

1 Conclusions and recommendations

Introduction

1.1 During the three years of the programme and the evaluation, it is clear that WM has successfully engaged with some of the region's most vulnerable people. It has made a significant impact on the lives of many individuals who would not have made the progress achieved if it hadn't been for the programme.

1.2 The tailored, person-centred approach that has been tested has been shown to have been successful. A critical success factor is the client's relationship with the Case Manager, and that progress is largely driven by the client rather than being service-led. That is not to say that the Case Managers do not encourage progression and support clients to be ambitious about what they can achieve in the next stages, they do that. However alongside this, they understand that WM clients might disengage and lose confidence if they are pushed too hard. They also understand that progression may not be linear; there will, for many clients, be periods where they don't progress, may disengage and possibly take a step backwards. They appreciate that for the vast majority of clients progression into employment will not be possible.

1.3 In this chapter, we present our conclusions on programme performance and the effectiveness of the regional approach to managing and delivering the WM programme. We then make recommendations for the future design and delivery of regional employability programmes.

Conclusions

Programme performance

1.4 Demonstrating its success, the WM programme has exceeded its revised attachment targets overall, with only two Member Authority areas not achieving their individual attachment targets. Given the nature of the client group, and the number and complexity of barriers to employment faced by individuals, this is a considerable achievement. Even against its original targets (WM achieved around 85% of its original target), the programme has been reasonably successful in engaging the client group.

1.5 The WM programme has also been successful in progressing clients into employment, albeit not as many have moved into paid employment as had been anticipated at the outset. By programme close, 95% of the revised employment outcome target had been achieved.¹ North Lanarkshire was particularly successful, achieving 170% of its employment target. Some areas found it more difficult to achieve their employment target, perhaps a reflection of the impact of other employability programmes, or economic conditions. The extent of the barriers faced by clients in different areas may also be a factor – for example clients in some areas had been unemployed for longer, overall, than in others. Where the cohort had been unemployed for longer, they also tended to face more barriers.

1.6 However, this positive overall performance has not been without its challenges. A substantial 'bottleneck' formed and persisted in the progression pathway, with clients 'sticking' at the stages where the focus is on addressing and overcoming barriers to work, meaning this concentration of activity in WM Stages 3-6 is reflected in the average time taken to reach the later pathway stages, and achieve personal and employment related outcomes. The time taken to progress and achieve outcomes increased as the programme went on. The key challenge for client progression, is, as we would expect,

¹ The total employment outcomes achieved were 77% of the original targets, which were revised in early 2018 in agreement with DWP.

related to the number and complexity of the barriers those remaining clients faced and must be factored into programmes designed to help this client group.

1.7 By the end of the programme, WM clients were more likely to have achieved training and personal outcomes relating to overcoming barriers to employment than to have moved into paid employment. Whilst they may not have moved in to paid employment, clients benefited from being supported to address the barriers, gain qualifications in some cases and progress towards employment, and based on the qualitative research, we know that a number intend to take up a job going forward. Overall, clients report significant increases in their confidence, their sense of isolation has been reduced, they are more aware of and likely to use local services, and they feel that they have better relationships and are more supported by their families. As well as benefiting the individual in terms of their self-esteem and sense of well-being, these improvements mean that their progression is more likely to be sustained as they have greater support and resilience. They also report that they have learnt new skills which they believe will help them to move towards and potentially take up employment. Developing new skills is a benefit in itself, but it is also important in boosting confidence, feeling more positive about the future, and having a sense of self-worth and satisfaction.

1.8 The WM programme has been very successful in having a social impact and positively benefiting the wellbeing of clients, through personal outcomes, and also improvements in their personal situations. These outcomes can lead to savings for the public purse through, for example, less need for health and social care interventions, tax revenues of people who are in work and if people are less likely to reach a crisis point in their lives, there will be less need for statutory interventions

1.9 The evidence shows that as a result of WM supporting a cohort of clients in to employment, the benefit to the public sector is approximately £1.36 million. Added to that, the value of the impact on clients who have progressed towards employment is around £2.82 million. The combined financial benefit is therefore substantial.

1.10 As well as these employment-related and progression impacts, improvements in physical and mental health, financial management, social participation and criminal justice outcomes generate impacts of approximately £3.94 million. These are derived from a reduced uptake of services provided by public sector organisations to address issues such as social isolation and financial stress, and also reduced costs to the public purse as a result of reduced re-offending.

1.11 Taking the fiscal and social benefits as a whole for the WM programme, the total annual impact for actual and anticipated impacts arising from WM is approximately £8.13 million, with NPV of £18.13 million, assuming that impacts persist for three years, and that there is a 25% drop-off of impact realisation per annum.

1.12 WM has therefore delivered substantial savings to the public purse as well as the benefits it has brought to individuals, households and communities across the City Region. It has enhanced the employability and employment for individuals who have been a significant distance from the labour market. This reduction in economic inactivity contributes to a broader reduction in the benefit bill.

1.13 WM represents reasonably good value for money, having achieved a cost per employment outcome of around £17,260, despite this being above the cost per job of £15,000 anticipated at the outset of WM by programme partners. However, it is important to note that investment through WM has not only been targeted at employment outcomes, and when taking into consideration the wider outcomes (social, personal, etc.) achieved through the programme, this can be considered good value for money (though this excludes uptake of services free at the point of delivery through Member Authorities, and access to services such as SALUS and RAMH).

1.14 When considering the social impacts achieved by the WM programme, the social return on investment is 1:2.28 – i.e. for every £1 invested by WM partners, an estimated £2.28 in benefits are accrued, over the three-year period that impacts are assumed to persist. This is a relatively good ratio,

particularly given the resource-intensive nature of the person-centred approach. It compares favourably to the cost:benefit ratio of other employability programmes delivered with similar cohorts, but when considering the uptake of aligned services, this ratio will necessarily decrease.

1.15 In summary it is useful to consider the programme's performance against the objectives set for WM including its client engagement and job outcome targets. These were as follows:

- A reduction on the benefit bill, including 'passported' benefits like Housing and Council tax benefits: **the programme will achieve savings to the tune of £1.36m per annum or just over £3million over three years**
- A reduced strain and costs on other public services such as health and social care: **WM can demonstrate that it has had a positive impact on public services to the tune of £6.8 million per annum or £15m over three years**
- An increase in the employment rate and reduction in levels of economic inactivity which will contribute to increased productivity, and increase in GVA across the city-region: **the programme has contributed by supporting 461 clients into employment**
- Evidence of the social return on investment (SROI) of investing in this client group: **the social return on investment is calculated as £1:£2.28**
- Gathering evidence of the effectiveness of this type of intervention as a means of lobbying for policy changes to provide support for this target group of clients:² **evidence has been gathered which proves that this approach has been effective and is presented in this report**

The regional approach

1.16 The programme successfully tested a regional approach to delivering employability support to this particular client group. Importantly, there was scope within it to allow local delivery to reflect local circumstances for example in the services procured and the approach to working with employers.

1.17 The consistent branding and communication across the region helped with cross-boundary recognition and reinforcement of the messages. It also meant that DWP staff were receiving consistent information regardless of their location and so, passing that on to clients. However, the levels and appropriateness of referrals varied, particularly in the early stages and they relied on the approach and knowledge of individual work coaches. A strength of WM was that where an issue with referrals was identified, partners quickly stepped to work with JCP staff to find solutions and give them the information they needed.

1.18 Whilst Hanlon presented a few issues in the early stages, to be expected when a new system is introduced, and was quite resource intensive in local areas, a central CRM system is undoubtedly more resource efficient overall. It allowed for data to be collated and analysed regionally and by Member Authorities which was critical in monitoring and driving performance. It provided early warning about issues such as low levels of attachments and enabled actions to be taken to address the difficulties. It was an important tool to assist local and programme level decision making and was used effectively.

1.19 There is a need to therefore consider early in a programme's implementation how to make best use of Hanlon (or other CRM system) data to drive and enhance the effectiveness of programme delivery overall and within each Member Authority/partner organisation as well as to gain measures of success.

1.20 Along with the centralised CRM system, a centralised management team has been a considerable benefit in particular by allowing a larger proportion of resources to be allocated to delivery, rather than to eight separate management structures and activities. Given how resource intensive the client-facing activity is, this efficiency is particularly valuable. Coupled with this, strong and new

² Ibid., p. 7

partnerships were formed at operational and strategic levels and if maintained, these are likely to deliver benefits beyond the life of WM.

1.21 Client-led service delivery, such as WM, can mean that compliance and demonstrating compliance can be especially challenging. WM developed a single compliance system that was applied across the eight Member Authorities. This helped each Member Authority to deliver the programme compliantly, without having to develop and apply their own systems. There was compliance staff support which was very valuable and again, taking a region-wide approach meant that this was successfully implemented, using resources efficiently.

1.22 The Case Manager model has been acknowledged as very successful. The Case Managers' knowledge and networks have been critical; they have been able to draw on these to signpost people to other services (e.g. Money Advice services, Salus, training providers) and to find work experience and employment opportunities through their contacts. They are also able to make suggestions of activities and courses that the WM client may be interested in or benefit from given their circumstances. The standardisation of this approach across Member Authorities has been considered helpful and has enabled effective knowledge sharing across areas.

1.23 The programme also trialled new ways of working with this client group and this test and learn approach produced real dividends for staff, for Member Authorities and for other stakeholders. Case Managers started with various levels of knowledge and experience of working with this client group and there was extensive formal and informal knowledge sharing which has permanently enhanced the skills levels of Case Managers. They shared their experiences and solutions, and provided peer support to each other. Member Authorities have used some of the learning from WM to inform their future approach to employability, reconsider how they procure services, and think more about multi-agency collaboration, for example with health and social care organisations. This includes looking at cross-boundary procurement of services, particularly in smaller Member Authority areas.

1.24 Key to the success of WM was the approach and skills of the Case Managers and their ability to build positive and trust-based relationships with their clients. Throughout the three years of the evaluation, the evidence clearly shows that no single intervention or type of intervention leads to the outcomes overall or for individuals. The overriding learning point is that the success of WM derives from the fact that it is tailored to need, is not time-bound, moving at the pace of the client, and is holistic. It recognises and tackles the barriers, taking a whole-person, and sometimes a whole-household, approach.

1.25 It transpired that the ambition of linking WM with City Deal community benefits was unrealistic because the timings did not align. It may also be that for many WM clients, construction-based employment is not appropriate. However, there is a strong rationale for employability programmes to capitalise on community benefits deriving from other public sector expenditure to provide work experience, training and employment opportunities.

Recommendations

1.26 Given the level of resources which have been invested in the WM programme in addition to measuring the progression and job outcomes achieved for clients, it is important to highlight those elements of the programme and its approach which have worked well in terms of maximising positive impacts overall for this client group.

1.27 Presented below are a number of recommendations worthy of consideration.

Recommendation 1: For a programme intending to work with this client group well planned, designed and importantly, executed **marketing and targeting** activity is key to engaging local, regional and national partner organisations and target individuals themselves who will face barriers to engaging with programmes as a rule. It is vital that organisations and staff who make referrals to employability

programmes have the correct information and support they need, and are equipped to communicate this to the target client group. This activity is sometimes an afterthought in programme design.

Recommendation 2: The **Case Manager Model** has been proven to work effectively with this client group and has been pivotal in securing the best outcomes for clients with complex needs and facing significant barriers to employment. 1-2-1, regular and client centred support 'works' with flexibility in its delivery at local level a critical component. This model and the resources required to effectively implement it should be the preferred model going forward.

Recommendation 3: To best support this client group intensive **forms of support** are key to achieving personal outcomes for clients and moving towards employability outcomes. Future programme content should take cognisance of this fact and there is also a need to focus on being innovative in the types and formats of work undertaken with clients.

Recommendation 4: The person-centred approach requires access to a range of **specialist support**. Building on the knowledge and contacts of Case Managers is important as is the strategic procurement of external services. Experience has shown that critical mass is needed to effectively purchase services so a regional supplier framework may be an avenue to be explored for some services; this could also be more cost effective as economies of scale might be realised

Recommendation 5: Integration with local employability pathways and initiatives is important for delivering specific elements of support and training to clients drawn from these, and to maintain post programme progression and the delivery of client-led support. An overarching common regional framework for delivery must allow for **local flexibility** to allow MA approaches to reflect local structures, activities and characteristics. Similarly, the close alignment of specialist providers and mainstream services must work within this wider framework as referrals to and between these should be seamless.

Recommendation 6: At a local level there have been a variety of approaches and levels of resource utilised to secure work placements and access job opportunities with employers. Adopting a regional approach to **employer engagement** could boost the number made available and save Case Manager resource particularly where there is no dedicated employer engagement resource level at Member Authority level. Considering regional/larger scale employers as programme partners as well as Member Authorities themselves is recommended.

Recommendation 7: Re-assessing how **City Deal project opportunities** are accessed for future programmes is a consideration worthy of note. Communication channels in the first instance should focus on delivery partners at the local level providing regular information on what is happening in other projects and what emerging employment and/or training opportunities may be coming on stream.

Recommendation 8: Proactive **aftercare** activity is key to ensuring this client group, much more so than others, are able to sustain longer term employment. However, sufficient resources are needed to allow the required flexibility that regular client follow-up requires. This should be a distinct component of any future programme.

Recommendation 9: Overarching **programme management** has proven to be beneficial at the regional level on a number of fronts. This resource is particularly important for driving performance and maintaining a regional overview of a programme as well as providing a better understanding of delivery and outcomes at a local level.

Next steps

The findings from this evaluation will be used to influence and inform the future design and delivery of regional (and national) employability programmes which support client groups with complex support needs in their employability journey going forward.