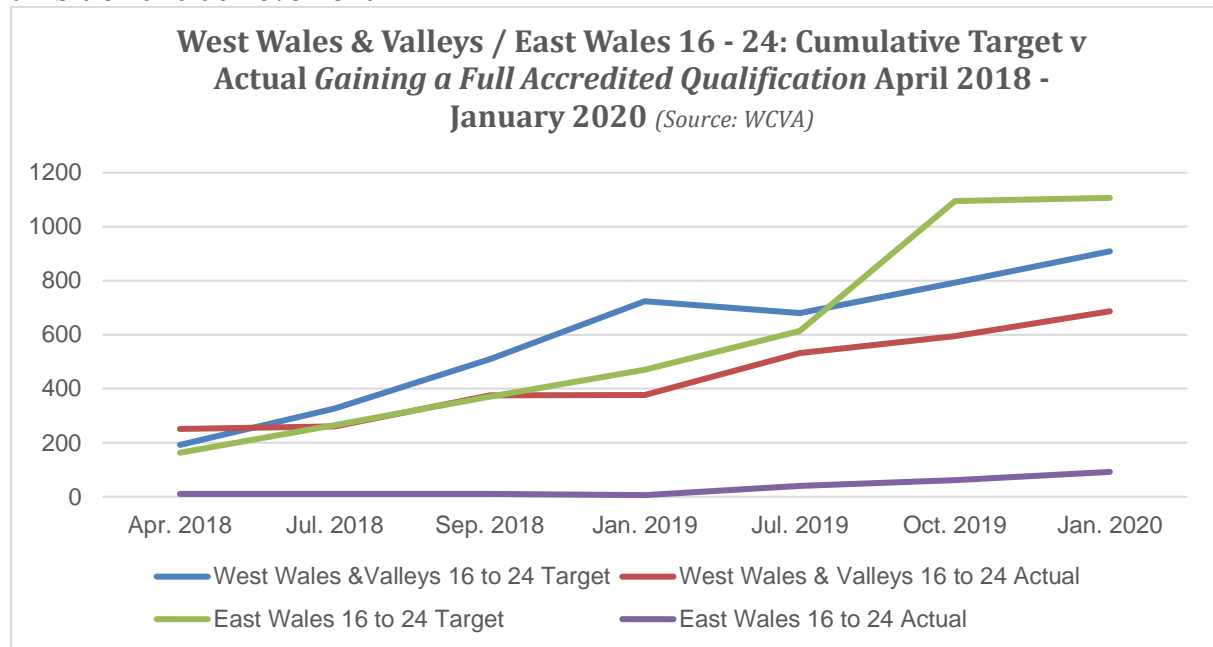


## West Wales and the Valleys and East Wales Age 16 – 24:

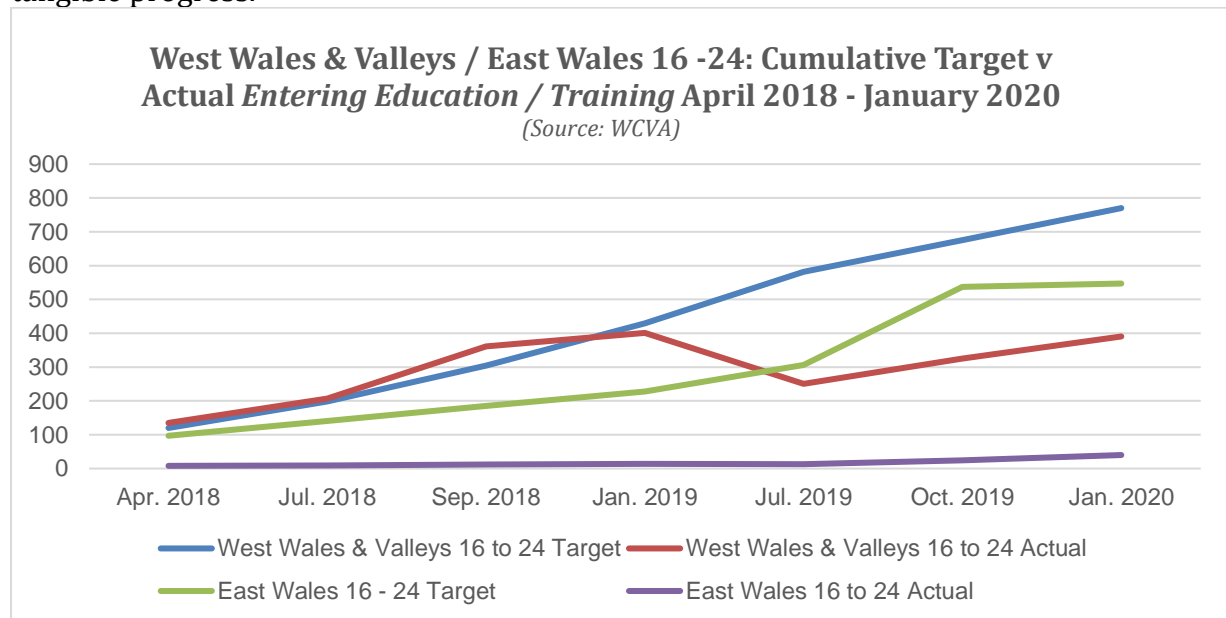
3.2.9. Chart 9: **Participants Engaged:** despite extensive reprofiling, there is a contrast between West Wales and the Valleys (against a raised target) and widening under performance in East Wales.



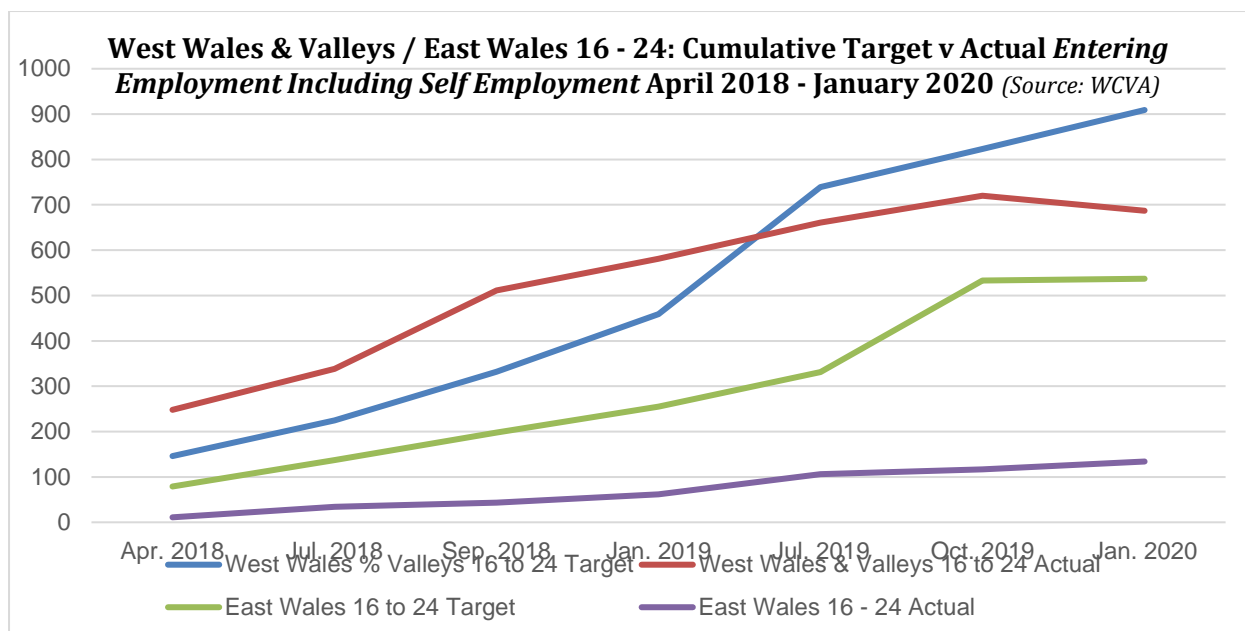
3.2.10. Chart 10 **Gaining a Full Accredited Qualification**: neither fund is close to substantially reprofiled targets, but East Wales shows a stark disparity between ambition and achievement.



3.2.11. Chart 11: **Entering Education or Training**: West Wales and the Valleys performance has substantially fallen since January 2019 and East Wales has made little tangible progress.



3.2.12. Chart 12: **Entering Employment Including Self Employment**: significant over performance in phase 1 and then a substantial reversal in phase 2 for West Wales and the Valleys, and modest impact in East Wales.



## Commentary

### Performance Against Targets

3.2.13. Section 2 questions the AIF approach to numerical targets at programme level, and unrealistic timescales for engaging and supporting participants. The combination of reprofiling and substantially extending AIF timescales over phase 2 and phase 3 appear to:

- a) Have brought performance closer to, and modestly exceeding, adjusted targets for both age 25+ funds.
- b) Have therefore made some positive steps towards more realistic timescales in reaching and supporting people who by definition, face serious challenges and barriers and often lack linear lifestyles that are amenable to precise targeting
- c) But, despite substantial reprofiling, overall performance against targets is below expectation in West Wales and the Valleys, and poor for the East Wales, age 16 – 24 Fund.

3.2.14. Beneficiary over optimism created consequential delays in providing support, exacerbated where some organisations took advantage of the phase 2 change to fund larger awards up to £1.5m. Delay impacted on participant motivation where, after initial contact, they experienced a hiatus before the provision of support whilst beneficiaries recruited sufficient participants.

3.2.15. We note WCVA action and changes during the course of phases 1 and 2 of AIF to address this through challenge during the approval process. However, over both phases, there was both substantial award reprofiling, and review with many adjustments to individual 'live' awards.

3.2.16. The result was a significant administrative burden. A total of 75 (24%) of 307 AIF projects over phases 1 and 2 were reprofiled at least once (46 in phase 1 and 29 in phase 2). Additionally, 50 projects (16%) withdrew before completion (8 of which were also subject to earlier reprofiling): inability to meet targets / engage sufficient participants was cited by many as a key reason for withdrawal. Table 4 below shows the distribution of projects by fund (noting a total of 134 beneficiaries with many subject to more than one award).

<b>Table 4: Project Analysis by Fund &amp; Total</b>							
<b>Fund</b>		<b>Projects Approved (No. / %)</b>	<b>Strand 1</b>	<b>Strand 2</b>	<b>Combined</b>	<b>Projects Withdrawn (No. / %)</b>	<b>Net Projects</b>
<b>Phase 1</b>	WWV 25+	88 ((58%)	72	16	0	20 (23%)	68
	EW 25+	16 (11%)	12	4	0	4 (25%)	12
	WWV 16 - 24	44 (29%)	38	6	0	5 (11%)	39
	EW 16 - 24	3 (2%)	1	2	0	1 (33%)	2
<b>Total Phase 1</b>		<b>151</b>	<b>123</b>	<b>28</b>	<b>0</b>	<b>30 (20%)</b>	<b>121</b>
<b>Phase 2</b>	WWV 25+	79 (50%)	60	7	12	8 (10%)	71
	EW 25+	17 (11%)	16	0	1	2 (12%)	15
	WWV 16 - 24	44 (28%)	29	4	11	6 (14%)	38
	EW 16 - 24	16 (11%)	13	1	2	4 (25%)	12
<b>Total Phase 2</b>		<b>156</b>	<b>118</b>	<b>12</b>	<b>26</b>	<b>20 (13%)</b>	<b>136</b>
<b>Total Phase 1 &amp; 2</b>		<b>307</b>	<b>241</b>	<b>40</b>	<b>26</b>	<b>50 (16%)</b>	<b>257</b>

3.2.17. Beneficiary reasons recorded for their challenges include:

- a) Lack of clarity about the existence (or not) of eligible people
- b) The ability (or not) to recruit and validate sufficient participants.
- c) Instances of inter-beneficiary competition.
- d) Under estimating the time needed to put referral arrangements in place.
- e) Finding participants more challenging to work with than anticipated.

3.2.18. Beneficiary effectiveness in meeting targets was variable, and subject to substantial geographical differences. For example, engaging participants in the East Wales 16 – 24 NEET Fund has been particularly challenging. This needs further investigation, but is likely to revolve around:

- a) There being less people in need of support than assessed: some beneficiaries suggested that there is more provision than potential participants, including the existence of other programmes.
- b) Some parts of East Wales being relatively affluent and local economies buoyant, with potentially more opportunities in the informal and formal economy.
- c) The people in need may not be on the radar of beneficiaries funded to engage them.
- d) A porous border with England, and opportunities in England.
- e) Proportionally higher beneficiary match funding requirements in East Wales, i.e., they need to invest more resource to secure an AIF award.

3.2.19. Despite perceived or real inter-organisational competition, providers sought improved communication and cooperation between them and believed that this would achieve better outcomes. They felt that this should be facilitated by WCVA:

*“WCVA need to map what currently exists...there are far too many programmes. There needs to be more coordination”.*

3.2.20. Subsequent sections explore how other factors such as local labour market conditions and opportunities also impact on achieving successful outcomes and therefore meeting set targets.

## **Key Findings and Recommendations**

3.2.21. Assessing results against reprofiled numerical targets:

- a) Both West Wales and the Valleys and East Wales 25+ funds show a broadly positive performance.
- b) Both West Wales and the Valleys 16 – 24 and East Wales 16 – 24 funds have under-performed against (substantially) reprofiled targets, with the situation in East Wales stark and requiring fundamental review.

3.2.22. Subsequent sections explore the nature of AIF participants and how they benefit. This numerical analysis does not reflect the challenged circumstances of many, or the impact and outcomes achieved for individual participants.

3.2.23. Looking forward, we suggest that:

- a) Independent of this evaluation, collaborative work is conducted with other agencies and organisations (potentially led by Welsh Government) to review the characteristics, distribution and geography of need, and the potential numbers of individuals needing support.

- b) This might be a catalyst for a more collaborative and integrated approach between organisations and programmes (including beneficiaries) to best meet identified and agreed needs, and to ensure sustained support for individuals where needed.
- c) Current match funding arrangements be reviewed with an objective of parity and equity wherever such a resource is targeted: socio-economic conditions and opportunities vary widely across Wales, however, the plight of individuals in challenging conditions targeted by AIF are not geographically differentiated. Hardship is hardship, wherever the individual.

**Recommendation 3:** review the distribution and numbers of individuals needing support and the characteristics of these hardest to reach groups to inform the potential for a more systematic approach to collaboration between organisations and programmes.

**Recommendation 4:** Welsh Government might specifically review the nature and geography of activity and programmes to support young people aged 16 – 24 who are NEET, to inform where gaps in support exist – or not.

**Recommendation 5:** any potential successor to AIF should review current match funding requirements that differentiate between the geographic area currently defined as East Wales and that defined as West Wales and the Valleys with an objective of achieving parity in supporting people in challenging circumstances.

### **3.3. How varying approaches taken by beneficiaries affect outcomes: what worked for particular target groups and which were less successful?**

3.3.1. Evaluation fieldwork involved 205 participant interviews and observations (across 46 beneficiary bodies) and 71 specific beneficiary interviews, plus extensive further intelligence gathering from beneficiaries when engaging with participants. Participants were engaged through a mix of individual interviews, focus groups and group activities spanning Strands 1, 2 and Combined.

#### **Commentary**

3.3.2. Dimensions to this question include:

- a) The ability of beneficiaries to find and engage targeted individuals and groups at the outset (see also Section 3.2).
- b) The capability and skills of beneficiary organisations to work with and respond to individuals and groups, both in practical and empathetic terms, and in addressing specific individual needs.
- c) Delivering support and action appropriate to the individuals concerned, again both in practical and psychological terms.

3.3.3. The evaluation brief asks about differentiation between approaches and target groups. In practice, if the beneficiary is competent to engage with the individuals or groups that they are targeting, results are achieved by applying good practice principles. This section explores those principles.

### **Initially Engaging Participants**

3.3.4. We explored variable beneficiary performance in engaging participants at the outset. Those reporting few problems identified that this is due to:

- a) An existing core delivery team or presence that knew where to find participants and engage with them, and who were often already working with them.
- b) Strong links with other programmes or community hubs.
- c) The value of 'word of mouth': i.e. connection with the community or target group to 'spread the message'.
- d) Using non-AIF funded beneficiary activity for referral, for example, connections with target groups or communities to generate referrals from friends and family, or self-referrals.
- e) Institutional connections and referral arrangements, for example, with medical centres, Job Centres, local authority social services and economic development departments. Successful beneficiaries often have well developed relationships with a variety of services,

3.3.5. Effective inter-organisational collaboration and referral systems significantly impact on AIF performance. For example, Job Centre Plus advisors played a positive role when prepared to think outside Work Programme confines in terms of referrals. We also encountered positive examples of inter-beneficiary co-operation and that with third parties including Remploy and Communities for Work.

3.3.6. Inter-beneficiary collaboration and networking is also important and something WCVA fostered as AIF progressed with positive results, not least given negative experiences around perceived or real hostility to an incoming beneficiary organisation. This is unhelpful because participants are not passed between beneficiaries when that is in their best interest.

*"People didn't understand why we had been given a contract as they said there were not enough referrals".*

*"All referrals go through one person at the Local Authority and they are also running a programme so they have a vested interest in not sending people on".*

*"There is intense competition and bad feeling between projects".*

*"We tried to engage but they would not engage with us, they see us as direct competition".*

3.3.7. In phase 2, some experienced beneficiaries used the AIF Project Data System before bidding to confirm what other AIF awards were operative in an area to avoid duplication. Others noted that it would be useful to have a 'map' of existing provision to help them plan a proposal. This suggests value for a potential successor arrangement in establishing collaborative triage processes to apply from the outset of participant journeys as a means to better plan pathways and co-ordinate support for participants.

## **Capability and Skills in Supporting Participants**

3.3.8. AIF encourages diverse and locally relevant beneficiaries: even if that beneficiary is a large, national or UK organisation. The capability of the organisations concerned, having a local presence and knowledge, and the quality of their facilitators are therefore crucial.

3.3.9. The programme has impressively encouraged and funded fit for purpose beneficiaries to work with target groups. We found that most had the necessary expertise and qualifications, so, for example, organisations working with the victims of domestic abuse or with people granted asylum were familiar with and working with these groups prior to their AIF award. In some cases, the organisations used AIF to expand the scope of their work.

3.3.10. The accompanying Working Document includes a compendium of participant quotes gathered through the evaluation. These convey how they viewed their AIF experience across a broad spectrum of people and circumstances. We engaged with sufficient participants to be confident that the positive experiences recorded are representative of many completing their programme. This is also evidenced in scores gathered in interviews where they consistently rated their experience either 4 or 5 out of 5 (1 being poor and 5 excellent).

3.3.11. Participant comments and responses revealed a consistent sense that they were energised when talking about their achievements and, where appropriate, that they were feeling more confident and more prepared to enter the workplace (see also the analysis of participant self-assessments in section 3.4).

3.3.12. Field work inevitably involved an element of self-selection: we could only engage with those participants willing to do so. That probably favoured those who benefitted most from AIF rather than those who benefitted less. This does not alter our conclusions. AIF is working with challenged individuals, so significant 'fall out' is to be expected.

3.3.13. Beneficiaries confirmed that a proportion of participants remain challenging to work with, or in need of different approaches, and, for example:

- a) We experienced situations where interviewees did not turn up for pre-arranged interviews which is indicative of a wider issue.
- b) Some providers confirmed that ensuring participant attendance (for example, young people referred by Job Centre Plus) is challenging. However, this may also be indicative that the AIF project was offering insufficiently engaging activity.

- c) Also, the lack of AIF 'mandation' resulted in some people not turning up.

**Strand 1: Building Confidence and Communications, First Aid or Food Hygiene**

**Skills RCS Interview:** the participant did not arrive for the pre-arranged interview and session: the beneficiary suggested that a hot, sunny day as a reason for the 'no show' and advised that participants have been unpredictable turning up to sessions throughout programme.

3.3.14. There is no consistent pattern as to which specific approaches proved most effective for specific groups of participants because:

- a) Providers offered diverse support and experiences, so the benefits are accordingly diverse.
- b) Many participants have multiple challenges, so an individual could have mental health issues, be long term unemployed and come from a house hold experiencing inter-generational unemployment.
- c) A majority of providers are committed and worked effectively with participants, a minority less so and some offered generic courses that may – or may not – have longer-term positive impact.
- d) A significant number of providers conveyed concerns about the short-term nature of AIF projects which militated in favour of offering shorter and sometimes more generic courses when participants would have benefitted from longer-term and more structured support either through collaboration with other organisations, or through longer-term direct engagement.

**Award Duration:** the overall project average for both phases is 14.5 months (this includes all activity not just participant engagement in activity) with a range of 6 – 24 months. Strand 2 awards average 13.5 months with a range of 9 – 20 months, Combined awards average 17 months with a range 12 – 28 months.

- e) Continuity of support and collaboration across projects and organisations is therefore often needed to create pathways for those most challenged and distant from labour market participation.
- f) Introducing a combined strand 1 and strand 2 option in phase 2 was a step in the right direction and beneficiaries identified this as useful. It chimes with the evaluation analysis that AIF is effective in supporting participants once they are engaged, but that transition out with necessary and effective future support is more problematic.

3.3.15. The quality and nature of qualifications in Strand 1 is therefore important. We question the long-term value of some generic (as opposed to vocational courses) such as general health and safety. Although there can be benefit, for example in building

confidence and engaging participants in constructive activity, these are not necessarily conducive to longer term sustainable impacts for participants.

## **The balance between ‘soft’ and ‘hard’ skills**

3.3.16. The evaluation literature review (see the Working Document) contrasts ‘hard’ results v ‘soft’ outcomes and the importance of soft skills as a pre-requisite for sustained participation in the labour market, particularly for those with challenging barriers to employment. The AIF model recognised this (see Chart 1)

3.3.17. Some participant needs (particularly those closer to labour market participation) can be met by relatively ‘mechanistic’ provision of skills and direct practical help. However, most ‘hard to reach’ individuals need help in changing feelings, attitudes & behaviours as well as specific skills, qualifications and experience. This requires a learning environment that provides for these psychological aspects. At its best, AIF demonstrates that these benefits can be achieved alongside the acquisition of employable ‘harder’ skills.

3.3.18. Our findings inform a picture of good practice in supporting challenged individuals and groups in moving towards or into the labour market (see also the Working Document). In establishing good practice, there are many similarities in the 16 – 24 age group ‘experience’ to that of those aged 25 and over, for example, predominant benefits from Strand 1 revolve around gaining and increasing self-confidence. However, there are some distinctions:

- a) Camaraderie between peers is even more important to young people: *“we find that delivering in groups works as people bond instantly and is an important factor in them wanting to come back”.*
- b) Older people valued interaction to share experience and discover that they are ‘not alone’ in their experiences.
- c) Although a generalisation, older people tend to be more focused on outcomes for them and on turning their lives around.
- d) Young people who are NEET typically had fewer specific goals, reflecting that many are starting out on the route to employment with little or no past experience to draw on, or any specific desired vocation.

3.3.19. Good practice in supporting challenged groups and individuals revolve around the factors identified below.

### **3.3.20. Recognising and Responding to Participant Needs by:**

- a) Using groups as appropriate to develop camaraderie, and share experiences.
- b) Building self-confidence and social skills.

- c) Creating structure in lives that are otherwise chaotic, for example, motivation to “get out of bed”, encouraging healthier diets, seeing familiar faces, making friends and providing stability and structure to the day.
- d) Empathetic support through trusting and encouraging relationships with tutors and providers who are responsive to the needs of the individual, and to their peers: *“I’m not alone”*.
- e) Responding to individual needs, for example, managing anxiety & depression, suicide prevention: *“depression busting”*, recognising the impact of abusive relationships, and acknowledging that this is not the victim’s fault, or helping people with anger management i.e. helping participants to develop coping strategies where the impacts of past or present challenges remain.
- f) Reflecting that individuals may take significant time to develop skills and may need different learning styles.

**Provider Employee:** *“I am conscious, that as a result of completing the programme myself, I am able to really connect with participants. They are aware that I have had similar issues. This has helped develop trusting relationships with them. They know I will offer a sympathetic and understanding ear”*

### 3.3.21. Capable and Suitably Qualified Support by:

- a) Generating a sense of achievement.
- b) Introducing creativity and a ‘fun’ element to foster sharing experiences in an informal, relaxed environment (particularly important for those who have experienced traumatic circumstances), for example, blending participation in sport or physical activity appears to be useful for young people when combined with more work-related support.

**Strand 1 Example:** using sport to achieve multiple benefits for a diverse range of individuals (mixed age groups, low skills, jobless households, single parent etc.). The benefits included confidence building, healthier lifestyles, team skills as well as developing employability skills. The beneficiary developed a relationship with a local organisation with employees of that organisation taking part in sports training, including some in senior positions, offering opportunities to interact with people at all levels.

AIF participants were positive in mixing with employees, enjoyed the sporting activities (e.g. rugby and running), with some organising their own running group. The programme offered structure and routine to their day and building confidence helped to create a positive attitude to future possibilities and employment, and encouragement to think ‘outside the box’ about what employment might be of interest to them.

- c) Offering innovative programmes that may not obviously offer specific workplace skills, but that accommodate individual complex needs, build essential feelings of wellbeing, and enable participants to feel more comfortable or 'open up' through activity that encourages inclusion and creativity e.g.: Zumba classes, performing arts, arts & crafts, presentation skills or a fitness regime.
- d) A safe and non-judgemental environment (we found contrasts with experience at some Job Centres).

One support worker commented that [they have]: *“seen a significant difference in (X) since he joined the programme, and in other participants. He [X] confirmed that he felt [in comparison] to other programmes where he has supported along with other individuals with complex issues, and that this programme is particularly good at addressing individual needs and creating an environment which embraces and encourages learning and development”.*

- e) Creating an appropriate environment and context for learning: a proportion of participants (young and old) find office based learning a challenge and some associate 'classroom' style learning with poor past experiences at school.

**Front Line Officer Experience (phase 2 combined project, observed)**, although not a direct quotation, we recorded a beneficiary experience in running an interpersonal skills course as follows:

The focus is on stress with participants given the opportunity to consider what the triggers and impacts are, and how they can minimise and develop coping strategies. The course uses a variety of tools including presentation, diagrams, video etc. to maintain engagement. All participants have workbooks to complete to record thoughts and outcomes as a means of empowerment. All participants left with coping strategies drawn from the session, which they had considered and were keen to adopt.

The officer was sensitive to individual needs, allowed time for participants to share thoughts and experiences, offered sympathy and encouragement throughout the session: some had experienced traumatic events and it was clear that she has developed trusting relationships with them and created a safe environment for participants to talk freely amongst themselves.

- f) Effective participant and beneficiary safeguarding: in two cases we found vulnerabilities or potential risks to the well-being of tutors or participants. We reported this to WCVA: the RCS presence was incidental in both cases. WCVA action has included strengthened internal processes and training for beneficiaries.

### 3.3.22. **Providing Appropriate Services for Participants** including:

- a) Practical help e.g. in completing forms, basic but crucial skills such as using a phone effectively, or familiarisation with computer use, improving literacy as well as more specific training in health and safety, manual handling etc.

- b) Engagement in Welsh as appropriate.
- c) Tailored, flexible, training skills programmes and activities, with support that provides a progression.
- d) Connections with local employers, and ability to work with those employers that engage in diversity and are prepared to employ those less able, and the ability to generate opportunities and guide participants to them.
- e) Access (where available) to appropriate and attractive employment opportunities: this suggests the value of brokerage services, potentially out with AIF or WCVA.
- f) Solving associated challenges for some participants such as the cost of travel to and from programmes or placements.

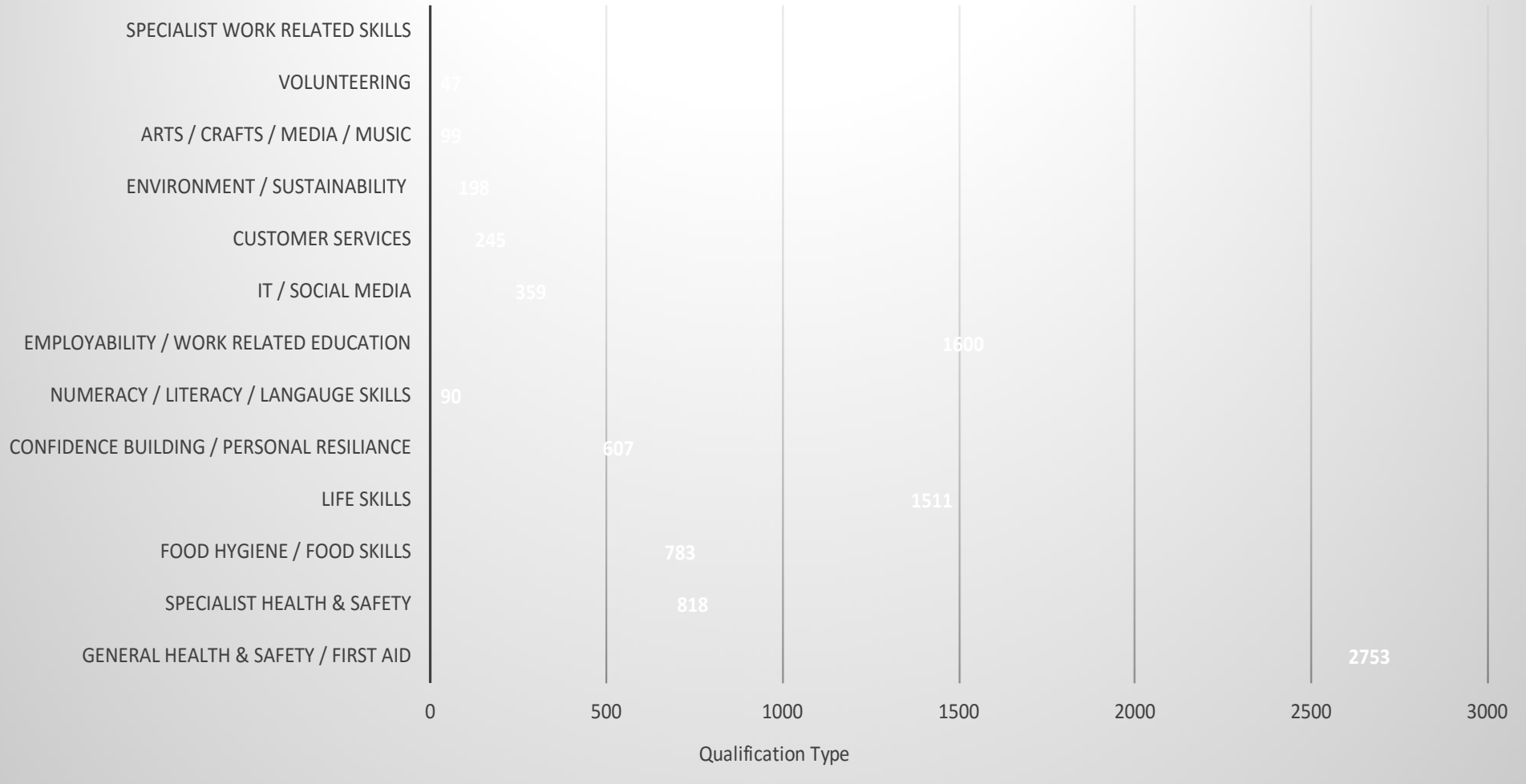
**Strand 2 Example: Young Single Parents:** participants are given employability training and help with overcoming barriers, then placed and supported to find permanent employment on completion. Participant feedback is that they feel more confident and that the placements were successful both in practical terms offering transferable skills, but also psychologically (as single parents, the opportunity to interact with other 'adults'): crucially, the cost of child care was funded by the programme.

3.3.23. Chart 11 below shows the broad distribution of AIF funded qualifications achieved by participants which illustrates an emphasis on softer and life skills, and on employability skills and work-related education, but also a significant number of qualifications around health and safety and first aid: Section 3.4 explores the role and value of the latter in more detail. Table 5 below shows a summary analysis of the level of validated qualifications attained by participants with a majority below Level 2: a reflection of the challenged circumstances of many participants who start from a modest baseline.

<b>Qualification Level</b>	<b>Number of Participants Validated as Attaining the Qualification</b>
<b>CQFW Level 1 or Below</b>	1169
<b>CQFW Level 2</b>	2271
<b>CQFW Level 3</b>	677
<b>Work Relevant Certificate</b>	5117
<b>Not Known</b>	1184

**Chart 11: Analysis of AIF Funded Validated Qualifications**

Source: WCVVA Project Data System February 2020



## Key Findings and Recommendations

3.3.24. In the majority of cases, we found little differentiation of effectiveness in organisations engaging with different target groups once AIF awards are operative. Rather, effective interventions rely on:

- a) Appropriately experienced and capable providers; and
- b) The effective application of the principles of good practice in engaging hard to reach groups and individuals.

3.3.25. A substantial majority of those AIF beneficiaries who completed programmes were committed and capable, and adopted fit for purpose approaches to support. We have not assessed all organisations in receipt of AIF awards, but we estimate that 95% would fall into this category, with the balance less effective, or used AIF on a more perfunctory basis as a source of funding rather than to develop their core mission.

3.3.26. AIF impact and outcomes could be improved by broadening and systemising inter-organisational collaboration. This has a number of dimensions:

- a) Building strong referral pathways.
- b) Support with proof of identification (for example, with Job Centre Plus).
- c) Building on the role and value of specialist beneficiaries with expertise in areas such as mental health or domestic abuse who know their client group.
- d) Developing institutional awareness of AIF, for example, in local authority economic development teams.
- e) Building effective links and co-ordination with other agencies and better information sharing, for example, local general practices might tell relevant patients about the opportunities for support in thinking about returning to work. We note that it has not currently proved possible to work with schools. However, if a workable arrangement could be engineered for any AIF successor that targeted young people, there are potential benefits including communication that there is potential support if young people are at risk of being NEET on leaving school.
- f) Reducing the likelihood of people to fall through the gaps.

3.3.27. Section 5 explores how a successor arrangement might further enhance the capability and effectiveness of organisations in achieving these goals.

**Recommendation 6:** a potential successor arrangement should review how to develop more systemic approaches to inter-organisational referrals, for example through GPs, Job Centres, social services, local authority economic development departments and, potentially, schools.

**Recommendation 7:** effective beneficiary and facilitator participant support: consider the principles set out above and in the Working Document as a basis for supplementary guidance on good practice, and also to provide AIF staff with an aid in assessing beneficiary effectiveness and performance on this basis.

**Recommendation 8:** examine the potential for a collaborative triage process for initiating participant engagement, activity and planning longer term support for individual participants where needed.

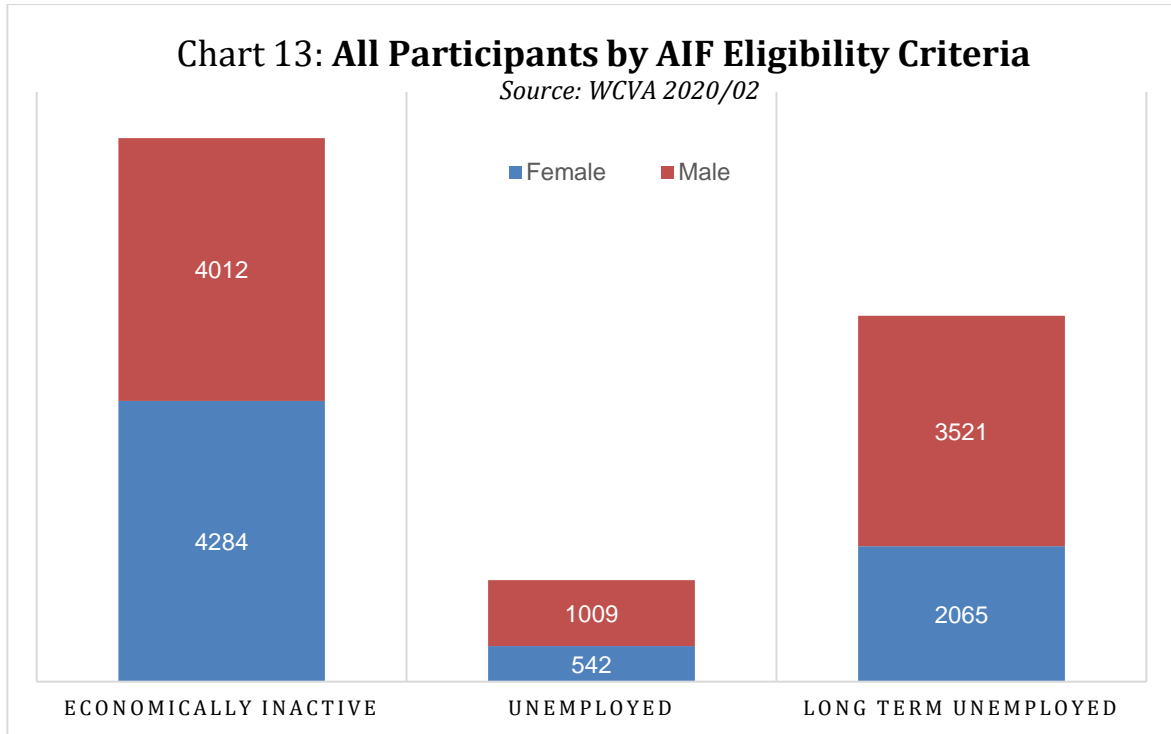
**Triage processes** could apply from the outset of participant journeys as a means to better plan pathways and co-ordinate support for participants. This would:

- a) Better co-ordinate Job Centre Plus, local authorities, the relevant public sector more widely, together with other beneficiaries.
- b) Foster a 'pastoral' approach where providers and others share in supporting participant journeys and pool expertise or specialist support.
- c) So, for example: in general, Strand 2 participants would be expected to have National Insurance and other documentary requirements to hand as they are ready for work; whilst
- d) More challenged Strand 1 participants (and those in Strand 2 in such circumstances) might be prioritized for inter-agency help and support in accessing documentation and in achieving ongoing support through AIF and beyond. This is challenging because it requires institutions to systematically and collaboratively work together: however, the lack of systemic cooperation has inhibited maximizing investment in helping participants to progress.

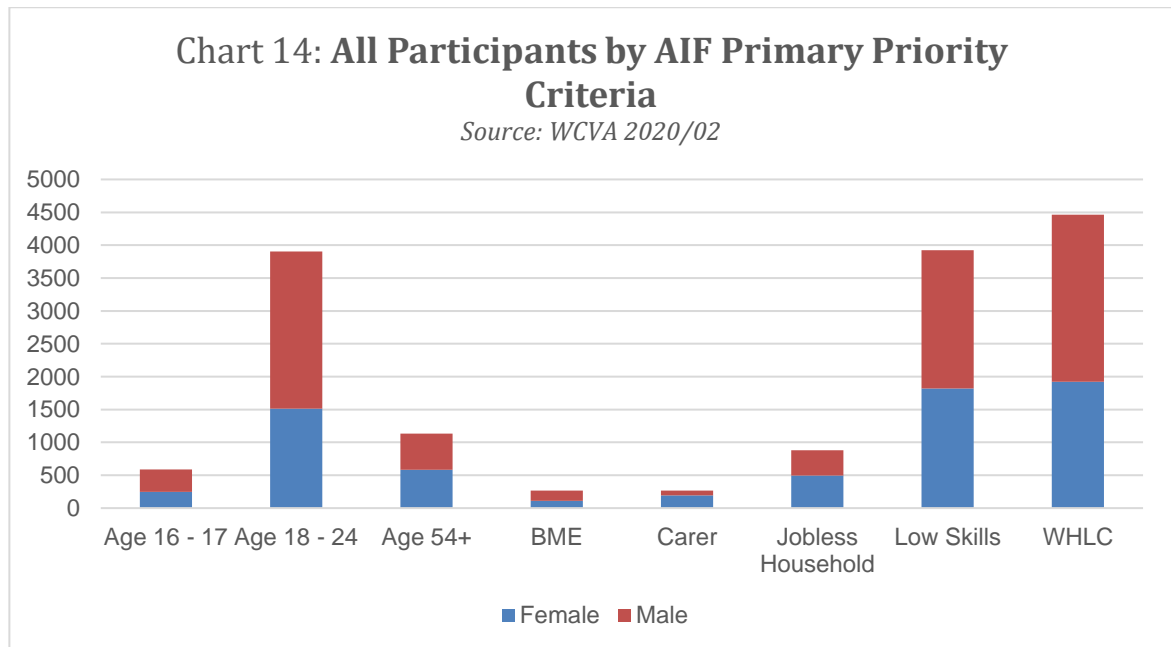
### **3.4. Is the operation successfully reaching target groups, broken down by demographics, and again, what is or has worked well and what didn't?**

3.4.1. Overall, phases 1 and 2 of AIF have consistently reached targeted 'hard to reach' individuals, with significant benefits for many once they are engaged and validated for eligibility (see Section 4 re validation) and participants report consistently positive experiences and benefits both for Strand 1 and Strand 2. We have encountered a few exceptions to this, but not many.

3.4.2. Chart 13 below provides a breakdown of the 15,433 AIF phase 1 and 2 participants recorded in February 2020 by WCVA, by the three eligibility criteria applied for them to participate in AIF: they must meet one of these. Although there are differences between the three, the overall balance between female to male participation is 45% to 55%.



3.4.3. Chart 14 below shows a breakdown of the groups participating based on the above eligibility criteria, but then with WCVA applying AIF 'primary priority criteria'.



WLHC = Work Limiting Health Condition

3.4.5. Table 6 below shows an analysis of all participants by ethnicity with the proportion of Black, Asian and Minority Ethnic AIF participants slightly below that for the population of Wales at 4.5% including people of mixed ethnicity compared to the national Welsh

figure of 5.4%<sup>3</sup>. We do not consider this difference to be an inherent bias in the programme, but should be considered as an emphasis in phase 3 and any future successor arrangement given evidence of links between poverty and minority ethnic groups<sup>4</sup>.

Gender	Participants (No. / %)	Ethnicity							
		White British	White Welsh	White Irish / Other	Mixed	Asian or Asian British	Black or Black British	Chinese	Other / Prefer not to Say
<b>Female</b>	<b>6,891 (45%)</b>	2,967	3,275	159	94	129	109	13	145
<b>%</b>		43%	48%	2%	5%				2%
<b>Male</b>	<b>8,542 (55%)</b>	3,336	4,459	134	113	101	169	4	226
<b>%</b>		39%	52%	2%	4.5%				2.5%
<b>Total All</b>	<b>15,433 (100%)</b>	6,303	7,734	293	207	230	278	17	371
<b>%</b>		41%	50%	2%	4.5%				2.5%

3.4.6. Many AIF participants are some distance from engaging in the labour market even after participation. WCVA records show that of 15433 participants, 14% went on to employment or self-employment immediately after completing their AIF engagement (see also Chart 15 in Section 3.5).

3.4.7. This data is consistent with our findings that AIF targeted groups include many people living complex and challenged lives who often experience multiple issues or challenges that may cross several AIF 'primary priority criteria' and may also, for example, involve mental health conditions such as depression and anxiety and in some cases attempted suicide, past or present substance misuse and addiction, and disability, including learning disabilities.

3.4.8. Not all participants come from socio-economically disadvantaged circumstances, for example, one participant worked at senior level management level, but "burned out", suffered from depression, and "took to drink".

3.4.9. Once AIF engages participants, it has:

- a) An impressive track record with participants.
- b) A body of positive participant narratives that illustrate the many and varied practical challenges that they experience.

<sup>3</sup> Stats Wales, Year Ending 30<sup>th</sup> September 2019 (Local Labour Force Survey / Annual Population Survey: Ethnicity by Welsh Local Authority)

<sup>4</sup> For Example: Breaking the Links Between Poverty and Ethnicity in Wales: Joseph Rowntree Foundation February 2016 (Nicholl A., Johnes C, & Holtom D.)

- c) Generated consistent benefits from Strand 1 participation around building and increasing participant self-confidence and, at its best, AIF delivered successful combinations of soft and hard skills for participants.
- d) Engaged participants with diverse characteristics. Some (on Strand 1) are close to labour market participation, many others not. For example, economic migrants may be motivated and ready for work but, for example, need equipping with the basic processes to apply for and take up employment in Wales. However, other participants may be emerging from challenging circumstances. They can benefit from Strand 1, but may not be ready for the more formal requirements that accompany full participation in the workforce any time soon.
- e) Strand 2 supported employment placements have value and participants acknowledge this, although the quality of placements is variable.

3.4.10. The introduction of mixed age group participation has been broadly successful. For example, young mothers may gain insight into childcare from older peers, and young people more widely gain insight into work experience from their elders, and can impart information technology help in return. However, there are occasions where it might be less appropriate, for example, if participants are particularly vulnerable or there are specific safeguarding issues.

**Interview:** Hussain, an AIF participant who went on to volunteer with the beneficiary and now works as a paid maintenance assistant. He shared his experience:

- a. In his mid-teens, he was “not in a good place”, mixing with the wrong crowd, arguing with his parents
- b. He joined an AIF programme, completing a construction course (CSCS) then went on to shadow a maintenance worker as a volunteer
- c. He was employed as maintenance assistant in June 2018
- d. His relationship with his parents has improved “10 fold”, and he now pays rent
- e. He keeps away from “wrong crowd – they are still in bad place”.

*“They really listened to me, understood me. Helped me understand what I was interested in so that they could offer me the right support & put me on the right courses”*

*“This has been life changing for me” “I get up early, in work for 6.30 and its feels great”*

## Key Findings and Recommendations

3.4.11. AIF is successfully working with many people in challenging circumstances. Many of these people need substantial investment of time and support over extended timescales to achieve labour market participation.

3.4.12. Whilst effective in supporting participants once engaged, participant transitions both into an AIF project and then ensuring that transition out includes necessary and effective future support is more problematic.

3.4.13. The evaluation literature review identified that generally, the longer an individual is economically inactive, the more barriers they face to [re]entering the labour market, the more support they require to achieve employment, and the longer the time needed to achieve this.

3.4.14. The combined strand option is a step in the right direction in helping to create pathways for participant progression towards, and into, the labour market. However, a straightforward strand 1 to strand 2 progression will not be possible for a significant element of the people participating in AIF who will need a longer term supported pathway towards work.

**Recommendation 9:** any future arrangement should review project timescales with a view to extended project life for those participants who would benefit from planned and co-ordinated support over a longer period.

**Recommendation 10:** consider the practicality of placing an emphasis for phase 3 on encouraging proposals that involve BAME groups and female engagement to redress imbalances to date, and address through any successor arrangement.

## **3.5. Assess the impact on participants in terms of the development of skills and employability**

3.5.1. This section reviews findings around:

- a) Overall summary data on participant outcomes.
- b) Analysis of soft skills data.
- c) Provider performance in finding employment opportunities and the impact of local labour market conditions.

### **Commentary**

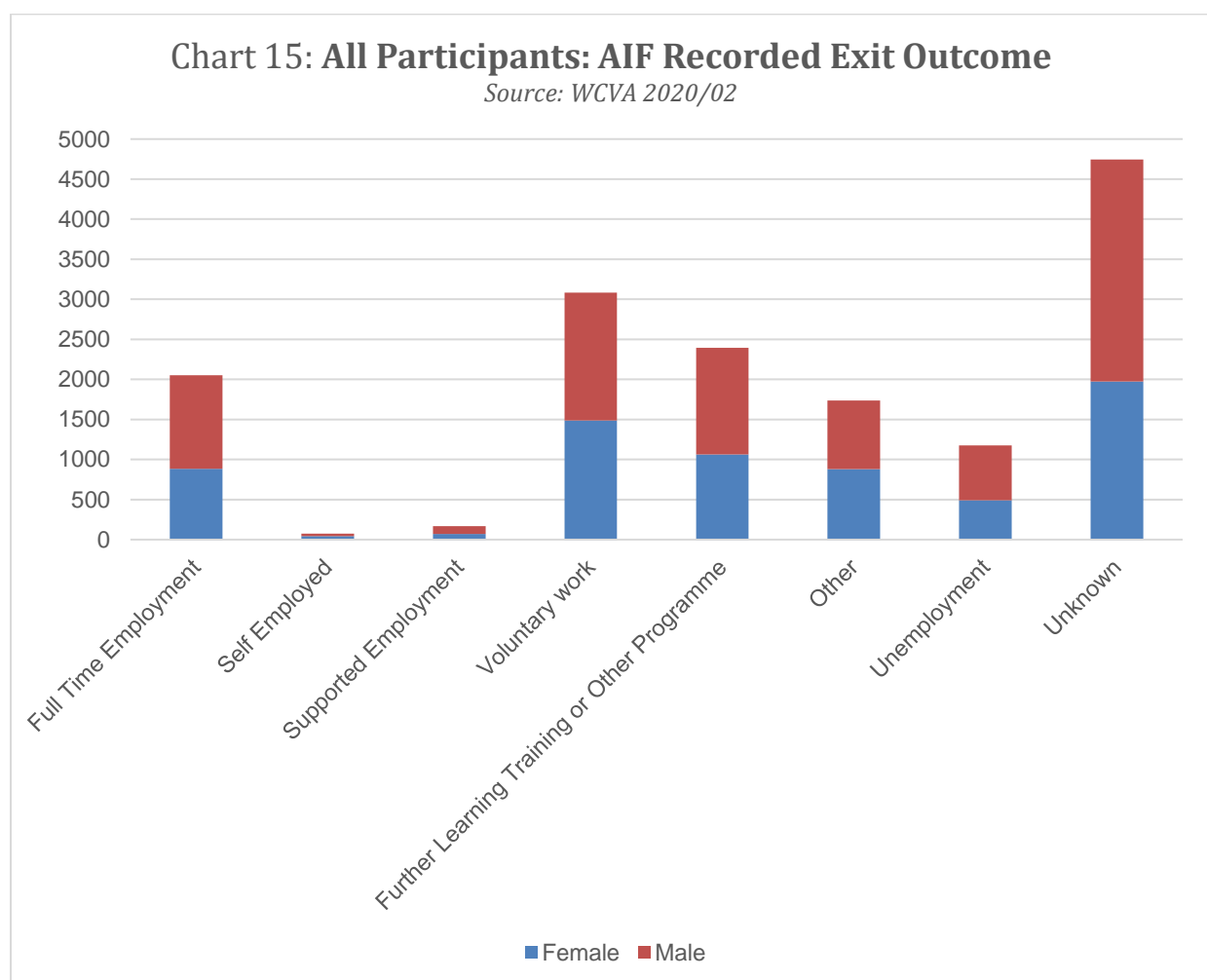
3.5.2. Section 3.4 confirms that phases 1 and 2 of AIF have consistently reached targeted 'hard to reach' individuals, with significant benefits once they are engaged, but that many are some distance from participation in the labour market.

3.5.3. This distance spans people from across all the circumstances and age groups targeted by AIF. However, some beneficiaries expressed a particular concern at the number of young people who had mental health issues with a significant number apparently undiagnosed: the organisations concerned worked to refer them to medical services.

3.5.4. In practical terms, AIF facilitates wide and varying opportunities and qualifications with Strand 1 examples that include: music, woodland skills, plumbing, carpentry, ecology and hairdressing as well as basic qualifications in health and safety and life skills (see also Chart 11 in section 3.3).

3.5.5. Strand 2 placements include catering, marketing, retail, construction, care homes, call centres, online retailing, fitness instructors, domestic equipment restoration childcare and youth work.

3.5.6. Chart 15 below shows WCVA recorded outcomes immediately post participation for the 15,433 recorded, noting evaluation recommendations about the desirability of longer-term analysis of participant outcomes, for example, as evidenced by the high proportion of ‘unknown’ outcomes shown in the chart.



## Soft Skills

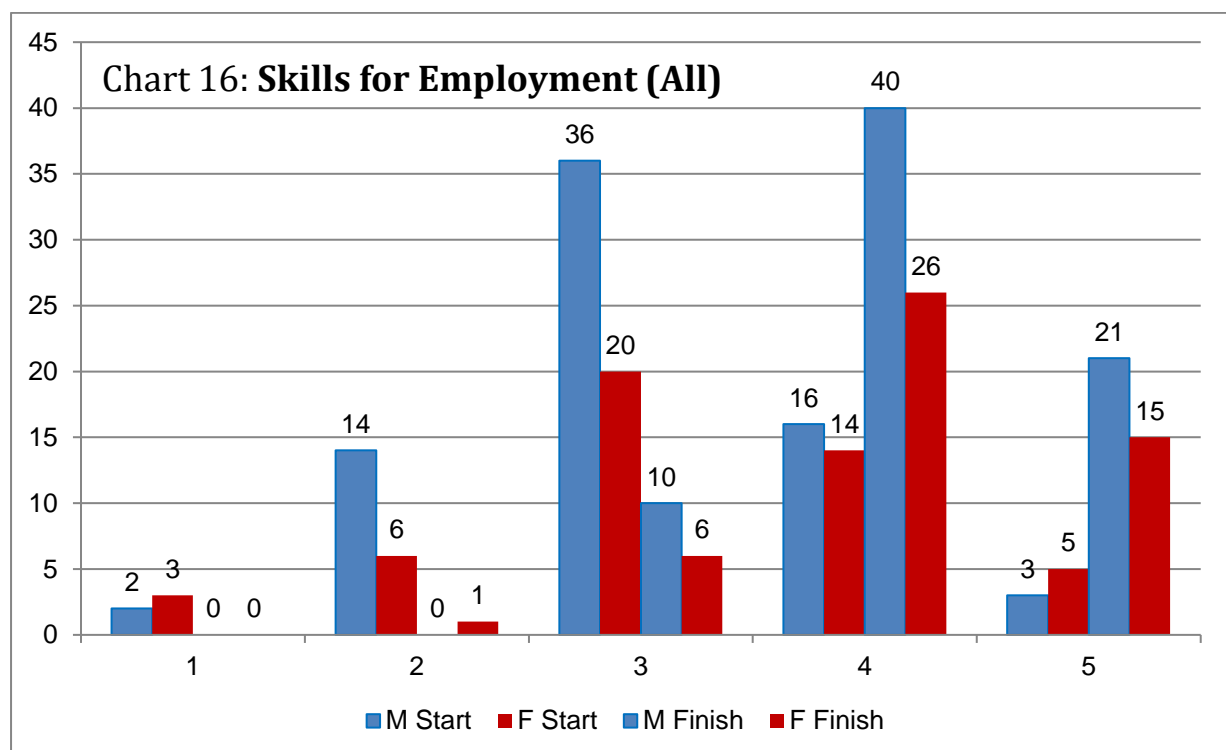
3.5.7. AIF records participant self-assessed soft skills at the start and exit from AIF.

3.5.8. We sampled this soft skills data for those individuals that we engaged with (205, although PDS records are complete for 119: 48 females and 71 males). This meant that we could validate against our records and direct experience of the individuals we met.

Self-assessments reflect participant ‘status’ on the day of completing the assessments so may record their ‘mood’ on that day, and also their interpretation of the statements and questions. The forms were generally completed with the provider present.

3.5.9. However, is valuable outcome data and is sufficiently directional to be a helpful indicator of participant impacts on completing their engagement. The analysis confirms that a substantial majority of self-ratings are consistent with the results of evaluation field work.

3.5.10. The team psychologist who conducted most interviews and observations also confirms that the WCVA AIF self-assessment questions are effective in evoking thoughts and feelings in participants.



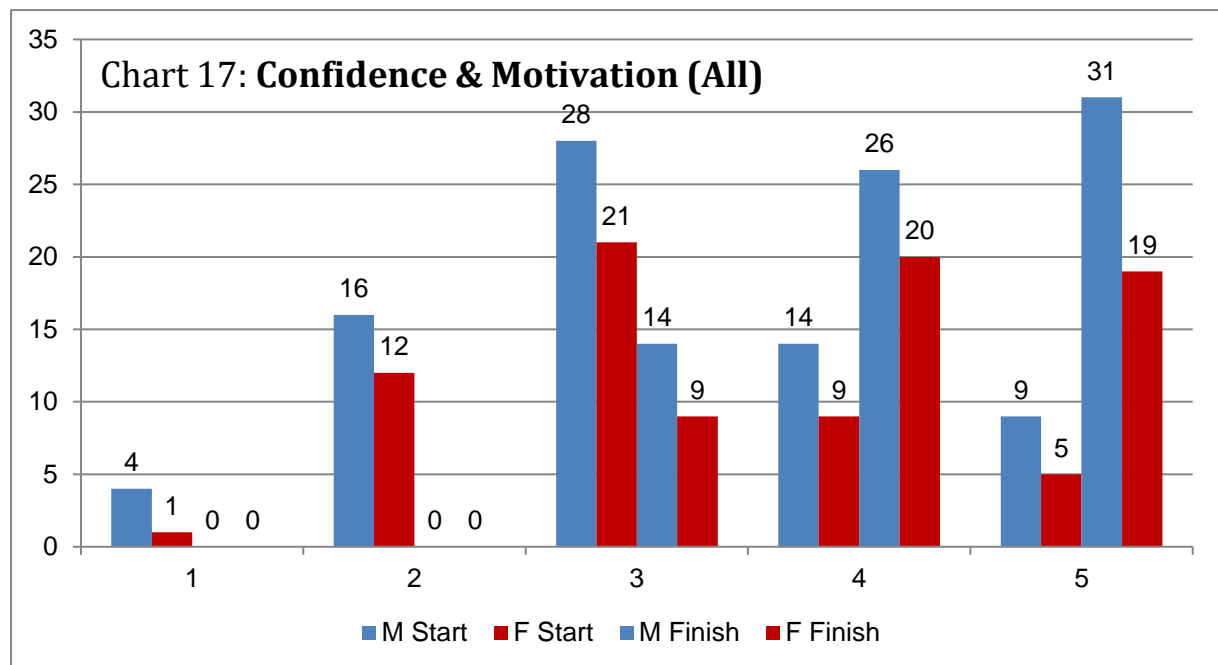
**Questions**

1. I don't believe I have any skills that are relevant and will secure me employment.
2. I would like to get the skills but I don't know where to find help.
3. I am working towards gaining the skills to help me find employment.
4. I believe I have some of the skills I need to secure employment but there is room for improvement.
5. I believe I have all the relevant skills I need to secure employment.

3.5.11. Chart 16: **Analysis:** a significant positive change, but a majority starting out hopeful and not feeling fully prepared on completion, albeit showing increased self-confidence.

*“I am confident & motivated & feel that I am ready for future employment and learning opportunities”*

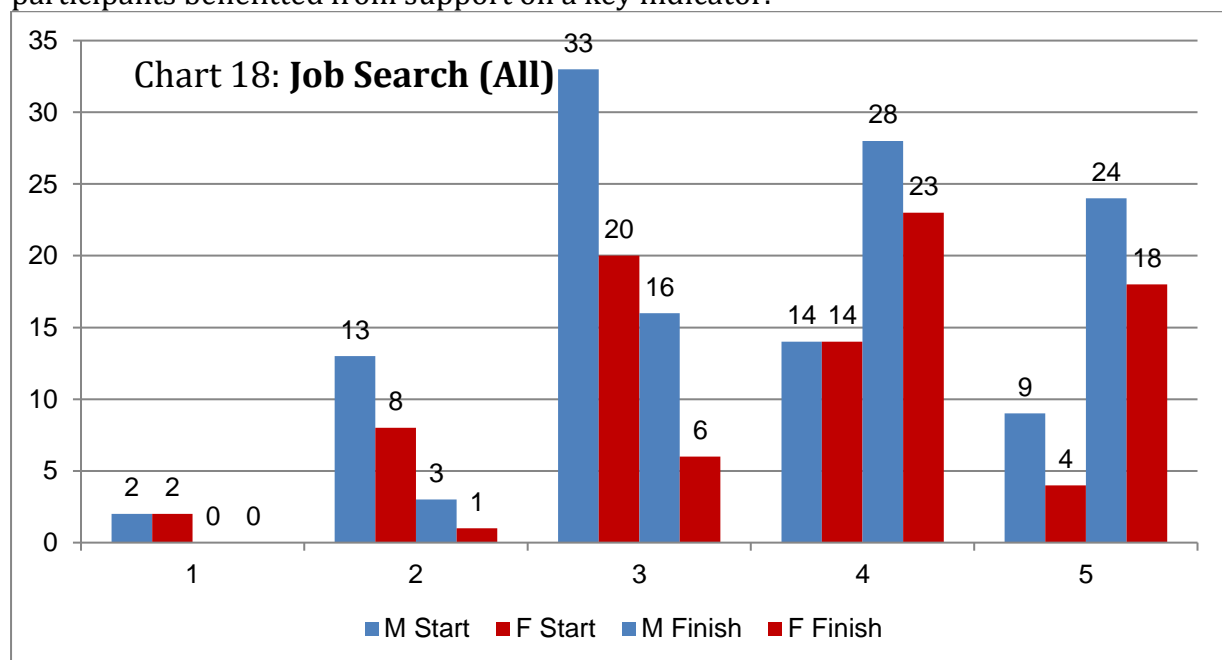
*“my outlook has led me to make some improved changes in my life”.*



**Questions**

1. I don't believe I have any skills that are relevant and will secure me employment.
2. I would like to get the skills but I don't know where to find help.
3. I am working towards gaining the skills to help me find employment.
4. I believe I have some of the skills I need to secure employment but there is room for improvement.
5. I believe I have all the relevant skills I need to secure employment.

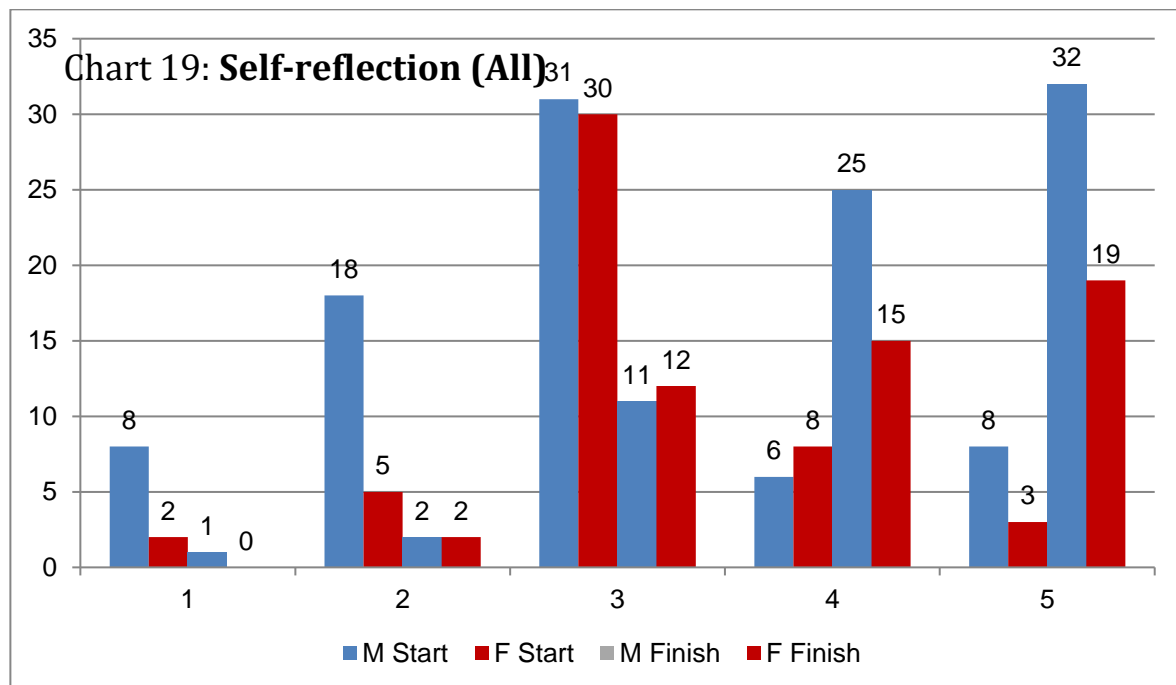
3.5.12. Chart 17 **Analysis:** a substantial and significant positive change, indicative that participants benefitted from support on a key indicator.



### Questions

1. I have no idea where to start in looking for jobs or opportunities.
2. I'm concerned that I don't know where to find jobs and would like help.
3. I am currently receiving some guidance and support to help me with my job searching skills because I have some knowledge but there is definitely room for improvement
4. I am fairly good at identifying opportunities, but I occasionally struggle with application processes from time to time.
5. I am confident in my ability in identifying and applying for appropriate positions.

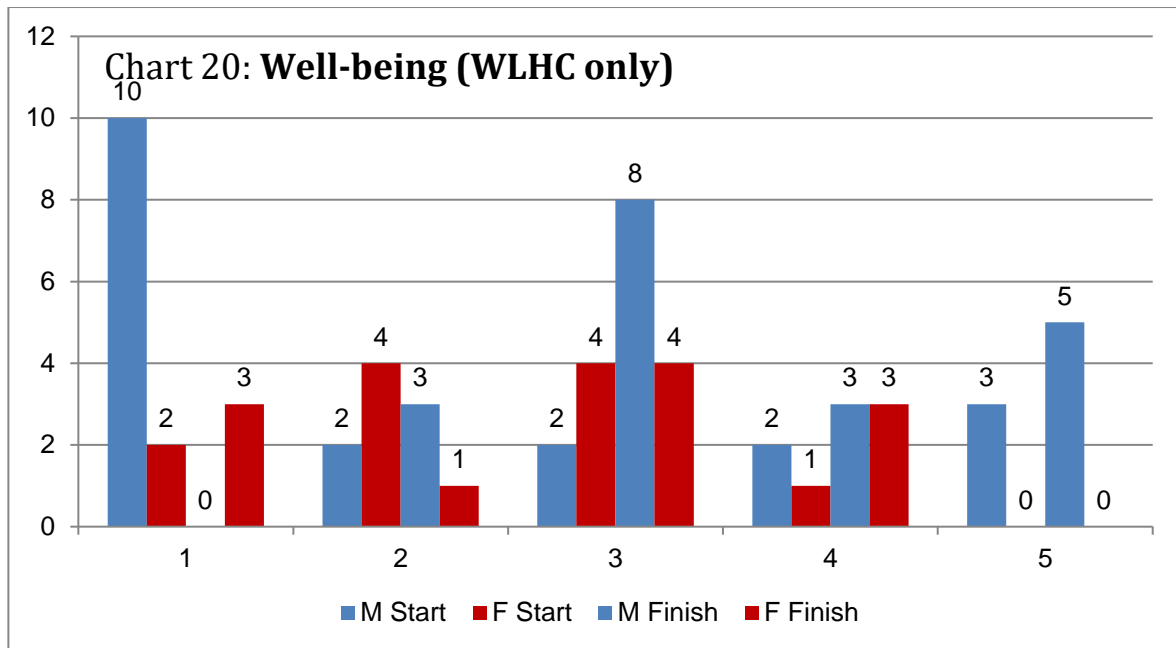
3.5.13. Chart 18 **Analysis:** a substantial and significant positive change, but a majority not feeling fully confident in identifying and applying for appropriate positions, but a score of 4 also reflects the experience of many who may be less challenged when seeking employment.



### Questions

1. I do not feel positive about my future.
2. I need some support to help me to gain a more positive mind-set, but I am not sure where this is available.
3. I am hoping to make the necessary changes towards a more positive future.
4. My outlook has led me to make some improved changes to my life.
5. I feel positive about my future.

3.5.14. Chart 19 **Analysis:** a significant and potentially empowering change, with a majority recording a positive outcome in terms of recording life changes, albeit that the majority started from a hopeful start point. This reflects our finding that effective projects generated energy and drive in participants.

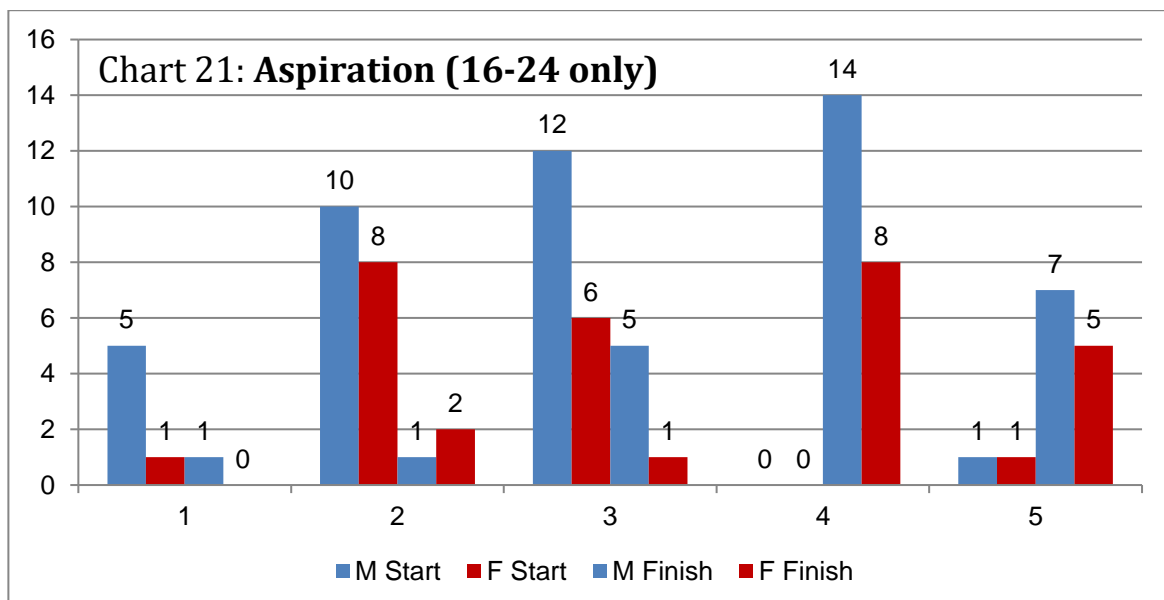


WLHC = Work Limiting Health Condition

**Questions**

1. I feel my condition limits the employment opportunities I can consider.
2. I need support in addressing ways to increase my employability and identify ways to manage my condition to sustain employment.
3. I have identified my employability strengths and areas of improvement.
4. I have found solutions for managing my condition enabling me to sustain employment.
5. I feel positive about my future.

3.5.15. **Chart 20 Analysis:** unsurprisingly, these indicators reflect that these participants start with 'conditions' that limit their employment opportunities, but generally a consistently positive shift, albeit also suggesting a need for continued support.

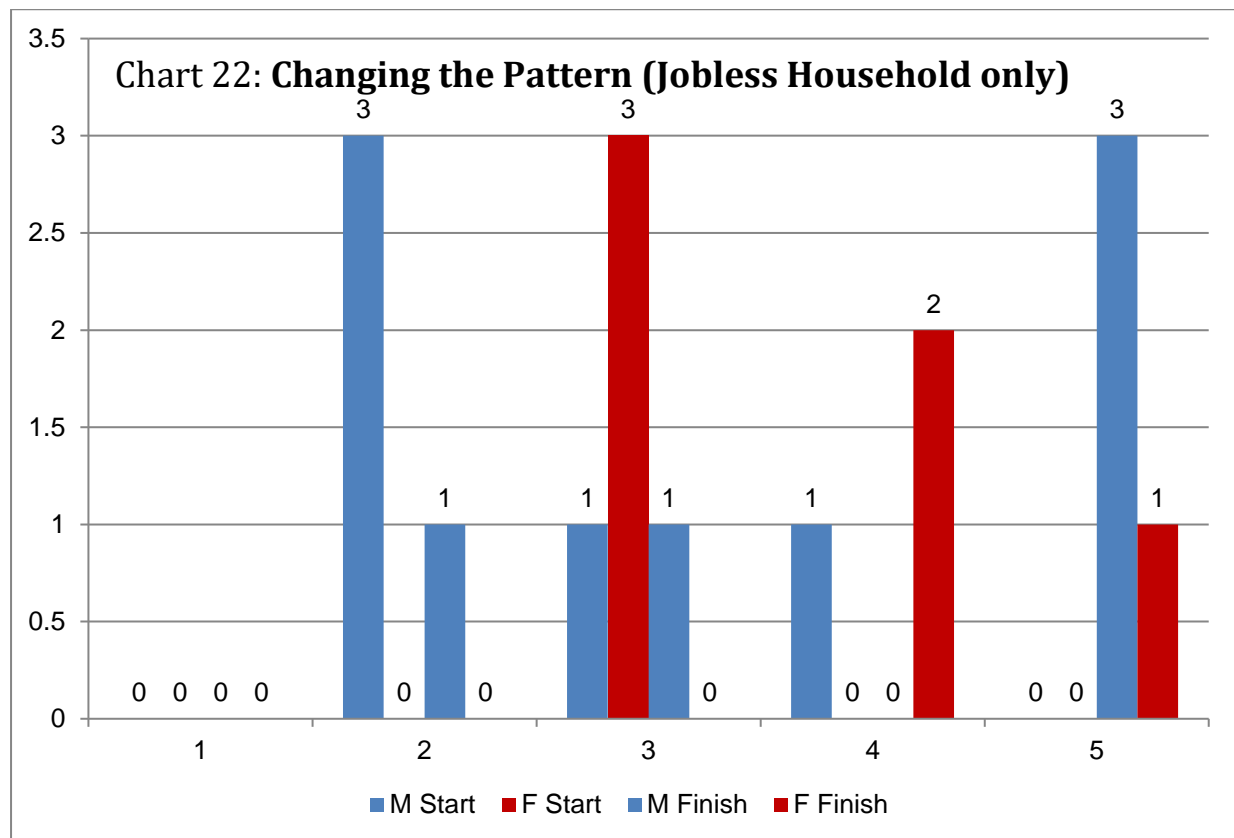


**Questions**

1. I do not know what I want to do in the future and have no plans.

2. I have gained some aspiration but still feel I need some guidance.
3. I am aware of what I would like to do and know the steps I need to take to achieve it.
4. I feel inspired and have made changes in my life.
5. I am fully committed to what I want to do in the future and feel that I can now achieve this.

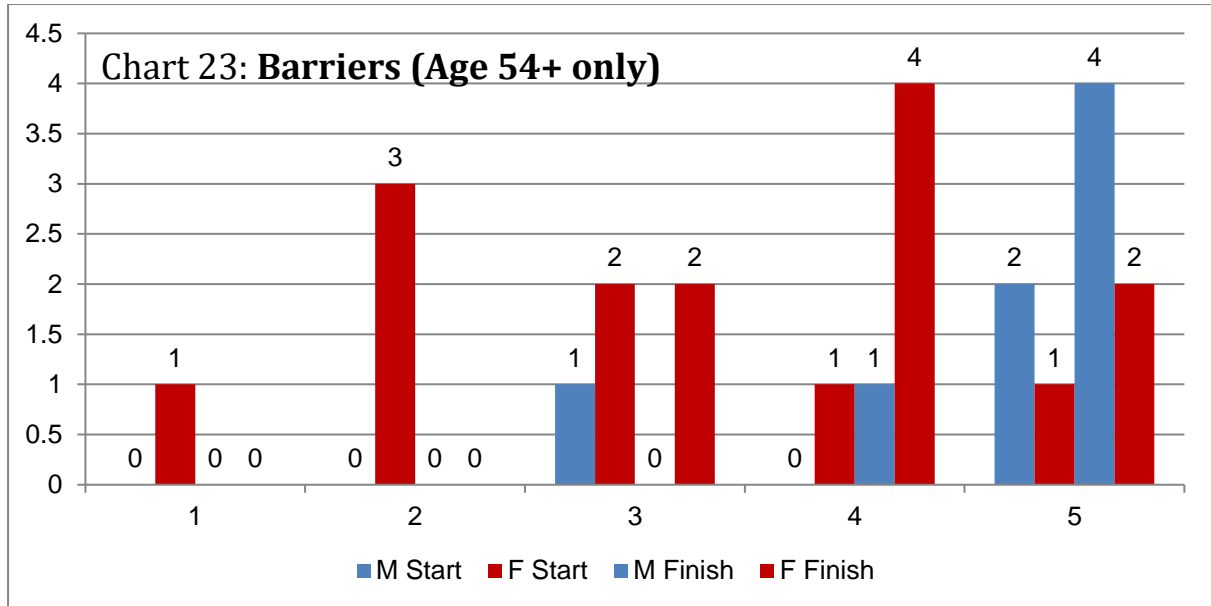
3.5.16. Chart 21 **Analysis:** a significant positive shift if the improvements recorded are sustained beyond AIF. Given that this applies to young participants, it is unsurprising that they are unsure of their futures (many young people typically are).



#### Questions

1. I don't see the point in trying to change anything - my experience tells me that it doesn't help.
2. I want to make a better future for myself but am worried that I will not have the support from the rest of my household.
3. I am aware of the value of opportunities available to help me gain employment.
4. I understand that employment is the route to a more positive life.
5. I am accessing the opportunities available to help me gain employment and am trying to educate others in my household.

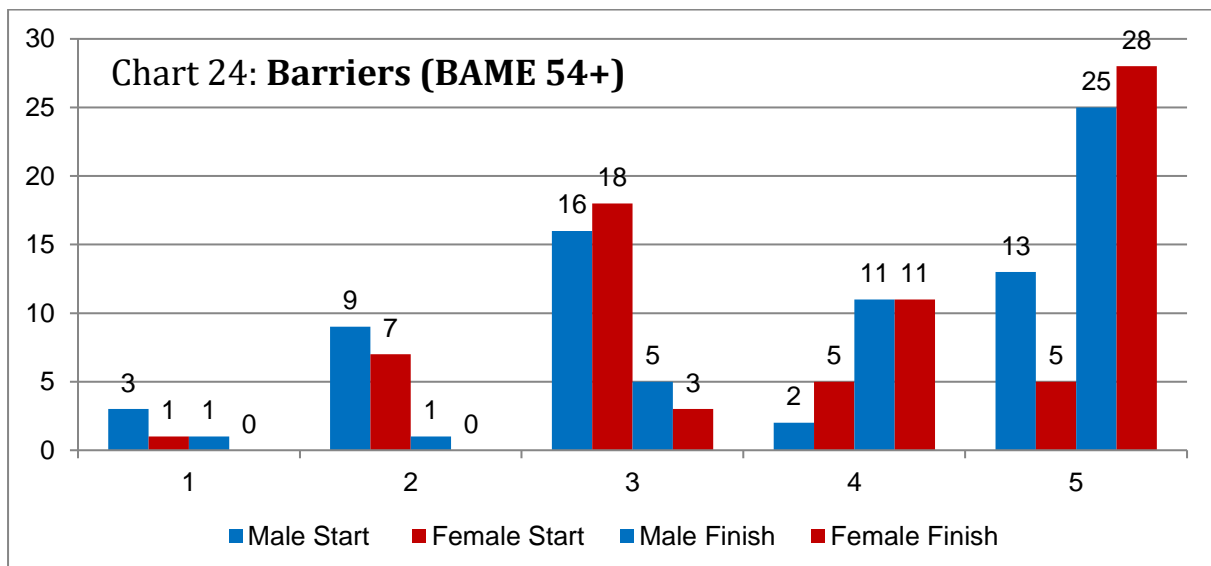
3.5.16. Chart 22 **Analysis:** a small sample with some positive change, but equivocal as a score of 4 does not necessarily suggest longer term change. The data suggests that exiting participants need further support despite attitudinal change towards employment.



**Questions**

1. I feel that my knowledge and skills are out of date for the current job market.
2. I want to bring my knowledge and skills up to date but don't know what opportunities are available to me.
3. I am aware of the opportunities and I am looking to access them.
4. I have identified where I need to build my knowledge and skills and have a plan in place to address this.
5. I acknowledge the experience I have would be valued in any work place.

3.5.17. Chart 23 **Analysis:** a positive shift: many in this group are closer to the workplace, for example, people impacted by fluctuations in the labour market who may have lost confidence as a result of unemployment later in life. Our field work supports this conclusion with many indicating a desire to return to work and that AIF programmes helped them gain additional skill sets or 'refresh' their CV to find work. This analysis identifies one of the few attributable differences between female and male where females perceive barriers to be more substantial than males (albeit accepting a small sample).



## Questions

1. I feel that my knowledge and skills are out of date for the current job market.
2. I want to bring my knowledge and skills up to date but don't know what opportunities are available to me.
3. I am aware of the opportunities and I am looking to access them.
4. I have identified where I need to build my knowledge and skills and have a plan in place to address this.
5. I acknowledge the experience I have would be valued in any work place.

3.5.18. Chart 24 **Analysis:** this analysis is a sample of BAME participants, but not from field work because insufficient BAME interviewees completed before and after records. We therefore sampled projects engaging BAME people using WCVA records. Although we are less able to validate because we did not meet these people, the result appears to be a positive shift although this should be treated with caution.

## **Provider performance in finding employment opportunities and the availability of opportunities.**

3.5.19. AIF operates in a complex Welsh economic and labour market environment with:

- a) Structural shifts in the type and nature of employment opportunities (see Chart 25) which are broadly consistent with wider UK trends, for example reduced employment in high street retailing, although regional and sub regional employment patterns and therefore employment opportunities show wide geographical variations.
- b) Accompanying geographical variations in economic performance, so success has a dependency on prevailing local as well as national economic conditions: local employment opportunities and the quality of such opportunities are highly variable both for placements and subsequent work:

*“the labour market round here is not brilliant – lots of zero hours contracts, and minimum wage jobs. Really difficult to actually find anything that pays a decent salary.”*

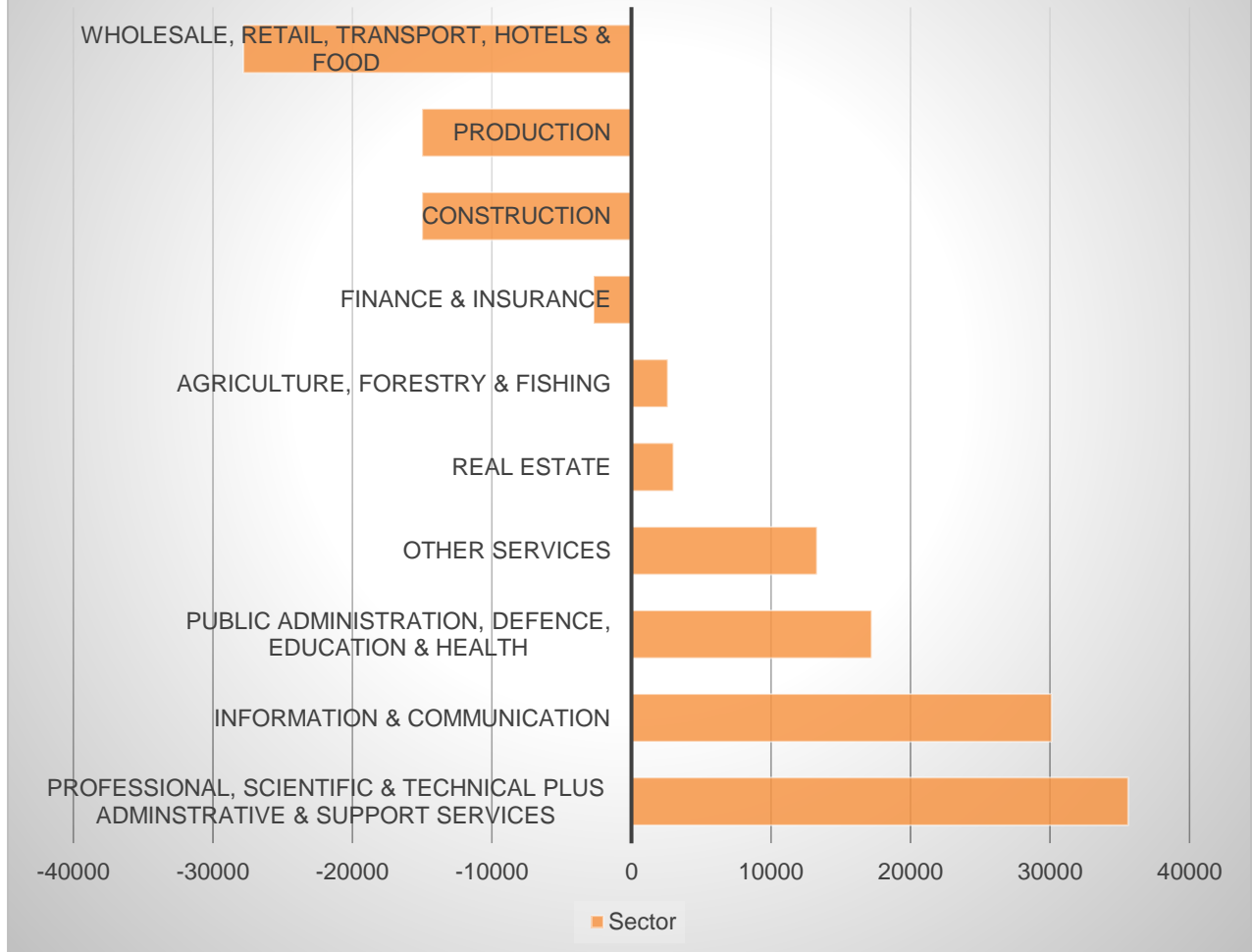
- c) Beneficiary suggestions that some job opportunities in Wales are ‘replacement’, i.e. replacing skilled employees with similarly skilled employees, rather than ‘entry level’ jobs where employees are trained and helped.

3.5.20. There is a reality that some parts of Wales are heavily reliant on employment sectors that are relatively volatile, low paid or declining, and often offer zero-hour contracts. Also, some sectors including aspects of retailing and construction operate substantively on zero-hour contracts, yet may still offer relatively stable longer-term employment opportunities.

3.5.21. Whilst it is not within WCVA control - and we understand caution about zero hours contracts – the fact that they do not count as an outcome for AIF might be reviewed for a successor arrangement. There might be criteria that would allow some to count. For example, is 6 – 9 months working consistently for 30+ hours a week in the construction industry a result or not?

### Chart 25: Change in Welsh Work Place Employment by Sector

Source: Summary Statistics for Welsh Economic Regions Welsh Government May 2019



3.5.22. Beneficiaries range from large organisations such as local authorities or large companies or charities through to small or micro local organisations, however, many are in the charity or not for profit sectors. They have been variable in finding sustainable job opportunities.

3.5.23. At its best, AIF is:

- a) Funding beneficiaries who are effectively networked into local business to creatively connect individuals to opportunities. Successful participant engagement in sustainable and suitable work requires that beneficiaries can connect with suitable – and willing – employers, and that they can actively support participants in engaging with opportunities where participants are ready.
- b) Finding quality placements and helping people into longer term job opportunities (or volunteering) through beneficiary connections, or by creating pathways for

participants, some of whom may go on to volunteer with, and eventually be employed by that beneficiary.

- c) Supporting innovative opportunities, including engaging with new (and often micro) local markets or economic activities. Although not a binary experience, effective smaller beneficiaries are often well placed to find or create innovative solutions for participants, and particularly for those who seemed remoter from work, who may be vulnerable and need time to build trusting relationships.
- d) These are often individual or 'niche' opportunities that are probably outside the purview of larger mainstream programmes, so the local knowledge and networking element in the AIF approach has added value (the individual case studies that accompany this report describe an example).

3.5.24. Neither AIF or WCVA can address the challenges of improving the quality of employment opportunities at scale, but AIF is contributing to wider regeneration and economic interventions and objectives by finding opportunities for people who otherwise may not have been engaged.

3.5.25. Although challenging to evidence, there was a converse: we found a few examples of Strand 2 placements where the providers of placements may have been 'gaming' the system either by:

- a) Employers receiving funding for people that they may employed anyway; or
- b) Employers taking AIF participants on a 'sink or swim' basis i.e. if they can pay their way they might have a longer-term opportunity, if not, then the employer had some paid help in the short term. This feels inconsistent with the circumstances of many AIF participants or with the ethos.

3.5.26. The literature review identified the importance of ex-post evaluation of participant achievement, but that the absence is a common failure in employability initiatives. Although there is some short-term AIF follow up (28 days), we suggest that a successor arrangement should design and potentially fund longer term participant follow up to understand both the nature and quality of jobs obtained post participation and how people fare in the years after completing the programme. Looking at employability initiatives generally, it is often hard to discern whether participants in current programmes are those who failed to benefit from previous initiatives.

3.5.27. Looking to the future, we also suggest that any AIF successor arrangement engage with contemporary work by Welsh Government and others on the future of work including how:

- a) Notions and encouragement of the foundational economy that might provide potential routes to employment for people in, or emerging from, challenged circumstances. The foundational economy is effectively that element of a future Welsh economy and labour market that is rooted in Wales and often in locality and community, including community enterprises.

- b) Shifts in national, regional and local Welsh labour markets (see Chart 25) might create new and different opportunities and what change means for future employment opportunities for those who need help and support. Whilst accepting that parts of Wales may remain challenged, there are also new and emerging opportunities.

## Key Findings and Recommendations

3.5.28. Once participants are in the AIF system, they are consistently benefitting from the support provided: The balance between participation in Strand 1 (82%) and Strand 2 outcomes (18%) reflects that:

- a) It is reaching the 'hardest to reach' targeted and it is unsurprising that the significant number of individuals engaged in Strand 1 benefit, but remain distant from work even if opportunities are potentially available.
- b) Engagement targets set for Strand 2 were more modest, but outcome targets were substantially higher, reflecting the higher cost of intervention, but which were not within the capacity of some organisations to provide.

3.5.29. At its best, AIF is securing appropriate work placements and longer-term opportunities: success in achieving this is highly dependent on the quality of the beneficiaries concerned and their ability to both provide effective participant support, and on their being networked into where opportunities lie.

**Recommendation 11:** Welsh Government might review zero hours contract guidance to consider whether this can be an outcome if the participant has regular weekly work over a reasonable period.

**Recommendation 12:** any successor arrangement might include a requirement and incentivisation for post project tracking of participant outcomes, ideally for all participants over a 2 – 3 year period, but at least on a sample basis.

**Recommendation 13:** evidence of outcomes and completion: WCVA might identify and communicate best practice in tracking participants and reinforce that this is an AIF requirement to foster good beneficiary practice in sustaining or enabling participant support post AIF engagement.

## 3.6. The Extent to Which AIF Adds Value to the Delivery of Other Relevant Programmes

3.6.1. AIF operates in a complex and shifting policy, institutional, and funding environment, with many programmes having objectives and targets for 'hard to reach' individuals. This section explores where and how AIF is adding value to what can be a confusing context that raises wider questions about how far the policy landscape is operating to maximise the value of public investment through effective collaboration.

3.6.2. During the gestation of AIF in 2014 and 2015, this shifting environment included the advent of both anticipated and unanticipated programmes, including Parents Childcare and Employment, and Communities for Work. We also note that WCVA and WEFO worked to agree some rational post AIF launch adjustments, for example, relaxing an initial prohibition on AIF operating in Community First areas.

3.6.3. Previous sections describe how we found variable inter-organisational cooperation in planning participant journeys during and beyond AIF. We also encountered some unhelpful inter beneficiary competition. Because many AIF participants are unlikely to enter employment in the foreseeable future, they will need help and encouragement through journeys that extend well beyond the capacity of AIF in current guise to support. Without this, the benefits of successful AIF investment risk being lost. Such collaboration may or may not be through beneficiary bodies, but the inability to follow up and support the fortunes of participants is a classic failure of programmes helping people towards and into work.

3.6.4. This is supported by an evaluation of the Lift Programme<sup>5</sup> that provided training and help towards employment for people in long term workless households in selected Community First areas. The evaluation records many analogous experiences to AIF and in particular, challenges for participants in moving into employment with less than a Level 2 qualification (many AIF participants are in this category: see also Table 5). Section 5 suggests how this might be addressed.

3.6.5. As a longer-term objective, we also suggest organisations review the potential for developing further data sharing so that AIF and any successor activities are understood by those with a key interest or role to play, or who ought to be collaborating (within the bounds of data protection legislation) and vice versa. We accept that this is out with WCVA responsibilities, but Welsh Government might look to facilitate given the wider benefits that stretch well beyond AIF or any successor.

3.6.6. The evaluation literature review examined the relationship between ‘institutional’ (e.g. singular national approaches) and more flexible and targeted interventions. AIF is the latter. The two may be distinct, but outcomes are adversely impacted if collaboration and role clarity are not embedded: this also applies to wider public service support (e.g. health, education, housing, transport) that is crucial in helping those with complex needs.

3.6.7. Benefits policy and changes since AIF inception have also impacted although less so on the 16 – 24 age group, because younger people are entitled to less. For those age 25 and over, the impact of benefit changes (particularly Universal Credit) was more acute. Beneficiaries identified that:

- a) Universal Credit makes self-employment less viable, and that participants couldn’t access further training and instead had to look for work.

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<sup>5</sup> Welsh Government 2018, evaluation conducted for Welsh Government by Wavehill social and economic research

- b) Strand 2 placements might affect benefits requiring people to sign off, with impacts from the delay in payments if they have to sign back on after the placement.

3.6.8. Some participants potentially want further qualifications but face financial barriers given a lack of funding. This again illustrates a core evaluation theme: the importance of sympathetic wider policy and inter organisational collaboration in relation to skills and helping participants plan and progress towards the labour market.

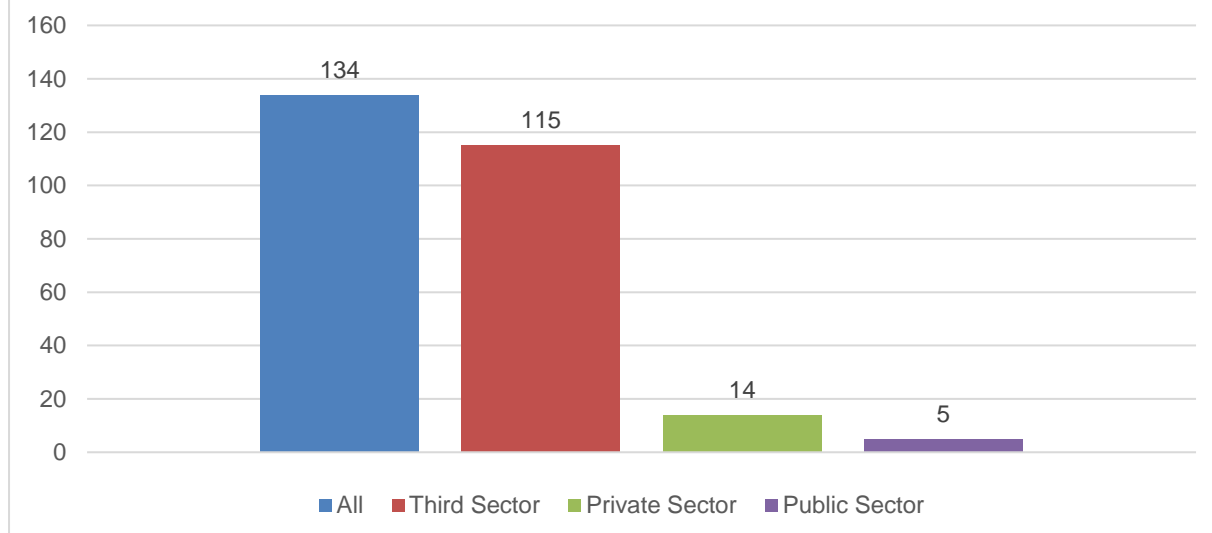
### **What would have happened without AIF: The Counter Factual**

3.6.9. The counterfactual question is important, yet often challenging to evidence, not least in a complex policy, institutional and programme environment. AIF has distinctive facets that are not individually unique, but which taken together mean that it makes a specific contribution that other contemporary policies and programmes would have struggled to address because AIF:

- a) Is a targeted initiative that successfully helps very challenged individuals.
- b) Has an unusual and inherent flexibility to respond to local, individual and very specific needs: there is no formula or singular approach to engaging and helping participants.
- c) Sits on the cusp of employability and wellbeing objectives, and can reflect that individual wellbeing, confidence and soft skills are as important as acquiring specific work-related skills in setting challenged people on a path towards and into employment.
- d) Mobilises third sector organisations at scale across much of Wales, including those with specific and relevant skills to particular localities, or to groups who are outside the mainstream of employability initiatives (Chart 26 shows the sectoral distribution of AIF beneficiaries).
- e) Supports innovative opportunities, including engaging with new (and often micro) local markets or economic activities that may have potential for growth. These 'niche' opportunities are often outside the purview of larger mainstream programmes.
- f) At its best, engages dedicated beneficiaries who use commitment and energy to create opportunities: for example, we encountered one beneficiary who through force of personality persuades retailers to employ very challenged individuals.

**Chart 26: Sectoral Analysis of AIF Beneficiaries**

Source: WCVA February 2020



3.6.10. We also investigated whether AIF enabled beneficiaries to work with people they would not have otherwise been able to. In some cases, AIF funding allowed them to continue working with groups where previous funding had ceased, but in others, the funding enabled them to set up new approaches where a need had been identified (often because of gaps in existing or previous programmes).

*“We might not have run this project without the funding...and we have also worked with people we may not have discovered...we have discovered tenants we haven’t worked with before”*

*“We hadn’t had the opportunity to deliver supported work placements before...this allowed us to build our expertise”*

*“We have delivered projects with the youth service and won an excellence award. This [AIF] provided that opportunity for older people.”*

*“We have been able to prove the value of employment support within the organisation. We are using our experience of AIF to build the business case that this type of support should be core funded by the organisation.”*

*“Programmes like supported employment would not be delivered without this funding.”*

## **Key Findings and Recommendations**

3.6.11. Despite challenges, and opportunities for adding value in future, AIF has filled a significant niche in successfully reaching and helping the ‘hardest to reach’ with no other obvious or attractive route for support.

3.6.12. AIF has also demonstrated the value and role that third sector organisations can play, particularly locally, and that the sector can be a source of creative approaches to engaging people and finding suitable employment outside the mainstream.

**Recommendation 14:** improve data sharing as a short and longer-term objective: we suggest that Welsh Government works with relevant organisations, including WCVA, to review the potential for developing data sharing arrangements and capacity in the context of employability initiatives targeting the ‘hardest to reach’.

### **3.7. How AIF contributes to Well-being of Future Generations (Wales) Act 2015 objectives and to tackling poverty e.g. by encouraging and supporting organisations paying the living wage**

#### **Commentary**

3.7.1. The Well-being of Future Generations (Wales) Act 2015 requires public bodies in Wales to consider the long-term impact of their decisions, to work better with people, communities and each other, and to prevent persistent problems such as poverty, health inequalities and climate change.

#### **Tackling Poverty and Social Exclusion**

3.7.2. Identifying long term and evidenced causal links between the impacts of relatively short term and episodic programmes (such as AIF) and longer-term strategic aims such as those set out in the Act is challenging, not least given an absence of post participation evaluation arrangements to establish how participants and communities fare over time. Chart 15 in section 3.5 reinforces the need and challenges in this.

3.7.3. However, AIF targets individuals where poverty and social exclusion are often intrinsic. AIF has helped many participants and makes a valuable contribution in addressing the necessary soft and hard skills needed to engage in the labour market, and also through AIF Strand 2, supporting placements with 14% helped into longer term work.

3.7.4. A core underlying objective of AIF is ‘anti-poverty’ and contributes to the aims of the Act in that it:

- a) Addresses a key driver of poverty, poor health and social exclusion: worklessness. The evaluation literature review records that ‘worklessness, particularly a long-term absence from the labour market, is strongly associated with deleterious impacts on the lives of individuals (and potentially their families).’ Also, helping those with serious challenges such as poor mental health, addictions, or learning difficulties back towards and into the labour market can be a major factor in improving individual, family and ultimately community wellbeing.

- b) Works in two ways. Firstly, it helps people who have experienced unemployment and an inability to [re]engage in the labour market, and secondly, works with people in challenged circumstances and low expectations to help them build a belief that they can engage with the labour market or to be more active in society, for example, through volunteering.

### **AIF Contribution to Equal Opportunities and Gender Mainstreaming:**

3.7.5. This evaluation confirms that AIF can and is supporting disadvantaged people (including those who are NEET and Black, Asian or Minority Ethnic groups, those with learning difficulties or experiencing or emerging from mental health issues), and is addressing challenges for women seeking to return to or enter the labour market. The narratives contained in the Working Document illustrate this and how AIF at its best is positively transforming people's lives. However:

- a) The balance of male to female participants is 55% to 45% which contrasts with employment rates in Wales with 77.1% of males and 70% of females recorded as in employment (with the UK average 79.8% and 71.4%<sup>6</sup>).
- b) BAME participants (defined broadly) are 4.5% of the total compared to 5.4% across the population of Wales with accompanying evidence that poverty is a particular challenge for a significant proportion of this group (see Section 3.4).

3.7.6. Our recommendations in previous sections, suggest where further steps would improve the quality of opportunities offered, and the importance of better inter-organisational collaboration to ensure that AIF, participants do not 'fall off the radar' through effective post AIF support. We also suggest:

- a) Evaluating Welsh Government aspirations that organisations pay the Real Living Wage: some beneficiaries fund this, but are reimbursed at statutory minimums and cannot supplement under match funding (see also <https://www.livingwage.org.uk>). We note that there is no current scope to deviate from statutory minimums. However, the evaluation brief includes considering "*how the operation contributes to tackling poverty e.g. encouraging and supporting organisations paying the living wage*". This inconsistency should be reviewed for any successor arrangement.
- b) Reviewing requirements around Zero Hour Contracts for the future: see section 3.5.
- c) That any successor arrangement supports longer term projects for participants (see section 3.3 and section 5).
- d) Linking to this, there is a case for a flexible and discretionary element to provide participant support where there are unusual or on-going needs.

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<sup>6</sup> Stats Wales: figures for 30<sup>th</sup> September 2019: source Annual Population Survey / Local Labour Force Survey: Summary of economic activity, published January 22<sup>nd</sup> 2020.

## Key Findings and Recommendations

**Recommendation 15:** any successor arrangement should:

- a) Include a Welsh Government review of funding employment placements at the real living wage rather than statutory minimums.
- b) Review the potential for longer projects that offer support over a series of stages for participants in need of continuity of support.
- c) Review the case for a flexible and discretionary element to provide support for participants with unusual or on-going needs for support

### 3.8. The extent to which the operation integrates Sustainable Development into Awareness Raising, Education and Training

#### Key Findings

3.8.1. The core focus for AIF is to support people who are – or are emerging from – challenging circumstances and to a lesser degree, provide work experience with an ambition that participants progress to longer term employment or volunteering. The programme emphasis is on acquiring necessary life skills and practical work-oriented training and placements.

3.8.2. Sustainability is a meta objective, but is not defined specifically in terms of award requirements or the activities funded. In practice:

- a) Most beneficiaries have a commitment to sustainability which is manifested in diverse ways: an organisation whose core purpose is support for the victims of domestic abuse may recycle or use fair trade products in the course of day to day activity but will not have sustainability as a primary stated objective.
- b) A number of beneficiaries actively incorporate sustainability into their participant offer, and for some, sustainability is a core driver, for example in encouraging sustainable woodland management, understanding ecology or creating jobs around the refurbishment of domestic furniture or equipment to reduce waste.
- c) The AIF data system records project contributions to the three key cross cutting themes (Chart 26) including sustainability. These attributions suggest how projects in some way contribute. In practice, the spectrum of attribution ranges from sustainability being core to the AIF project, to being relatively peripheral.

3.8.3. Measures for assessing the sustainability impact of AIF are not well defined, and AIF data recording and storage mean that analysis at scale of what is available is lost in the system. However, ‘top level’ data shown in Chart 26 suggest that a substantial number of AIF funded support and training activities have included an element that reflects

sustainability criteria. Our field work supports this conclusion, and the fact that sustainability development goals are widely but not universally reflected in AIF projects.

**Combined Example:** engaging participants furthest from employment with complex physical & mental health issues including learning disabilities.

The project offers participants skills, work experience and qualifications, strengthens CVs and builds confidence to look for paid work, for example, encouraging participants to consider what they would like to do, broaden their experience, encourage creativity, and the beneficiary works with local organisations that engage in diversity e.g. some supermarkets, for placements.

Participants shared experiences, challenges, and issues: they have regular outings to encourage a team ethos, recently collecting litter from a beach as part an environmental course. One participant (autistic) wrote a poem as a result.

*"I have made some really good friends"*

*"It's good to know we are not alone with our issues & difficulties – we can share frustrations"*

*"I have learnt to do presentations – I never thought I would be able to stand up in front of people and talk – I can. It feels great, I have so much more confidence."*

*"I used to be so nervous talking to other people, people I don't know, I don't worry anymore"*

### **3.9. How language preferences are identified and met: Welsh and English being a key aspect, but also recognising minority groups**

#### **Key Findings and Recommendations**

3.9.1. The evaluation methodology included interviews with 10 beneficiaries and 8 participants specifically to amplify understanding of language preferences, plus two in depth observations with beneficiaries and participants specifically on this. The focus was on areas and projects where Welsh speaking is most commonly spoken and is a feature in community life, but also included 2 interviews with participants whose first language was neither Welsh nor English (Arabic and Urdu). More widely, field work recorded where Welsh speaking was important to participants.

3.9.2. Overall, findings echo a Citizens Advice Bureau report on the use of Welsh in public services, "English by default - *Understanding the use and non-use of Welsh language services*" (2015).

3.9.3. At the time of the initial phase 1 study (September 2017) 2.8% participants engaged as recorded on the WCVA PDS wanted to communicate in Welsh: by November 2019, this was 2.2%. However, this does not capture the extent to which the Welsh language was the medium of communication in AIF projects.

3.9.5. Many beneficiaries embedded the use of the Welsh language in their relationships with participants in an informal social setting but did not view it as an integral part of the service provided for their clients. A minority used Welsh formally in skills training, but most used Welsh informally with participants.

3.9.6. Welsh-speaking participants were happy to use Welsh as a medium of communication but were much less confident and reluctant to use Welsh in a formal sense, in particular in filling in official forms: however, many participants may be cautious about any engagement with 'officialdom'

3.9.7. Beneficiaries understood that bilingual forms and leaflets were available. Some had reservations about the style of language used. In part, this was nervousness about using Welsh as a written medium, particularly in the specific style of official forms. WCVVA might therefore consider the potential for simplifying Welsh forms: some beneficiaries suggested that it is not a question of Welsh fluency, but rather whether the forms are easily understood.

3.9.8. Reluctance to fill in official forms in Welsh was partly a reflection of this perception of the difficult nature of the language used in the form, but also due to the reluctance of organisations, even if fluent Welsh speakers, to fill in forms in Welsh.

3.9.9. The use of Welsh in informal settings created an important social bond of trust between Welsh language participants and beneficiary staff, even if it was not recognised as the official language of the course

3.9.10. Also, capacity was an issue for some organisations: one tutor found that she was trusted more because she spoke Welsh, but she was the sole Welsh speaker in the organisation involved in the project.

3.9.11. Participants also emphasised the importance of speaking Welsh in seeking work in a Welsh speaking area.

3.9.12. Two beneficiaries interviewed dealt with participants seeking work whose first languages were Arabic and Urdu. They used AIF to improve opportunities to find employment. Both beneficiaries involved were recruited from a pool of students in their respective 'English as a Foreign language' courses to provide a pathway towards confidence building and developing skills.

**Recommendation 16:** consider potential for simplifying future forms in Welsh for any successor arrangement.

## **3.10: Overview: AIF Contribution to Cross Cutting Themes**

3.10.1. Sections 3.3, 3.4, and 3.5 confirm that taken at operation level, AIF is fostering approaches that work in providing support 'hard to reach' individuals and is improving the circumstances of many who complete AIF engagement.

3.10.2. Sections 3.7, 3.8, and 3.9 address AIF impacts in contributing to alleviating poverty and social inclusion, and contributing to equalities, sustainable development and Welsh language goals as set out in both the Well-being of Future Generations (Wales) Act 2015.

3.10.3. This evaluation endorses the core design of AIF in enabling diverse approaches to accommodate widely differing needs of the individuals targeted, and the varying conditions and needs of localities and communities. This is key to addressing the long term and strategic challenges of the cross-cutting themes. However, there is no current means to assess the long-term challenge of demonstrating a causal link between action now, and a positive result some years hence.

3.10.4. This is because there is no longer-term post AIF tracking of outcomes and impacts. This therefore inhibits analysis at any scale on how people fare even two to three years post AIF participation. However, the combination of evaluation field work and participant self-assessment gives confidence that AIF is significantly helping people towards improved lifestyle trajectories.

3.10.5. This, coupled with that from the wider research (see the literature review) suggests that AIF is contributing to wider – and long term - objectives for poverty alleviation, social inclusion and equalities, including fostering the use of the Welsh language. The individual case studies and compendium of participant quotes also provide evidence of positive benefits for individuals.

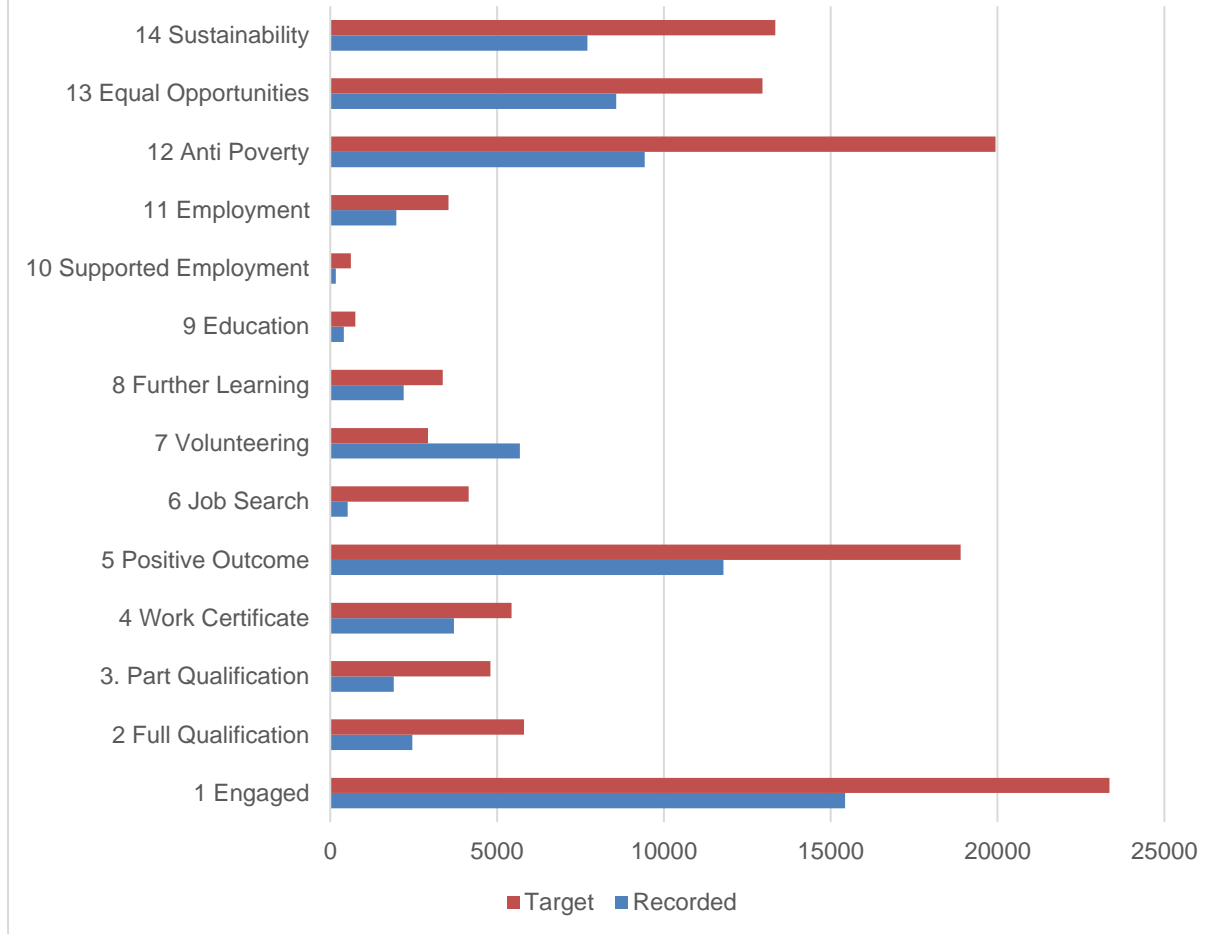
3.10.6. So, once in the AIF system, participants benefit, however, the recommendations in this report suggest how the impact of any successor to AIF could be enhanced.

3.10.7. Chart 27 below shows AIF performance against all Key Performance Indicators, with indicators 12, 13 and 14 focussed on contributions to reducing poverty, equal opportunities and sustainability. These targets reflect the 15433 participants supported and completing AIF through phases 1 and 2.

3.10.8. Whilst the framework of indicators was set in agreement with WEFO, each beneficiary then proposes measures and attribution for each individual AIF award. Chart 27 reflects previous commentary in this report on beneficiary over optimism in proposing and agreeing targets.

**Chart 27: Key Performance Indicators All Phase 1 & 2  
Projects: February 2020**

*Source WCVA 2020/02*



## Section 4. The AIF System & Processes

### Commentary

4.1.1. Although the AIF invitation to deliver one or more AIF objectives is without detailed prescription, this is ‘bookended’ by detailed due diligence processes to assess potential provider capability at the outset, and to closely performance manage awards during the life of the project, with a detailed step by step project management system with data and progress recorded on the WCVA PDS at the heart of this system

4.1.2. AIF has a sophisticated and demanding administrative system. The following critique of that system recognises that as an intermediary organisation, WCVA must reflect EU and WEFO requirements. The critique is offered given recurring findings, and to highlight possible areas for review for any future arrangement now that the UK has left the EU (subject to a transition period).

4.1.3. Beneficiaries consistently acknowledged the value of WCVA leadership and the central and enabling role that it plays in AIF. However, they also consistently tempered this with frustrations about process challenges and concerns about AIF administrative burdens, particularly where awards are relatively modest. This in turn generated WCVA AIF staff frustrations when processes are not adhered to, or are misunderstood.

4.1.4. Table 7 below shows the broad distribution of awards with 50% under £50,000 (and some as low as £7,000). In general, AIF awards are relatively modest.

<b>Table 7: Distribution of Award Values: All Awards</b>					
	Up to £25,000	Up to £50,000	Up to £75,000	Up to £100,000	Over £100,000
Cumulative No. of Awards	99	153	241	274	307
% of Awards In each Range	32%	50%	79%	89%	11%

4.1.5. The launch of AIF was challenging for some beneficiaries used to working with WCVA on previous initiatives given the added complexities of the WCVA intermediary role and administrative requirements associated with AIF. The result was initial friction between WCVA and providers.

4.1.6. EU funding and processes must be robust and provide the necessary accountabilities. We also note that WCVA has been more responsive than perceived by beneficiaries in addressing administrative challenges where able to do so within the EU and Welsh Government framework, particularly through phase 2. This suggests a lost opportunity for WCVA which might make more its responsiveness to challenges.

4.1.7. However, given the consistency and widespread nature of concerns around processes, and the perceived or real demands made by AIF requirements, we suggest that WCVA continue to review and engage with beneficiaries on where frictions can be resolved. Some solutions may be actionable through the current programme, but any successor arrangement is an opportunity for further change and simplification.

4.1.8. We also endorse steps by the AIF team to further engage with beneficiaries, which is a sound investment and something to build on. Given frustrations on both sides, creating a positive environment and developing this communication and collaboration will help to bury any past antipathy, and ultimately save all parties time, cost and aggravation.

4.1.9. We also suggest that there is value in (and enthusiasm for) facilitating inter provider learning and exchange both in terms of process but also professionally. Our recommendations offer several suggestions around these themes.

4.1.10. The WCVA AIF team has particularly made progress by developing and broadening:

- a) **Beneficiary Training:** despite the diversity of beneficiaries and their experience, most were positive about WCVA training events: “excellent” “very, very,

*good*". Some noted differences in the information shared by WCVA during one to one conversations, and that shared in training sessions, or changes in administrative requirements between training and the start of their programme, but overall the benefits are positive.

- b) **Developing Networking and Inter-Beneficiary Relationships:** networking and developing positive inter-beneficiary relationships is valuable and has markedly improved over the last 3 years. Section 3.3 records the value and benefits arising from developing this.

4.1.11. However, beneficiary frustrations remain and revolve around practicalities such as:

- a) Potential to develop the PDS to be more user friendly
- b) The communication of process or system changes to avoid people being unaware (we note WCVA work hard to address this).
- c) Consistency in 'on the ground' decision making with a perception of variations between WCVA officers: *"there are communication issues...the messages are not entirely clear...often communication internally at WCVA led to mixed messages"*. This is inevitably challenging for any organisation operating at scale, both because individual officers may legitimately nuance decisions, and beneficiaries will find fault if dissatisfied.
- d) Document updates requiring recently completed forms to be returned and completed in revised form.
- e) The possibility to review constraints on the use of scanners to convey information, particularly for those working in the field rather than in offices.
- f) Prompt payment: we note WCVA changes to alleviate this, but it has been a consistent complaint: beneficiaries range from large national organisations through to small 'micro' organisations. The latter can be as effective as the former, but can experience cash flow challenges given limited resources.
- g) Small providers raised concerns about their capacity to manage administrative logistics and an inability to compete with larger organisations because of administrative costs: some small organisations perform well yet frustrate WCVA because of challenges in handling administrative requirements. We see value in establishing a cadre of best practice beneficiaries willing to share practical and administrative experience with others.
- h) Many providers claim to 'subsidise' AIF programmes by funding higher administrative costs than covered by AIF. This suggests a distinction between the legitimate expectation that AIF funding is embedded within the wider 'mission' of providers, and circumstances where AIF specific requirements might place undue pressure on organisations. There are differing perspectives on what is reasonable and contrasts between large and small beneficiaries.

*"AIF is 8% of our funds this year, but it takes 70% of our admin time to process".*

4.1.12. Also, we highlight the importance of cultivating and sustaining constructive WCVA and provider interactions; with

a) Positives that include consistency of contact (not always a possibility):

*".....for many years and they know us...it's about knowing the system, our relationship with WCVA goes back 8-10 years"*

*"There needs to be an element of trust"*

b) Careful management of the transition and handover of cases between WCVA staff in relation to beneficiaries;

c) The need for well-developed WCVA staff skills in handling what will sometimes be challenging circumstances in ensuring performance and compliance, for example in managing beneficiary frustration or incomprehension.

*"It doesn't fit with our values. Everything we do is for the [participants] but they [WCVA] haven't talked about that at all"*

*"My criticism is that we are not in partnership. It is being done to us. I am not able to engage in changing the process."*

4.1.13. **Participant validation** (the process of establishing participant eligibility at the outset): this has challenged many beneficiaries with mixed experiences and a lack of understanding of the WEFO four-stage process designed to accommodate situations where such validation is challenging.

*"The systems make people back away even though people need the programmes so underspend happens as people can't afford to deliver".*

*"The fund is set up for people who live in straight lines, but the people the fund is set up to help don't live in straight lines".*

4.1.14. This was less prevalent in the West Wales and the Valleys age 16 – 24 (NEET) Fund where AIF funding typically supported continuity: *"a natural cohort of people who attend already"*. Reaching beyond 'known' groups and individuals was often more challenging. Whilst organisations recognised the importance of this information, some suggested validation as a step within AIF award projects rather than an initial requirement:

*"proving eligibility, remembering to save letters, is a life skill that young people need to learn, they shouldn't be penalized for not having them they should be rewarded for learning to do that".*

4.1.15. The WEFO proof of identity four-stage process is designed to accommodate these situations. However, throughout the 3+ years of this evaluation, beneficiaries have

identified validation as problematic. As a result, many organisations were slow to start projects following an award, identifying that validation challenges are a consequence of chaotic potential participant lives. One result has been a disparity at project level between potential participants identified and a smaller number validated and therefore eligible. Particular perspectives highlighted in phase 2 revolved around:

- a) GDPR legislation and suggested reluctance by Job Centre Plus to share data on individuals without that information being given to the individual first – and it was then often lost en-route to the beneficiary.
- b) One organisation working with highly vulnerable individuals noted they had seen 300 potential participants but had only been able to record 95:

*“We have someone who has run from Birmingham for her life...we can’t ask her for her passport and NI number which means we cannot validate her?”*

- c) One organisation that terminated their AIF project did so because of the cost of accessing validation information:

*“Those we most wanted to help were least able to provide the required information”.*

**Front Line Officer Experience**, although not a direct quotation, we recorded one experience as follows:

He was engaged in the role in February 2018 and received training for PDS from colleague and from WCVA. It took time to familiarise with the system, but he feels more confident now. Whilst the validation process has been challenging he finds it “ok now”. He attended a networking event with other beneficiaries which had good attendance and he found it to be of real benefit and an opportunity to connect with others, share experiences and gain more insight into other projects funded by AIF.

**Another Frontline Officer (different organisation):** *“although [AIF process] is time consuming it has helped her become more organised and structured”.*

## Key Findings and Recommendations

### Administration

4.1.16. We conclude that WCVA listened to providers, and that particularly in Phase 2, there was a ‘softening’ of some challenging AIF criteria. WCVA was perceived as responsive and there was an understanding that many of the rules were beyond WCVA control, for example, participant and document validation processes. Phase 2 changes were broadly welcomed.

4.1.17. Although many beneficiaries struggle with the administrative aspects of AIF (despite WCVA help), a substantial majority (we estimate around 95% of those interviewed across phase 1 and 2) are committed and passionate in their support for

participants. However, 16% AIF beneficiaries in some sense found administrative requirements excessive and withdrew.

**Recommendation 17:** the design of any future AIF successor arrangement should include a 'root and branch' review of administrative arrangements with a mission to simplify as far as that is possible consistent with essential accountability and related requirements, and to design proportionate arrangements that match the size of awards. This should involve WCVA, Welsh Government and experienced beneficiary bodies working together to achieve this.

**Recommendation 18:** sustain and develop beneficiary training, and networking, and knowledge exchange.

**Recommendation 19:** establish a cadre of best practice beneficiaries able and willing to share experience with other providers.

**Recommendation 20:** establish a means for beneficiaries to share experience, learn, consider what works and share best practice in participant terms: this could be virtual and / or literal. This might include an early priority to develop a 'what works' analysis with stakeholders to include identifying effective pathways into work for hard to reach groups.

**Recommendation 21:** develop current steps to share and tackle WCVA and beneficiary frustrations through communication and engagement to embed expectations, identify challenges and demonstrate that WCVA is receptive to addressing issues, and solving or minimising genuine problems.

**Recommendation 22:** further develop staff support to help staff handle what is a challenging role in achieving a balance between sustaining productive beneficiary relationships and communications, and ensuring effective compliance and consistency in handling them.

**Recommendation 23:** for any successor, further develop the WVCA AIF Project Data System to streamline beneficiary data input where possible, but also to develop data collection, access, and analytic capacity to assess outcomes and impacts for reporting purposes. Outcome and impact development should be conducted working with a research professional versed in outcome and impact measurement and evaluation.

## Section 5: Looking to the Future

5.1.1. This section reviews evaluation findings and recommendations in the context of how any successor arrangement to AIF might be enhanced to further improve impacts, outcomes and effectiveness.

### Meta Questions

5.1.2. **What is AIF for?** We pose this question in recognition that AIF is delivering substantial benefits for targeted individuals, but also out of a concern that there are meta expectations that are not proportionate to the scale or duration of the operation. So, in considering any successor, it is worth considering whether AIF:

- a) Is a mainstream programme?
- b) Or about people who cannot succeed through mainstream measures, i.e. those with complex needs?
- c) If the latter, then targets need review as recommended, not least because many (but not all) of those targeted who are most in need require longer term and consistent support.
- d) Investment may therefore be better focused on helping fewer people in most need over the longer term rather than through shorter episodic projects for more people.
- e) Effective transitions into and out of AIF are a key challenge: in its own terms, AIF works successfully for many participants *once they are in the AIF system*.

5.1.3. Whilst business plans and targets are clear that AIF targets 'hardest to reach' individuals, the evaluation found some elements of activity in supporting people through training and placements who certainly needed help, but who may have been so helped by a more mainstream programme.

5.1.4. If the emphasis is shifted to supporting fewer but the most challenged, with incentives for longer-term participant pathways as needed, we suggest that this would focus a successor on the core strengths of what AIF has achieved in phases 1 and 2.

5.1.5. In suggesting areas for development, we also work on the basis that such arrangements will have a focus on:

- a) Supporting participants in becoming self-sustaining until support is no longer required: given socio economic conditions in Wales, support for both current supported individuals and new people in the target groups, will be needed in whatever guise well beyond phase 3 of AIF.
- b) Active support as needed after people successfully move into longer-term employment, for example to include in-work support: the most challenged people

have a variety of conditions and problems that merit continuity beyond their accessing longer term-employment opportunities, for example, people with learning disabilities or recurring mental health conditions.

## **Areas to Consider for Development**

### 5.1.6. Drawing on evaluation findings:

- a) Individuals require *Capacity* (soft and hard skills) to operate in the labour market and *Opportunities* (encouragement, placements and support into longer term employment) to enter and stay in work. AIF design aligns with this.
- b) Coupled to this, is the importance of effective assessment and designing support around the needs of the individual with interventions that, as needed, ensure that housing, health, childcare and substance use issues as well as labour market needs are addressed, including immediate practicalities such as transport costs during support.
- c) At its best, AIF exemplifies the value of local action that draws on local knowledge and connectivity to support people, and to link them to sometimes transformative opportunities.
- d) ‘Targeted’ employability initiatives are not always sufficiently integrated either with mainstream programmes, or with other relevant services such as health, education, and housing: such integration is important.
- e) Inter-organisational cooperation and partnership working is key to delivering the diverse support that many people in, or emerging from, challenging circumstance need.
- f) The longer people are economically inactive or the more challenging their circumstances, the more barriers they face to (re)entering the labour market, and the more and longer-term support they require.
- g) It is a classic failure of employability initiatives to follow through [for a significant period] how interventions have delivered for individuals and public policy objectives.

## **AIF Evaluation Themes**

### 5.1.7. To reprise some key findings:

- a) AIF successfully reaches target and often supports vulnerable or very vulnerable people who will need subsequent support.
- b) The quality and nature of qualifications are important to secure longer term benefits: some generic courses may help build confidence and participant engagement, but may not have long term benefit.

- c) Strand 2 placements have value, but their quality is variable.
- d) Although not binary, effective smaller organisations have greater flexibility to offer innovative solutions, particularly with those farthest from the work place.
- a) There is scope for developing relationship management and communications with providers and other stakeholders to benefit all, including inter-provider collaboration (see also below).
- e) Processes must be robust with necessary accountabilities but there is scope to review to simplify and reduce overhead costs for all involved for any post AIF programme.
- f) There is a need for facilitated beneficiary knowledge exchange.

## **Fostering Collaboration**

5.1.8. AIF experience is patchy, so developing collaboration would be beneficial for a future arrangement, not least because stronger interagency links make it is less likely that people can fall through the gaps. Aspects to this would include:

- a) Effective (not partisan) local 'triage' processes.
- b) Effective referral pathways e.g. from Jobcentre Plus, local authorities or housing associations
- c) Support for proof of participant validation.
- d) Enabling specialist providers such as those working with people with mental health issues or domestic abuse survivors.
- e) Broader interagency working, for example, with local authorities and potentially Public Service Boards.
- f) Better sharing of information, for example, working with local schools to ensure young people are aware of support if they are NEET when leaving school, or if they are at risk of exclusion, and similarly local GP practices might talk to patients about opportunities for support to think about returning to work.

## **Suggestions for a Future Arrangement: Enablers and Creating the Necessary Conditions for Success**

5.1.9. This section identifies some key enablers as a basis for creating a successful programme as described in paragraph 5.1.5. above.

5.1.10. We suggest flexibility to allow longer (and sometimes significantly longer) projects that combine and involve several stages, that could potentially:

- a) Start with confidence building and well-being i.e. helping with basic life skills; but then when ready;
- b) Workforce preparation which could be combinations of CV preparation and training etc.; then
- c) Experiential activity such as supported volunteering, practical work experience and supported workplace activity; and as need be; and
- d) Post participation support once in employment. This is important for those most challenged, but a 'keeping in touch' approach is often valued more widely by individuals in terms of their feeling supported and may help to sustain their positive life changes. This is also consistent with recommendations to follow participants after taking part in funded projects to track how they fare longer term.

5.1.11. A successor arrangement might continue with a 'competitive' approach to grant proposals, but require that longer-term projects bring appropriate organisations to work together, create participant pathways of support, and create the conditions for sharing commitment to outcomes i.e. incentivise cooperation. This would:

- a) Institute better inter-organisational collaboration.
- b) Require a key worker or gatekeeper with appropriate 'people skills', local knowledge, and institutional connections to work with participants through the stages of their support.
- c) Include processes to better define, evidence and agree outcomes for proposed projects, for example through the use of local and collaborative triage processes.
- d) Incentivise longer term post-project follow-up with participants as part of the support package, and to evidence impact and benefits for participants - or not.
- e) Transform the Economic Inactivity Panel into a facilitative as well as oversight body for governance to focus on performance in achieving outcomes, and developing inter-organisational cooperation and effective ways of working.
- f) Establish a WCVA, Beneficiary and Stakeholder advisory panel to inform future design, review administration and establish and monitor how to effectively enable and support the best local agents and providers.
- g) Facilitate structured knowledge exchange.

5.1.12. Another key element in the overall picture should be closer and systemic collaboration between WCVA, beneficiaries and those supporting participants, and labour market initiatives, opportunities and institutions.

5.1.13. Successful training and preparation for the labour market, and then finding opportunities, particularly for those experiencing challenging circumstances needs to

meet the needs of local employers. However, it also requires that beneficiaries are networked with suitable and willing employers, and that support exists for participants to engage with these opportunities. Retention and progression depend on individuals being in the right job, with suitable hours, skills and location.

5.1.14. We also identify the desirability of further work to develop and connect to opportunities that provide a future for participants. Whilst some participants may continue to be employed in declining sectors such as retailing (not all retail jobs will disappear), identifying where appropriate, innovative and potentially growing opportunities lie and matching them if possible to suitable participants is desirable.

5.1.15. This might, for example, include exploring opportunities and support through Corporate Social Responsibility commitments, or notions of the Foundational Economy in Wales.

5.1.16. Chart 28 below illustrates the key enablers and conditions to achieve this diagrammatically, together with the key outcomes and impacts that we suggest would and should accrue.

5.1.17. Charts 29 and 30 set out a simple maturity matrix: we suggest that any consideration of a future arrangement assesses AIF against each of the factors identified, firstly to establish where AIF is on the ladders for each category, and then as a means to work up where change and development might move scores 'up the ladder'.

5.1.18. Chart 31 illustrates how the system might work in practice, incorporating:

- a) The principle of an umbrella agreement, potentially combining several beneficiaries to create a participant pathway.
- b) A longer (than AIF) agreement to encompass multiple stages.
- c) Adopting a key worker (or gatekeeper) to coordinate activity and interactions with participants.

# Potential Model to Maximise Outcomes / Impacts from AIF

## Enablers/necessary conditions



## Outcomes/Results

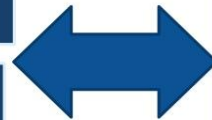


Chart 29

## ‘Maturity Ladder’ to Assess AIF: Enablers /Necessary Conditions

Enabler / Necessary Condition	Score 1 = Weak - Score 5 = Strong    ➡ = Imp.    ● = Static    ← = Slipping				
	1	2	3	4	5
Strong and clear accountability context					
Effective strategy, processes, and products - ‘ways of working					
Positive and collaborative leadership and governance					
Appropriate resources and partnerships					
Effective workforce at both programme and beneficiary organisation level					
Available & ‘suitable’ pathways to employment through experience / volunteering / quality jobs					

1

Chart 30

### Simplified Maturity Ladder to Assess AIF: Outcome / Results

Outcomes / Results	Score 1 = Weak / Score 5 = Strong → = Imp. ● = Static ← = Slipping				
	1	2	3	4	5
Sustainable benefits with positive effects for individuals through improved confidence, wellbeing, and skills					
Positive & sustainable collateral benefits for community resilience					
Sustainable outcomes with a social return on investment					
Lessons learned can be replicated & up scaled, and inform future policy					
Delivery organisations grow in capacity and capability (including WCVA).					
Inter agency collaboration around future participant 'pathways'					
<i>Evaluation, learning and innovation</i>					

**Chart 31: Illustration: Possible Participant Journey from Engagement to Work**

