



# Evaluation of Milton Keynes Neighbourhood Employment Programme

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## RegenerationMK - Neighbourhood Employment Programme

I am delighted to be in a position to write this forward as the Cabinet lead for RegenerationMK, which focuses on People, Place and Prosperity. The Neighbourhood Employment Programme (NEP), developed to help young people and adults into work, has gone from strength to strength since its launch in January 2012. It is now considered to be a significant success for Milton Keynes and this evaluation by the New Economics Foundation (nef) further supports this widely held view.

As a way of addressing the overall unemployment levels in Milton Keynes, and mindful of our priorities around reducing child poverty, the NEP was introduced to provide targeted employment support to twenty two areas in MK. These estates were selected for additional support by virtue of their multiple disadvantage and high unemployment. Through the provision of one to one tailored skills and employment support provided in the community, the NEP supports these residents to reach their potential and improve their long-term employment.

I am particularly pleased with the wide range of partnerships that have been established, collaboratively addressing this need. Unemployment is an issue for individuals and families but the benefits of high employment are felt across the local economy.

The NEP can learn from this evaluation, build on its successes and achieve even greater outcomes in respect of education, training and employment, supporting residents to prosper in Milton Keynes.



Councillor Edith Bald

## Executive summary

This report presents the results of an evaluation of the Neighbourhood Employment Programme in Milton Keynes, undertaken by **nef consulting** (new economics foundation).

### 1. The NEP

The Neighbourhood Employment Programme (NEP) is a locally developed initiative, designed to support residents into work by providing employability skills through tailored support at job clubs. The NEP brings together the strengths of existing partnerships, drawing on expertise from within the Regeneration Team at Milton Keynes Council, Adult Continuing Education (ACE), Milton Keynes College, Job Centre Plus, MK Mind, IXION and other community agencies.

The NEP is designed to engage unemployed individuals who live across twenty-two regeneration areas in Milton Keynes. Nineteen of these neighbourhoods have been identified as having significant elements of deprivation and high levels of unemployment. A third or more of the population on sixteen of these estates have been defined as being within 25% of the most deprived nationally and have been targeted for support by virtue of their multiple disadvantage.

### 2. The research

This report presents the results of a one-year evaluation of the NEP. The aims of the research: to understand the effectiveness of the NEP as a means of improving access to employment; to assess the appropriateness of the design of the NEP; and to evaluate the impact of the NEP. The research has been informed by primary data collected from job club participants, clients who have moved into work, and NEP partners. The results have been analysed according to key outcomes for clients and the State, and a value-for-money assessment was undertaken.

The research has been undertaken by **nef consulting**, working in partnership with the NEP. **nef consulting** is a social enterprise founded and owned by the New Economics Foundation to help public, private and third sector organisations put their ideas into action. Drawing on a 25-year history as an innovator in social, economic and environmental analysis and measurement, **nef consulting** puts new economics into practice: putting social value at the core of decision making and helping public, private and third sector organisations to understand the real value of what they do.

## 3. The results

### *The effectiveness of the NEP as a means of improving access to employment*

To date, the NEP has supported **20% of clients to move into employment** and supported many others to move closer to the labour market. This compares favourably with other welfare-to-work programmes, such as the Work Programme, which was found to have moved 13% of those who accessing the programme in June 2012 into work by June 2013<sup>1</sup>.

The NEP has generated positive changes in terms of skills and well-being for clients:

- There was a **demonstrable effect on the level of clients' confidence** when it came to looking for, applying and getting ready for work, with clients reporting a 20% improvement in these skills.
- There was a **42% change in the clients' confidence in using computers**, reflecting the design of the programme and support available in job clubs. There was around a 10% increase in their confidence in reading and writing and using and understanding numbers.
- Those supported by the job clubs reported a **20% increase in self-esteem and a 21% increase in their sense of purpose**. These are components of an individual's well-being and have a significant impact on their ability to feel ready for, undertake and enjoy work. Personal traits that underpin the ability to move on, such as self-esteem, communication skills, optimism and motivation, are known to decrease the longer that someone remains out of work.

Clients attributed a high level of their success in getting ready to find work, to the job clubs. In many cases they stated that without the job clubs they might not have been able to get to where they are now.

Overall, the research found that clients were very happy with the support and found the job clubs and advisers to be **beneficial to their journey to employment**. The range of opportunities for support and training helped them to build their experience and present themselves effectively to employers.

For those who moved into work, satisfaction was high and clients generally moved into sustainable work:

- The vast majority of clients (77%) are on **permanent (65%) or fixed term contracts (12%)**.
- Respondents reported **working an average of 26.5 hours per week**.
- 65% of respondents reported being satisfied with their work: 18% report being 'satisfied', 35% 'mostly satisfied' and 12% 'extremely satisfied'.
- **76% of clients were satisfied with their work-life balance**.
- **Those who moved into work reported an improvement in their mental health**.

- However, 29% report not being able to develop new skills at work and a significant 53% do not believe that their job offers good development opportunities.

## *The appropriateness of the design of the NEP*

The NEP brings together internal and external partners across the Council, education institutions and civil society. It offers a way of **aligning delivery to meet the diverse needs of clients**, bringing together the expertise of local partners

to effectively support clients at any stage of their journey to employment. The nature of NEP's clients is changing; they have increasingly complex and challenging needs. The design of the service gives advisers the opportunity to support clients at the speed at which they need, **complementing local statutory provision**, which may not be able to offer the flexibility needed by those who are farthest from re-entering the labour market.

## *The impact of the NEP*

The impact of the NEP was assessed in terms of the two main stakeholders: clients and the State. The key outcomes were mapped for each group through a Theory of Change process, and socio-economic analysis.

It was found that by supporting over 280 clients into work, the estimated savings to the State to date is approximately **£559,000 in terms of reducing the welfare bill and increasing tax revenue** and it is assumed that these savings will increase over time. Comparing this value to the funding of the NEP over 18 months gives a **cost-benefit ratio of 1.86**, showing a healthy return on the investment to date.

For the clients, the impact is found in two areas: the skills and welfare benefits of being supported through the job club, and the effects of moving into work.

The positive benefits of improved skills and well-being for those supported is estimated to be worth **£124 to each individual** who attended the job clubs. If this change were aggregated to include all participants it would total around **£170,000 of social value created** to date.

The NEP supported individuals to move into work, creating a financial benefit to them. 76% of those interviewed reported an improved financial situation, and clients were **better off on average by £1,900 per year**. This equates to over £400,000, across the programme and is money that can be spent in the local Milton Keynes economy.

## **4. Conclusions and recommendations**

The research found there was a high level of client satisfaction, with most individuals making progress in their journey into employment. For those who had moved into paid employment, job satisfaction was high and they were in a better financial position than previously. However, the average wage for those moving into work was around the living wage, and clients did not report many opportunities for progression. The NEP partners need to continue to monitor those who move into work to provide in-work support if needed, to enable them

to remain in sustainable work.

**“It’s got great hours and I can do the school run though. Fantastic hours which suit my life.”**

Both those who were continuing to access support through the job clubs and those who moved into work reported an increase in aspects of their well-being. Those attending job clubs experienced positive increases to their skills and well-being which contributes towards their ability to feel ready for and undertake work. Maintaining positive well-being can help to counteract the negative impacts of unemployment, and the associated impacts on health. In addition, those who moved into work reported feeling that their mental health had improved since moving into employment. These improvements should reduce their chances of needing additional health and social support from local services, and further improve their resilience. Improvements to well-being have an instrumental value in helping all clients to move into sustainable employment, but also have an intrinsic value in creating positive feelings and experiences.

The NEP works effectively by bringing together key local partners to offer a diverse range of support to residents. The community base of the support is seen as one of the critical success factors of this programme, by staff and clients alike. The partnership continues to develop its support and align resources with other services. This initial investment in understanding how change is created should be continued through the partnership, to maximise the skills and expertise that are at their disposal, and to continue to offer effective support to residents.

We make the following recommendations:

- The partnership should continue to measure the skills and well-being changes for those in the job clubs, to monitor performance over time. This will enable the NEP to understand *how much* change they are helping clients to achieve through the support.
- The partnership needs to implement better tracking systems for those who move into work, to better understand not only when they move into work but also the nature of that work; are clients moving into ‘good jobs’?
- The NEP partners need to continue to offer, and where necessary further develop, the in-work support that is available to those who have moved into employment.
- The partnership needs to use the power of the new management information database to provide timely updates on the nature of the clients’ needs, to better understand who needs to be supported, and how this can be delivered.
- The partnership should continue to offer flexible, community-based local support that complements other statutory provision. The programme is successful in supporting local people and shows a healthy return on the investment.

### *An introduction to the Neighbourhood Employment Programme, by Milton Keynes Council*

The Milton Keynes Council regeneration team's focus is on rejuvenating communities, bringing about positive change to people and places whilst encouraging prosperity.

In January 2012 Milton Keynes Council's regeneration team introduced its Neighbourhood Employment Programme (NEP) following two successful employability pilot schemes established in 2011. The programme provides designated neighbourhoods in Milton Keynes with a targeted progression pathway of activity that will support residents in reaching their potential and improve their long-term economic prospects.

The NEP is designed to actively engage with unemployed individuals who live across twenty two regeneration areas in Milton Keynes. Nineteen of these neighbourhoods have been identified as having significant elements of deprivation and high levels of unemployment. On sixteen estates one third or more of the population have been defined as falling within the 25% most deprived nationally, and have been targeted for support by virtue of their multiple disadvantage.

The programme is delivered by a range of partners offering employability support. The NEP works closely with the Council's Children and Families Practices Service and in particular with the Department for Work and Pensions (DWP)/ European Social Fund (ESF) contractor who is commissioned to provide additional support to families with complex needs and multiple barriers to employment. It is also jointly commissioned with a specific staff post targeting workless households as part of the governments Troubled Families initiative. At the time of writing another post is being recruited to support the employment and skills agenda in the Council's twenty Children's Centres.

The NEP is designed to engage with unemployed residents living in the most deprived areas of Milton Keynes in order to provide appropriate employability skills that will assist them to move closer to the job market, improving their socio-economic status, health and well-being.

This report draws on what steps have been taken to capture and evidence the impact that unemployment and employment have on people's future life chances.

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# Chapter 1: Introduction to the NEP and this research

## 1.1 A summary of the Neighbourhood Employment Programme

The Neighbourhood Employment Programme (NEP) is a locally developed employability programme, designed to enable residents to move closer to the labour market. The NEP brings together the strengths of existing and developing partnerships, drawing on expertise from within Milton Keynes Council's regeneration team, the Adult Continuing Education (ACE) department, Milton Keynes College, MK Mind, Women and Work, IXION and staff in community centres.

At the time of writing, the NEP has supported over 2,000 participants through 20 job clubs, which target the 22 priority areas of Milton Keynes. To date, 20% have found paid employment, with 11% moving into work placements and volunteering.

The NEP follows on from a number of previous programmes delivered in the Milton Keynes area: the Fishermead Employment Project (FEP) was started in January 2011 to respond to high levels of unemployment on the Fishermead estate; there had been previous successful provision in the city through both the Future Jobs Fund and Routes to Success. It was felt that a model of individual support would enable those who were hardest to reach, to enter the labour market.

The project successfully moved 20% of those enrolled into employment. It was delivered through one-to-one support within a local weekly job club, with additional support provided by local agencies. Participants were offered access to local training courses and a weekly IT session was set up to run alongside the job club to support participants.

The Housing Employment Project (HEP) began in May 2011, aiming to assist those moving through housing services with their employability needs, whilst other parts of the council supported them with their housing needs. This project changed significantly through its delivery, moving from a rigid model of fixed dates for support and set cohorts to be supported, to a flexible model of job clubs.

The NEP incorporates some of the key principles from previous projects: local, flexible access to support through job clubs, delivered on an individual basis, and tailored to people's needs.

Stakeholder engagement found that the strength of the NEP lies in three elements:

- It builds on existing physical and organisational community assets, using community centres and other local locations to provide a place to go for face-to-face support. IT resources enable people to search for and apply for work, and there are links to other local resources e.g. training courses. The programme also utilises the skills and knowledge of partners, offering support to those with additional needs; for example, those with learning difficulties or mental health problems. All partners have a reputation for offering good quality support locally, and have an understanding of local issues and markets;
- The programme offers each person an Individual Learning Plan, which identifies the skills and experience that each individual has to offer employers. It starts from the point where people are at present, and recognises how far they may progress given their current personal circumstances. The Plan recognises that jobseekers have diverse experience and needs, and reflects on the steps that they need to take before they are ready to start work. The personalised support does not make a judgement about their situation; it enables participants to explore what they have to offer employers, not what they lack.
- By holding flexible, consistent and regular sessions, individuals can choose the intensity of the support in relation to their needs and other support they are accessing. Offering regular, fixed sessions enables individuals to add structure to their day - part of the preparation process for accessing work. The programme is effective in treating individuals with dignity, acknowledging them as individuals with personal assets and the ability to move forward into a positive future.

“[I’d] use my computer at home but this is [more]social.”

The NEP is positioned as offering optional, additional support to help differentiate it from statutory provision that could affect an individual’s income, which might otherwise lead to a challenge in the development and maintenance of a trusting relationship.

The NEP has developed its delivery since its inception, with greater links being built between Children and Families services, to broaden the offer of support to those seeking to move back into work after having children.



## Case study: Mr S

Before Mr S began getting support, he had been unemployed for five years. He had worked before starting a university course, which he did not complete. He was living at home with his parents and accessing Job Seekers Allowance (JSA). The Job Centre enrolled him for a course on Workability and helped him to improve his Maths and English grades. In August 2011, he volunteered for a media project which supports young people and the organisers advised him that there was a job club in the same building.

Mr S attended MK College job club, and also a job club run specifically for young people at Make a Difference, where he still volunteers. They supported him with interview practice, as it was the one thing he felt he struggled with. He used the job clubs to complete job searches, but was also able to do this independently.

The first time he attended, he had recently been invited for a job interview. He was therefore optimistic that the job club might be able to help him. He was nervous, as he is shy when meeting new people but felt that the support was “good”. The woman who ran the session was “very helpful and the interview went okay”. He didn’t get the job, but felt that the support and preparation really helped.

He felt that the job club opened his eyes to other jobs that are out there, and helped to raise his expectations. He found out about his current employment through the job club.

He is currently undertaking an apprenticeship in business administration and has worked since the beginning of March 2013. When asked about the job he said, “I love it... I’m learning new skills that I wouldn’t have been able to learn.” He has managed to maintain a good work-life balance, and has managed to rearrange the times that he volunteers at Make A Difference so that he can continue to do this alongside his work.

Mr S felt that his financial situation is better - he earns £110 per week (compared to £64 on JSA). His relationships with family and friends have improved, especially with his parents, as he previously spent a lot of time at home playing on his computer.

## 1.2 How does NEP fit into today’s context?

The Neighbourhood Employment Programme has been developed to respond to a number of societal and economic challenges that are faced by the residents of Milton Keynes. These challenges, coupled with the government’s policies and programmes relating to welfare and employment, have created a gap in the availability and effectiveness of systems that successfully support people into meaningful and sustainable employment (referred to as ‘good jobs’).

The context of these challenges is outlined in this sub-section, which frames our understanding of why the NEP provision is required.

### *Society*

Milton Keynes is one of the UK’s fastest growing urban areas and is set to become the 15th largest city in the UK by 2031. With an unemployment rate

(those claiming out of work benefits) of 3.1% in July 2013, it performs better than the national average for the UK (3.4%)<sup>ii</sup>. However, overall unemployment (amongst those who are economically active) moved from 8.2% to 8.5% between January 2012 and March 2013 (compared to national figures of 7.9% and 7.8% respectively)<sup>iii</sup>. This suggests a high number of those who are economically active choose not to enter into employment.

Paradoxically, despite its above-average employment figures (those claiming welfare support), Milton Keynes has pockets of areas where residents and communities experience significant poverty. Out of its twenty-two regeneration areas, nineteen have been identified as experiencing significant elements of deprivation, with sixteen of these having a third or more of its population within the 25% most deprived nationally. Milton Keynes Council's Corporate Plan 2012-16 acknowledges this and sets the objectives in Priority 22 to 'Increase everyone's career opportunities by improving the overall skills and qualifications profile of the resident population' and in Priority 23 to 'Improve access to training and job opportunities especially for those with no skills or low skills levels focusing specifically on training, job search and work experience opportunities for the low skilled, those in regeneration areas and the 16-24 age group.' This acknowledges the inequality between those benefitting from the growth of Milton Keynes and the labour market opportunities in the city and surrounding areas, and those unable to access such opportunities.

For a proportion of unemployed residents, the pace of technological change has affected their ability to find work and to demonstrate the skills and experience that local employers require. Both job seekers and support staff report an increase in the number of vacancies advertised online. Clients need to learn new skills to navigate the online systems and, in some cases, need access to the internet and a computer if they have no facility at home, or find that access via the other agencies, for example the Jobcentre or library, is restricted. This is coupled with changes to the registration process and administration of the benefits system, and the Government's Universal [Jobsmatch Gateway](#) (an online job advertisement service); moving the delivery of services to an online format.

In addition, some clients often find that their technical skills and or/ previous experience are no longer relevant or up-to-date enough for the employment opportunities available. This includes those trained in a skill or trade where there are no longer local opportunities, as well as those who have significant employment experience but may not have gained the qualifications necessary to apply for work (e.g. GCSE English or Maths equivalent).

### ***The Economy***

According to Centre for Cities, Milton Keynes has been the UK's fastest growing city since 2001, expanding by nearly 17% over the last decade. House prices in Milton Keynes were 11% higher in the third quarter of 2012 compared with 2007<sup>iv</sup>. The city also had the fourth highest business start-up rate in the UK in 2011<sup>v</sup>, with over 54 businesses opening for every 10,000 members of population. Overall the local economy appears to be buoyant, with a low unemployment rate.

Within the labour market, both nationally and locally, there have been some significant changes that affect the ability of those seeking work to find good jobs.

There is growing evidence of a hollowing out of the labour market i.e. an increased number of high skilled and low skilled opportunities, with fewer jobs in the middle. Anecdotal evidence from NEP staff and representatives of Jobcentre Plus (JCP) suggests that this is an increasing problem in Milton Keynes, with more roles available in the service sector (e.g. delivery centres and retail) and the high end of the professional labour market.

In addition, the annual Labour Force Survey carried out by the Office of National Statistics found that one in ten workers in the UK were under-employed in 2012. For those seeking work that enables them to live well, without additional financial support, the competition for jobs is fierce. This is reflected nationally, with the average number of applicants to each vacancy rising from 15 to 20 between 2011 and 2012. However, in Milton Keynes, there are currently 2.3 applicants for every one vacancy (latest data May 2013<sup>vi</sup>). This ranks the city as the 9<sup>th</sup> easiest place in the country to find a job (based on number of available roles), although this data does not reflect the number of 'good jobs' available.

The concentration of recruitment agencies in the area that focus on short-term contracts and seasonal labour is also a cause for concern amongst staff. Roles in the service sector require staff to work around the demands of customers; moving away from a 'traditional' model of 9-5 working. Job seekers reported on the challenges presented by seasonal opportunities, where wages left them with £10 per week more than benefits, and short-term contracts offered no indication of future stability.

For workers with physical and mental disabilities, the competitive job market is inaccessible, when seeking to secure opportunities that allow them to flourish in the workplace. This is not confined to the Milton Keynes labour market, as disabled people nationally are twice as likely to be unemployed as non-disabled people.

### *The State*

State statutory support for those seeking work is provided by JobCentre Plus. Stakeholders felt that the short, weekly meetings with an adviser were inadequate for those with multiple barriers to employment, as they do not provide sufficient resources for the effective one-to-one, or more tailored support, which is needed.

There are support services available for job seekers that are contracted by the Department for Work and Pensions (DWP). These include the Work Programme, which provides additional support to those long-term unemployed residents who are required to access the provision in order to continue accessing benefits. Whilst this approach offers job seekers significant additional resources (including access to courses), the numbers needing support, combined with the criteria for eligibility for the additional DWP services (e.g. the Work Programme) means that it is not always possible to provide support to all of those who need it.

There is a changing expectation of job seekers' responsibilities and activities in relation to DWP Jobcentre Plus. In 2012, conditions were introduced that increase the chance of 'sanctions' for those who do not participate in, or show evidence of, job-seeking activities which are directed by JCP. This can place increased pressure on the job seeker to 'jump through hoops' (which may or

may not be effective in moving them closer to the labour market), but may also cause irreparable damage to a trusting relationship between jobseeker and JCP adviser, should sanctions be put in place.

There is also an increasing expectation from the DWP that people should undertake activities in order to prepare themselves for the workplace, with many being signposted towards work experience and employability courses. The staff across the NEP report that the needs of those seeking work is increasing, with some people having a significantly longer journey to make than others, before a work experience placement may be of benefit. The unintended consequence of these measures is that those furthest from the labour market are inefficiently supported back to work – which ultimately affects their well-being and ability to take positive steps in relation to their future.

The benefit and support changes that came into place on 1 April 2013 increased the number of those seeking support. The introduction of Universal Credit for all new applicants, changes to Personal Independence Plans and the requirement to pay up to 20% of their Council Tax and the ‘bedroom tax’ may have significant effects on the incomes of local residents. Some stakeholders felt that this would increase their motivation to seek work, and access support such as the NEP. The immediate impacts of the changes to welfare support have been shared most vocally so far by housing services and associations, some of whom have accrued significant debts from tenants who are unable to pay the shortfall between their benefit entitlement and rent. The increased financial pressure on those already in a precarious financial situation increases the need to not only seek work, but find a ‘good job’.

### *The participant’s own resources*

The personal circumstances of those who attend the NEP may prohibit them from finding accessible, local work without additional support. As detailed above, there are a number of external factors that reduce the chances of finding work, such as changes in the labour market and skills requirements. The personal assets that underpin someone’s ability to move on, such as self-esteem, communication skills, optimism and motivation, are known to decrease the longer that someone remains out of work. For support staff, the challenge is not only to support people to present as work-ready, but also to feel that they have the personal capacity to take on the challenges they face.

The participants interviewed to inform this research, and those presented as case studies in quarterly reports, presented with a number of challenges for support staff such as: lack of self-esteem, unwillingness to cooperate due to embarrassment over their lack of skills, poor mental health, lack of understanding of potential roles for them (both high and low aspirations) and a lack of a sense of purpose. Participants in the programme may also have drug and alcohol issues, learning difficulties, experience of domestic violence and other complex issues, which staff are not able to resolve in isolation. These factors may contribute towards participants not being able to move into a more sustainable position.

Clients reported feeling a sense of isolation as a result of unemployment, with a lack of support networks and access to support. This feeling can be further exacerbated by the transportation network, which serves journeys well from the centre of town, but can make connections between areas difficult. The isolation and loneliness can deter people from accessing support. Staff report seeing people standing outside the job clubs for some time before they have the courage to come in.



### Case study: Ms A

Ms A moved to Milton Keynes to work in a company head office. She had retrained for office work after having children, completing her RSC typing qualification and her NVQ Level 2 in IT. She had been unemployed for seven years after being granted Incapacity Benefit for depression. In November 2011, she undertook a medical assessment and was found to be fit to work; she subsequently moved onto JSA and continued to receive counselling for her depression. She stated that she felt, *“like a rabbit in headlights... the system had changed.”*

She found that when she tried to get back into the labour market, the world of IT had changed: *“[the] computer packages changed... they now have Windows 7”*. The Job Centre had sent her on a workability course at Milton Keynes College to improve her IT skills. She also attended a customer service course and a basic interview skills course. She felt that the stress management sessions run by MK MIND were, *“useful... gave you something to help yourself... I have done courses like this before, so it was a refresher, another point of view.”*

The Job Centre also sent her to Women and Work, to access one-to-one support through their job club at the library. Advisers helped her to build her CV and access courses and helped her to understand new ways in which to find jobs, for example through shop websites.

At the start she felt, *“apprehensive - not sure what to expect. I was still feeling unsure about what to do and how to do it [in relation to getting back to work]. It took someone to sit with me and help me understand.” “It boosted my morale a bit... I didn’t feel like the only one in that situation - there were a few other people who had also been out of work for a long time... I was not so alone and got to know one or two of the others.”* As time went on, she felt more confident in herself and didn’t need as much help, but knew where to go if she had a question.

The Job Centre arranged work experience for her at Asda in November 2012. After two weeks, she was offered paid work for seven weeks during the Christmas period. She felt that it was good experience to be able to get back into a routine, and get used to going out at a certain time.

She found her current role through her adviser in March 2013. She is now working for NHS Direct as one of their new call handlers. She has completed the training course and now takes live calls. She has found this quite *“daunting”* as it involves real people, not scenarios. She feels that she’s starting to get settled now she knows what she is doing.

The work schedule has to be flexible as the call line is open 365 days, 24 hours a day; therefore the shifts may vary. She has had to make adjustments to fit in with these new patterns, especially in terms of spending time with her grandchildren. She lives 20-25 minutes’ walk from her new workplace which means she sometimes needs to take a taxi back if she finishes in the night. Overall she stated she is, *“learning to adapt.”*

*“It’s not really more money... I don’t get Council Tax benefit and less housing benefit so I’m having to pay extra for my rent, and budget for taxis. I’m not better off but I am more independent. I’m not worse off.”*

She felt she would have struggled to get work on her own - she was *“missing out on job opportunities... didn’t know where to look or how to go about things - they can advise and point in the right direction.”*

## 1.3 This research

This report sets out the results of a one year evaluation of the NEP. The aims of the research are:

- To understand the effectiveness of the NEP as a means of improving access to employment, improving employment opportunities, and contributing to a reduction in child poverty;
- To provide information and support for internal assessment of the appropriateness of the design of NEP, with its multi-partner delivery mechanisms, as a means of addressing the multiple needs of individuals who are the hard to reach;
- To evaluate the impact of NEP on the key drivers of the project: long term unemployment, coupled with complex needs and child poverty. Impact was assessed according to value for money and the sustainability of NEP.

The following activities were undertaken to inform the evaluation:

- An initial scoping stage to map out the existing data collection systems and evaluation processes. This led to an understanding of how the NEP partners collect data on the effectiveness of the process, the outcomes and impact.
- Development of a Theory of Change: this is an understanding of how the NEP creates change for individuals through a programme of support. This was developed through face-to-face interviews with job-club participants, and via a workshop with NEP staff and partners. A short literature review was also undertaken. This understanding was tested, to provide an update on the performance of the programme.
- Bespoke data collection techniques were developed to enable a review of the outcomes for the key stakeholders; clients and the State. This helped to test the individual pathways for progression, and the wider impact on individuals' households and society. This was undertaken through a paper survey of job club participants and a telephone survey of a sample of those who have moved into work. A full measurement plan was developed, which can inform future evaluation of NEP activities.
- Analysis of the data gathered through the Management Information systems, the job-club survey and the in-work survey. The data was analysed according to the outcomes defined in the Theory of Change, and a socio-economic analysis was undertaken to inform an assessment of the Value for Money of the NEP.
- Presentation of the results: the results of the analysis are presented in this report and have been shared directly with NEP staff and partners in order to interrogate the findings and inform recommendations.

A full methodology can be found in Appendix 1.

## Chapter 2: How the NEP creates change

This chapter presents our understanding of the initial, medium and longer-term changes for clients, as reported by them, as they move through the support towards or into employment. We have assumed that the outcomes below hold for those who accessed the support over a period of time, although those who access support for a short period or on an ad-hoc basis are also likely to experience some of these changes. This chapter has informed the way in which the effectiveness and the impact of the NEP has been measured and analysed. The descriptions below are presented in the way in which we understand change for individuals, which can lead collectively to change at a community level.

### 2.1 Initial and direct changes for clients

The initial changes for clients centred on emotional outcomes, and on finding out about the opportunities for progression that were available.

**“There are good and bad days- usually it's pretty good.”**

A first experience for clients attending a job club is the realisation that they are not alone. Staff reported that many of those accessing support arrived feeling as if they were the only ones who, for example, could not use a computer. By attending a relaxed, informal and non-mandatory local session, they were able to discover that other people were in the same position as them, and needed to overcome similar barriers and challenges to get into employment.

Clients reported feeling valued by the staff at the job clubs. The one-to-one support, with an initial in-depth review of their skills, experiences and aspirations, helped clients to feel as if someone cared. Staff reported that participants were amazed that someone wanted to take the time to find out about their experience; for example, highlighting personal skills and life experiences that might be more valuable or relevant than they expected (such as the skills developed as a parent). Clients reported not feeling judged for being unemployed, but feeling supported, with a level of understanding that they could relate to.

The job clubs promote local opportunities for attending courses, work experience placements and jobs. This, combined with access to and support with using the internet, helps clients to learn about new opportunities that may help them to move closer to work. By being able to learn about new opportunities, they gain self-awareness in the skills that they do or do not have, and are then able to identify opportunities accordingly. Interestingly, staff also reported that some clients arrive with expectations that are too high – either of themselves or of the job market. Part of the process is helping them to understand their own skill-set and where this might fit with long-term employment, or how initial employment will give them the experience to pursue a desired career or role.

In general, stakeholders reported that clients felt more hope: hopeful of movement towards work; hopeful that they would be able to gain the skills necessary to find work; and had gained an understanding of where they might need extra support in the meantime. For some client groups, such as young

men, this presented itself through a greater willingness to engage with the support process.

## 2.2 Medium-term changes for clients

One of the strongest outcomes to emerge from stakeholders' responses was a change in self-esteem due to attending a job club. Self-esteem, the ability to feel good about yourself, is a psychological resource that helps us to function well and satisfy our needs; something which is vital for those who need to 'sell' themselves to potential future employers. Clients reported that they felt encouraged and reassured by staff that they were taking the right steps to improve their skills, knowledge and overall employability. For those accessing support with MK Mind, this is also essential in terms of supporting their mental well-being and, where possible, acting as an early intervention against mental ill-health.

Increased self-esteem, combined with an awareness of opportunities, can also help to increase the aspiration of individuals who may not have worked, or who may have family members who have not worked.

**“[without the job clubs I’d] still be walking around different parts of the countryside putting myself about through CVs [and] cover letters.”**

By accessing informal IT support at the job clubs, and through attending local courses, clients reported that they were able to improve both the transferable skills needed for employment, and also the skills necessary for seeking and applying for work. Courses were offered in confidence-building, interview techniques and CV writing, which helped participants to build the skills needed to compete in the labour market.

The informal and social nature of the job clubs enables individuals to talk to and support others who are in a similar position, leading to increased networking and social relationships outside of their immediate circle of friends and family. Clients reported enjoying the social aspect of the job clubs and being encouraged by staff to share news of job availability with each other, creating an informal local network. An increased social support system can help to foster resilience and can further reduce the negative impacts of the stress of being out of work, while supporting positive physical and mental health. Clients often lend support to one another with job searching both in and out of the job clubs, enabling not only the development of social relationships but also the opportunity to give back. As one staff member said, “When you’re at the bottom of the heap you feel as if you have nothing to give, this is part of human dignity.”

As a result of attending a regular job club and following a learning plan, clients develop a better level of self-awareness and a growing sense of competence in their assets, skills and abilities.

## 2.3 Longer-term outcomes for clients

There are a number of longer-term changes that stakeholders reported witnessing. This information was derived originally from the focus group with staff, as the clients engaged had not yet found work. Further evidence was gathered through a number of case studies, with clients who had been previously supported by the NEP.

It was felt that the NEP support can help participants to feel less anxious. Staff reported that participants found changes to welfare support and requirements increased their anxiety, but once the NEP was able to provide information about what they were entitled to and were expected to do, it helped them to feel calmer. In addition, by providing flexible support in the local area, the NEP enables an on-going support system to be available to participants, which offers reassurance that they can access timely support as and when they need it.

By giving participants hope and helping to increase their self-esteem, the programme also helps to increase their optimism in the future; they are able to exceed their own expectations and open their eyes to new and greater opportunities. They are able to look to the future and not just focus on the day-to-day existence.

Increasing self-esteem and bringing relevant skills up-to-date also helps people to feel braver about taking on opportunities and striving to apply for and work in new places. This in turn helps them to seek out and try new opportunities, which has the ability to further reinforce their self-esteem and increase their skills.

Overall, the goal for many clients is sustainable and meaningful employment; finding a job that enables them to live well, and that they enjoy. For some who access the NEP, an intermediate goal is to be job-ready for when relevant opportunities arise. For others, a short-term role that enables them to move up the career ladder in the longer-term is rewarding and sustainable; this may involve taking “any job”, to overcome the challenge that, “finding work is easier when you already have work.”

The NEP seems to take a local, community-based, humanistic approach to getting clients closer to the labour market. Its non-time-specific support structure is in contrast with statutory provision that can be viewed as mechanistic. The extent to which the outcomes occur as stated in this theory of change, are presented in the next chapter.



## Case study: Ms B

Ms B was made redundant some time ago. At the time she was living with her partner and “*doing fine*” and didn’t think she would have to return to work. Her personal circumstances then changed; a close family member passed away and her partner moved abroad and the relationship broke down. She said that she thought to herself, “*I have got to get back into the job market, after ten years.*” She stated that she felt very vulnerable.

Ms B saw a leaflet in the library about the job club and went to see them. “*[They] were very friendly... I told them about my experience of office work... they didn’t pull any punches and told me how hard it was going to be, how office work had changed; I was used to floppy disks, but they were full of support.*”

To start with, the advisers helped her to put together a CV and covering letter, setting out her experiences. She has no computer at home and access to the internet is vital. “*Lots of organisations now use online applications and they can be 12 pages long, you only get 30 minutes at the library, and you need the time to fill it in.*”

She needed to develop computer skills: “*it’s through ACE centres themselves that you pick up information on courses. With the help of the job club I did a course on Word, Access and Excel. My computer skills were way behind.*” The adviser encouraged her to do the Access course, as Network Rail were moving to the area and the job club had been advised that there would be some data entry roles.

The main benefits of the job clubs were access to the computers, help setting up an email account and getting job alerts from agencies. “*Once you have a centre you can go to and access the computers, you return as well... you also have other job seekers to talk to; they tell you where they have gone for job interviews and where they have heard about opportunities.*” “*The social side should not be underestimated... lots of people feel in their comfort zone in the job clubs... there are like-minded people... it helps to build confidence.*”

The advisers made her feel at ease, and helped her with what she needed to know, and how to go about it. She felt that they were used to dealing with others in her situation. “*The friendliness is there... I definitely increased my confidence.*” “*[It’s about] getting together, having other perspectives... if you have a problem you can ask for help.*”

She is searching for work and volunteering in the office of the Spinal Injuries Association. She has been doing this since last year and continues to search for work through the job clubs. She has started paying Council Tax since the guidelines changed at the start of April.

Having the support of the job club has helped with relationships with other people. Family and friends are able to offer support, but it helps to go to the job club and have professional support and understanding too. She feels that the advisers have helped her to widen her searches for work.

Mentally, she feels she would also be a lot more depressed about her situation without the support. “*Everyone gets down at times. I don’t know if I will ever be offered a position because of my age and the time out of the market.*”

## Chapter 3: Results and an analysis of the evidence

This section presents the key findings from the surveys and case studies through three analyses:

The well-being and employment skills of job club participants;

The job satisfaction and well-being at work of those in paid employment; and

An economic return to the State from investing in the NEP.

A socio-economic analysis drawing on the principles of Social Return on Investment is also presented.

### 3.1 Impact of job clubs on participants' well-being and employment skills

The results of the survey demonstrate an interesting picture of the clients that attend the job clubs, their needs and their progress. This section presents clients' changes in well-being, basic skills and employment skills, alongside some descriptive statistics that provide context for these results. The survey was completed by 55 clients.

Clients stated that one of their main reasons for attending job clubs was to look for work, by accessing computers, reflecting the initial Theory of Change. However, some reported that their reasons for attending job clubs went beyond job seeking.

*“[I attend job clubs] to log on to a computer to search for vacancies. To receive advice/ information from the advisors. To network with other job seekers. To receive information on possible training/ educational courses.”*

*“[I attend job clubs] to improve [IT] skills and job searches and obviously gain confidence and gain suitable employment.”*

For some it is the only opportunity to access computers and the internet, in particular when they are not confident in using computers to look for work.

*“[job club is the] only means of going on the internet.”*

*“I attend job clubs to find employment and also they help with any computer that you are not sure of.”*

A number of respondents report that they attend job clubs to gain confidence in their own abilities and skills and that they appreciate the quality of the advice provided.

*“[I attend job clubs] to gain insight into the job seeking process and to increase confidence.”*

*“[I attend job clubs] for the excellent help in completing application forms and the brilliant encouragement and guidance.”*

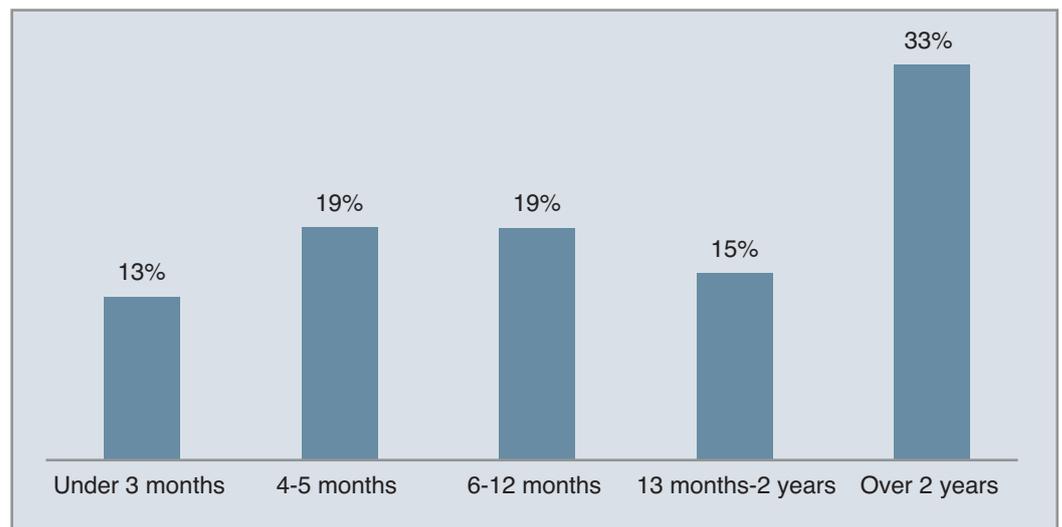
*“[I attend job clubs] to use internet for applying for jobs. Help for application forms. Help with CV's [sic], help with anything I need advice about it. The staff are excellent! Brilliant! Very helpful!!!”*

Some respondents stated that they attend because they were referred by the Job Centre, whilst others simply stated that they attend because they want to work.

On average, clients attend for just over one week and a half, before they make their first job application, indicating that job clubs are meeting an immediate need.

In terms of length of unemployment the results in Figure 1 shows that one third of clients have been unemployed for six months or less, and one third have been out of work between six months and two years. Anecdotal evidence from the advisers suggests that the number of those out of work for a considerable time is increasing. Some new clients have been out of work for over 20 years. One third of clients have been out of work for over two years. Understanding the length of unemployment is crucial for capturing how valuable, and difficult, it is for someone to become re-employed. National research recently demonstrated that well-being decreases significantly once the duration of unemployment exceeds six months<sup>vii</sup>.

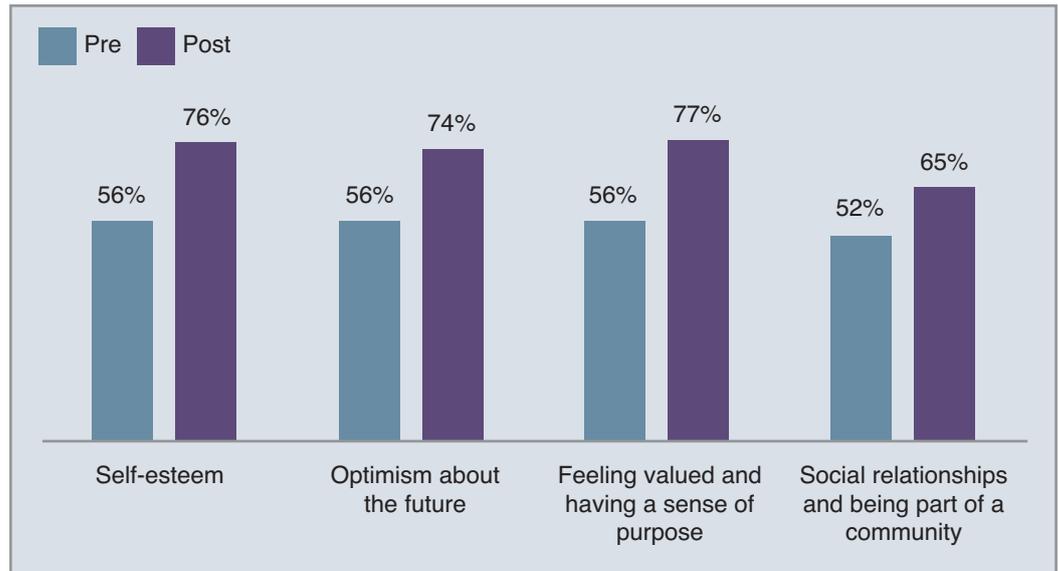
Figure 1: Average length of unemployment amongst job club clients



Source: NEP survey of job club participants. Base = 55

Clients' well-being is clearly improved by attending the job clubs. Figure 2 shows participants' stated level of well-being before they joined the job club (in blue) and at the time of the survey (in red). All aspects of well-being improve, but the two most significant are *Self-esteem*, which rises 20%, from 56% to 76% and *Feeling valued and having a sense of purpose*, which rises 21%, from 56% to 77%.

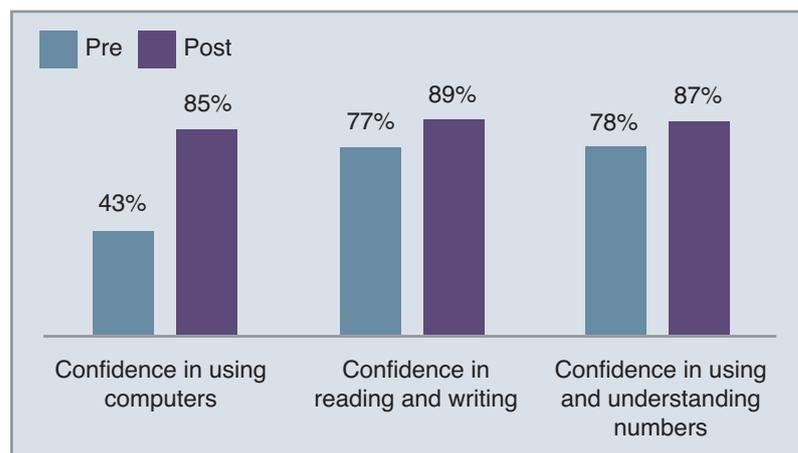
Figure 2: Job club well-being results



Source: NEP survey of job club participants. Base = 55

Basic skills also improve across the board, as presented in Figure 3, although the results suggest that participants already have a good degree of confidence in reading and writing, and using and understanding numbers. The most significant change is their confidence in using computers, which rises by 42%, from 43% to 85%. This improvement in confidence is consistent with the fundamental component of the NEP, which is to provide access to information technology (IT) and job applications in a localised manner.

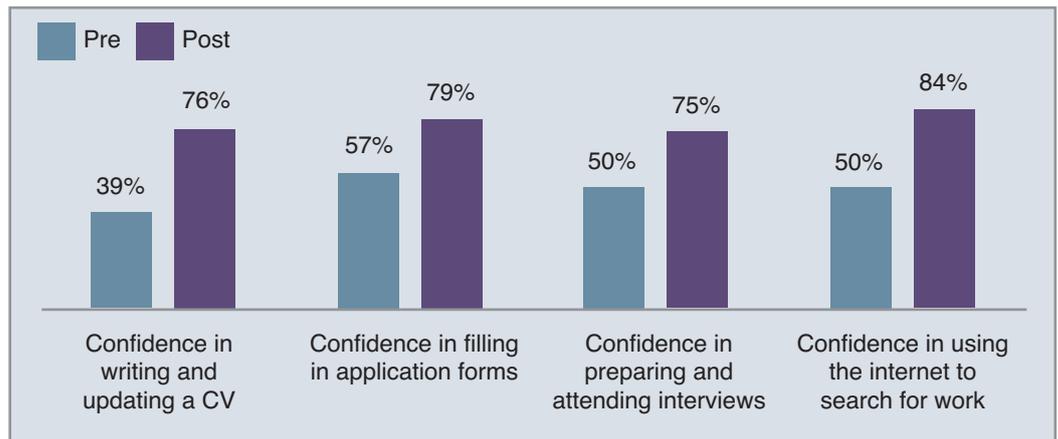
Figure 3: Job club basic skills results



Source: NEP survey of job club participants. Base = 55

Job clubs have a demonstrable impact on the levels of clients' confidence when it comes to looking for, applying and getting ready for work. Figure 4 shows that each outcome rises by over 20% after clients attend the job clubs. The most significant results are *Confidence in updating and writing a CV*, which rises 37%, from 39% to 76%, and *Confidence in using the internet to search for work*, which rises 34%, from 50% to 84%.

Figure 4: Job club employment readiness result

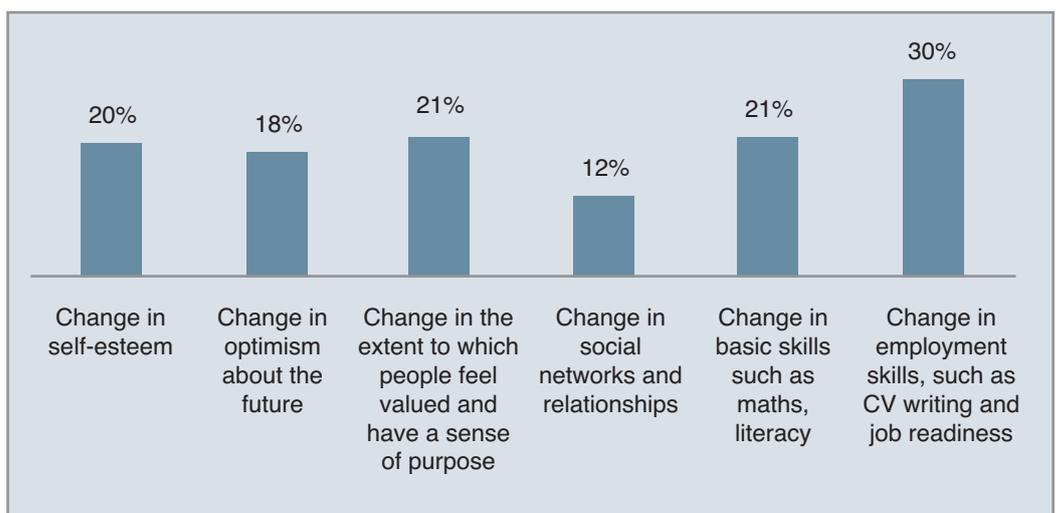


Source: NEP survey of job club participants. Base = 55

The results of the survey demonstrate positive change across all of the outcomes in the Theory of Change, as presented in Figure 5. As anticipated, the greatest impact occurs in clients' confidence in their employment skills. This is followed by people experiencing an improvement in their basic skills of maths or literacy, which is not unexpected given that 51% of clients attend a training course that they are referred to via the NEP. Staff felt that of those who did not attend a course, some were not aware of the extent to which attendance would benefit them; there was a feeling that some clients have unrealistic expectations of what they need to do (or not do) to get into the labour market.

It is interesting to note the impact of job club attendance on other aspects of clients' lives – their sense of purpose and their self-esteem in particular. These outcomes matter to clients (and hence their inclusion in this evaluation) because they are important in supporting clients to effectively engage in the process of looking for work.

Figure 5: Average change by outcome for job club clients



Source: NEP survey of job club participants. Base = 55

## The importance of well-being

Individual well-being has a significant impact on our ability to feel ready for, undertake and enjoy work. The Centre for Well-being at **nef** has been at the forefront of identifying the factors that constitute well-being, and how it can be measured.

Individual and social well-being emerges in the dynamic relationship between individual, social, and material resources and circumstances. An individual's well-being is defined by **nef** as a 'dynamic process, emerging... through the interaction between their circumstances, activities, and psychological resources... Aside from feeling "good", it also incorporates a sense of individual vitality, opportunities to undertake meaningful, engaging activities which confer feelings of competence and autonomy [and] is also about feelings of relatedness to other people'<sup>viii</sup>.

Well-being for all is the primary objective of sustainable social justice: it is what a socially just welfare system seeks to achieve. It means every individual is able to engage in society, to act and do, to have a sense of purpose and to fulfil their potential. There is strong evidence that unequal societies are less conducive to well-being, not just for the poor but for all income groups<sup>ix</sup>.

The negative effects of unemployment on well-being have been extensively documented<sup>x,xi,xii</sup> with some important implications for this research.

Unemployment is already seen as an undesirable policy outcome, because it hurts individuals economically and requires extra government spending on welfare. Subjective well-being measurements show that unemployed people report considerably lower subjective well-being scores, substantially *over and above* what might be expected from the loss of income<sup>xiii</sup>. Moreover, longitudinal research shows that unemployment has a 'scarring' effect, whereby a life satisfaction deficit remains, even after people have become re-employed<sup>xiv</sup>.

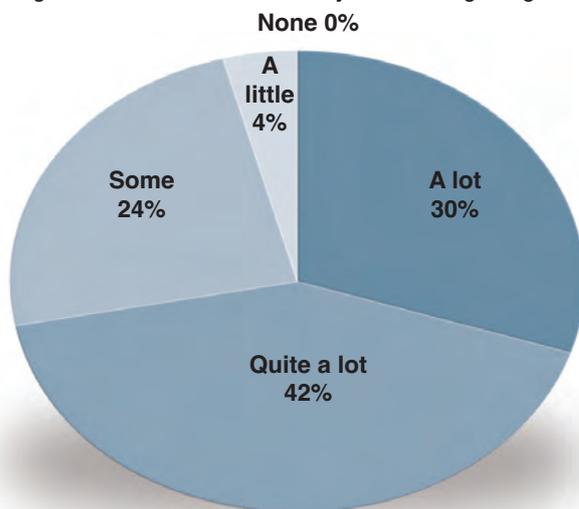
There is also evidence that the overall impact of inflation on subjective well-being measures is significantly less than the impact of unemployment<sup>xv</sup> and that high levels of unemployment are associated with a loss of well-being among people in work (because, it is suggested, they create fear of unemployment)<sup>xvi</sup>. Taken together, these pieces of evidence could indicate that in order to promote high well-being, minimising unemployment should be made a priority. This is reflected locally in the Milton Keynes economic development strategies and through the commitment to the NEP.

The findings above show that accessing support from the NEP improves components of individual well-being by around 20%. Self-esteem and optimism form part of an individuals' resilience – the ability to deal with life's difficulties. This should help them to take on the challenges of (re)entry to the labour market.

People's lives are complex and many factors impact on how we feel, learn and go about our day-to-day lives. Clients attending job clubs engage in a variety of ways – some attend one job club once a week whilst others will attend a number of job clubs, multiple times per week. According to this research, clients attend more than one job club per week (1.5) and had spent three and half months at a job club when they took part in this survey. Due to the variety of intensity in job

clubs and the associated NEP activities, it is important to understand the role that clients perceive job clubs to have on their lives. In order to understand this concept better (called attribution) this research asked clients whether attending job clubs helped them to get ready to find work. Answers were collected across a five-point scale from 'A lot' to 'None'. Figure 6 presents the range of responses from the sample.

Figure 6: Clients' attribution to job club for getting them ready to find work

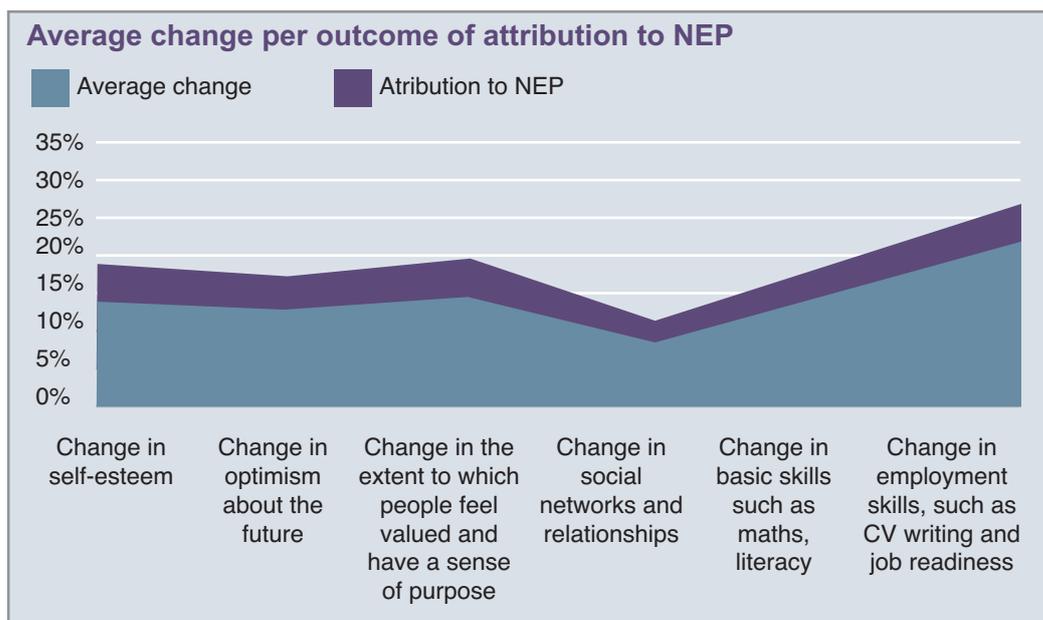


**“I feel that job club is a big help and also the national careers advisor was also helpful.”**

Source: NEP survey of job club participants. Base = 55

When the average level of attribution given to job clubs by clients was aggregated it was 'Quite a lot,' or 75%<sup>1</sup>. This means that job clubs can take 75% of the credit for the outcomes reported by clients. Figure 7 shows what this looks like graphically by outcome; the area in red is the proportion of the outcomes for which credit to the job club is due. This further illustrates the impact that job clubs are having on their clients.

Figure 7: Average change and attribution per outcome



Source: NEP survey of job club participants. Base = 55

<sup>1</sup> Mean attribution stated by job club clients- when each response was apportioned a value (None=0, Some= 0.5, A lot =1)

Whilst the *average* change in well-being, basic skills and employment, improved for every outcome (as in Figures 2, 3 and 4), this average hides some variation. Figure 8 shows the proportion of clients who thought each outcome improved, the proportion who thought that there had been no change, and the proportion who thought that things had got worse.

Figure 8: Proportion of clients for whom things got better/did not change/got worse

Outcome	Better	Same	Worse
Changes in self-esteem	40%	52%	8%
Changes in optimism about the future	41%	53%	6%
Changes in the extent to which people feel valued and have a sense of purpose	40%	56%	4%
Changes in social networks and relationships	44%	54%	2%
Changes in basic skills, such as maths, literacy	37%	62%	1%
Changes in employment skills, such as CV writing and job readiness	55%	42%	3%

Source: NEP survey of job club participants. Base = 55

While more clients felt things had improved than had got worse, for every outcome, there are significant numbers who experience no change in the outcomes. For example, 62% felt that their basic skills has not changed through the job club and 56% felt no change in whether they felt valued or not. A very small proportion of clients felt that their outcomes had worsened. Overall, around half of the clients experienced a change in outcomes through attending a job club and half of clients did not. This finding is consistent with the demographic profile of the clients who attend the job clubs and one possible conclusion to draw is that the job clubs can support people with very different needs. Anecdotal feedback from staff suggests that clients' perception of their needs varies considerably, which may affect this result; the perceived starting point affecting whether they felt that they had made progress.

In the absence of a control group, it is a challenging exercise to assess what clients' journeys or experiences would have been without the existence of job clubs. To try to understand clients' likely perceptions, they were asked directly what their alternatives would have been. (These subjective replies are known as the 'deadweight'). Figure 9 presents a breakdown of the job search alternatives, where accessing a computer at the library was cited the most frequently.

Figure 9: Deadweight responses from job club clients

Job search alternative	% of respondents
Library	32%
Job centre	14%
Newspaper	14%
Struggling	18%
Don't know	18%

Source: NEP survey of job club participants. Base = 55

14% of people reported they would look at the Job Centre and newspapers as alternative sources of information but 18% also stated that they did not know what they would do without the job club.

*“I wouldn’t have access to internet, I wouldn’t be able to get help I needed, I wouldn’t be able to get support I need.”*

*“[I would be] searching at home without support.”*

## 3.2 Impact of employment gained through the NEP

The results from the telephone survey conducted with clients who had gained paid employment through the NEP provide a rich picture of their job satisfaction and well-being at work. Results across the two parameters of job satisfaction and well-being are presented alongside a set of descriptive statistics about the working conditions of the respondents in our sample.

Clients work in a variety of different sectors, as presented in Figure 10. Almost all of respondents work in retail (29%), whilst roles in the hospitality, cleaning and engineering/mechanical professions occur more than once in the sample.

Figure 10: Employment sectors of sample

Sector	# respondents	% sample
Banking	1	6%
Care	1	6%
Childcare	1	6%
Cleaning	2	12%
Engineering/mechanical	2	12%
Health	1	6%
Hospitality	2	12%
Immigration	1	6%
Retail	5	29%
Transport	1	6%

Source: In-work telephone survey. Base = 17

Clients are working on a range of contracts but the vast majority (77% of clients) are on permanent (65%) or fixed term contracts (12%), see Figure 11.

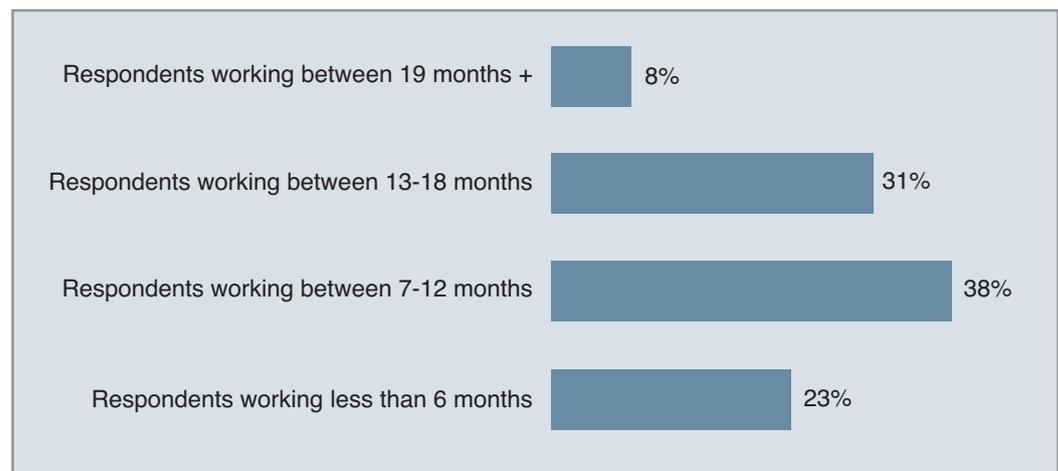
Figure 11: Distribution of contracts in sample

Type of contract	Proportion of respondents
Permanent contracts	65%
Fixed term contracts	12%
Self-employed contracts	12%
Zero hours contracts	6%
Don't know	6%

Source: In-work telephone survey. Base = 17

Respondents reported working an average of 26.5 hours per week, and the average length of employment is nearly 11 months. The distribution of the length of employment is presented in Figure 12. Just over two thirds of respondents in the sample have been working between 12 and 18 months, and the majority of the remaining respondents have been in employment for six months or less. Only a small proportion of the sample (8%) has been in work for more than one and a half years. This relates roughly to the duration of the NEP delivery, which has been almost two years.

Figure 12: Distribution of length of employment



Source: In-work telephone survey. Base = 17

When asked whether their health had changed since starting work, approximately half of the sample reported that their health had improved and half reported that it had not. Qualitative feedback from clients indicated that moving into work had been beneficial for their mental health. Of those with worsening health, a number of clients reported having underlying health issues, which were not necessarily exacerbated by work. This may be an area that future research could consider in more detail.

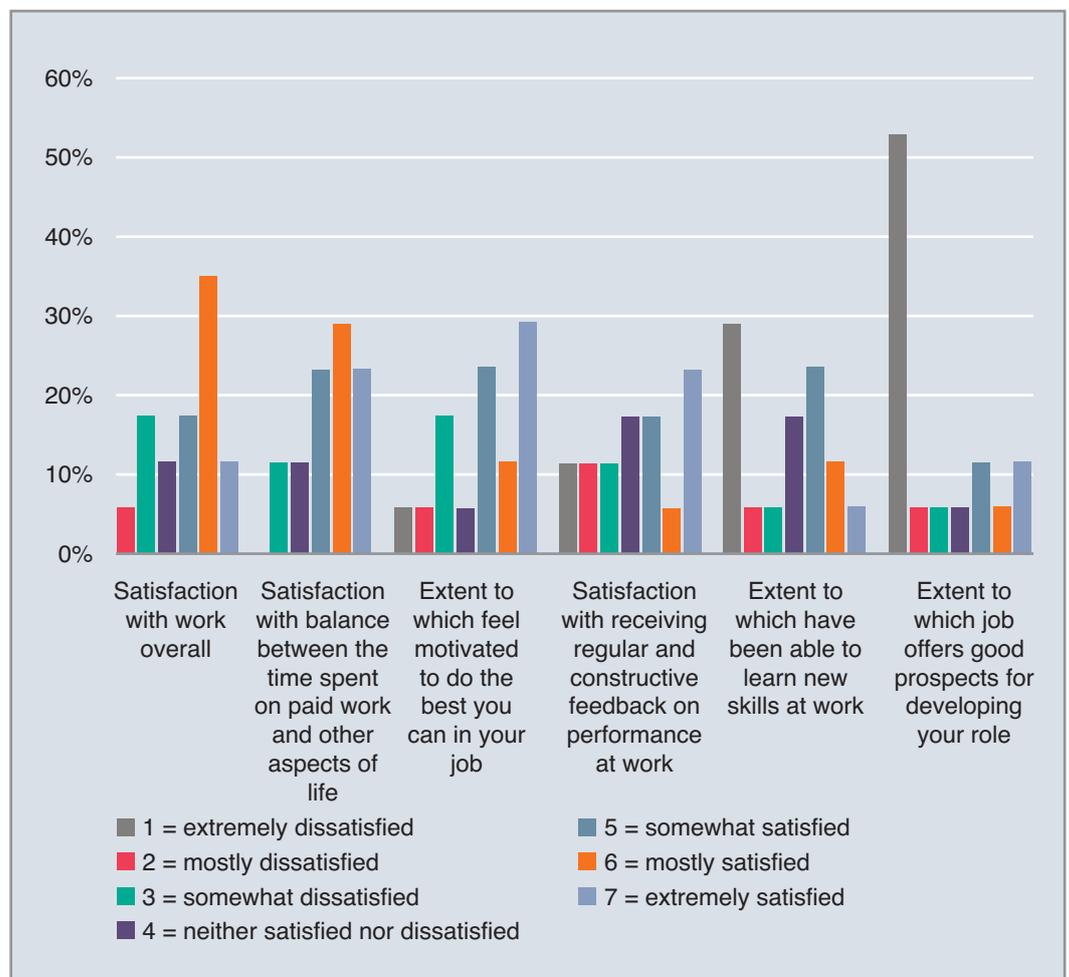
There are some interesting findings in terms of job satisfaction from respondents, as presented in Figure 13. There is a general sense of respondents being satisfied with their work (65%); respondents report being 'satisfied' (18%), 'mostly satisfied' (35%) or 'extremely satisfied' (12%). Only 12% of respondents are unhappy with the balance of time spent at work and on

other aspects of their lives, and 12% are neither satisfied nor dissatisfied, leaving the remaining 76% with varying degrees of satisfaction. In terms of motivation at work and doing a job that pushes you to be the best you can, the results also encouraging with 65% of respondents reporting satisfaction in this respect and 29% of these are 'extremely satisfied'.

Respondents report a more even split when it comes to receiving constructive feedback on their performance, with 35% of people reporting dissatisfaction compared to 47% reporting satisfaction, and 18% are neither satisfied nor dissatisfied. However, 29% report not being able to develop new skills at work and a significant 53% do not believe that their job offers good development opportunities.

When asked how much attending the job clubs helped them to get ready to find work, clients gave an average attribution of 63%. This demonstrates the pivotal role job clubs play in supporting people into work, and the credit they can take for the outcomes presented in Figures 13 and 14.

Figure 13: Proportion of respondents reporting job satisfaction



Source: In-work telephone survey. Base = 17

Overall, results demonstrate that clients are satisfied with their jobs, are motivated to do well and are generally happy with the balance of time spent at work and on other activities. The jobs themselves, however, do not stretch clients, as they receive little feedback on their performance and perceive that there are limited opportunities for professional development. These findings are also consistent with qualitative findings gathered during the case studies. When asked for their comments on how they feel about their jobs, some clients explained that they are not enamoured by their roles but that their jobs met their needs, whilst a smaller proportion were excited about the skills they had learned.

*“They do like you to move on this company. [I] took it cause was quite desperate - lost last job as had argument with manager. [I’m] worried as I’m 45 couldn’t find something despite experience. Overall [the] job is okay - it is a general job - pays the mortgage. Still go in even if you don’t like it.”*

*“No development as such, stagnant job. Great hours and can do the school run. Fantastic hours - suit life.”*

*“Doing the same job... happy and it pays the bills!”*

*“It’s good and bad days - usually it’s pretty good.”*

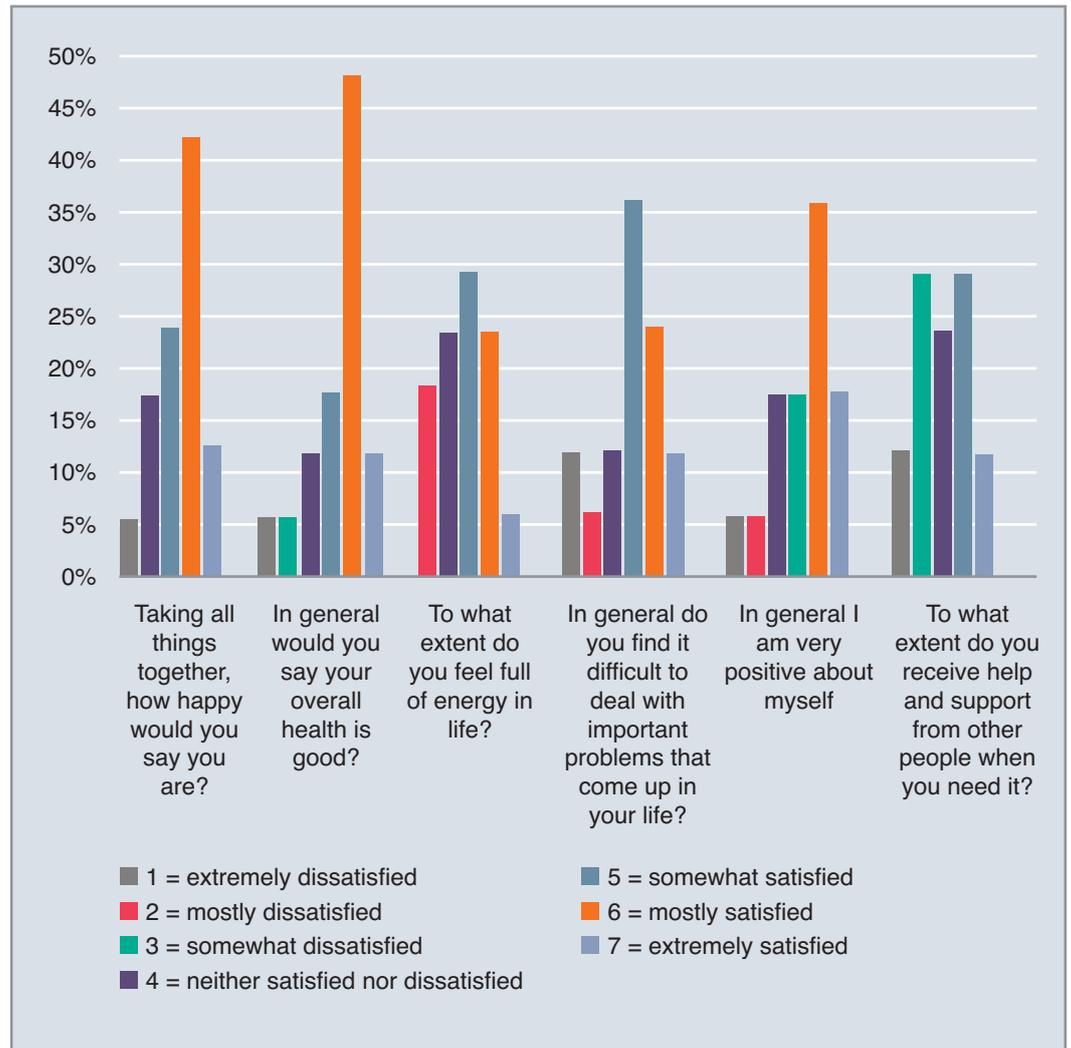
*“It’s okay - a job’s a job at the end of the day. Do hours and go home. Lucky to have one these days.”*

*“People are nice - the job is what you make it not what you do. When you have kids you have to do what fits in not what you want.”*

The majority of clients also felt that they were relatively stable in their jobs, and did not foresee having to do anything in particular to ensure they remain in employment.

The well-being of the in-work respondents appears to be positive, with 76% reporting that they are ‘somewhat’ to ‘extremely’ happy, as presented in Figure 14. Over three quarters of people report that their health is good and 71% report feeling positive about themselves. In terms of having energy and vitality, 24% report feeling neither satisfied nor dissatisfied, whilst nearly 60% say that they do feel full of energy. Just under two thirds feel that they can cope with difficult situations that come up in their lives, but over 40% of people do not feel that they received help and support from people when they need it.

Figure 14: Proportion of respondents reporting levels of well-being



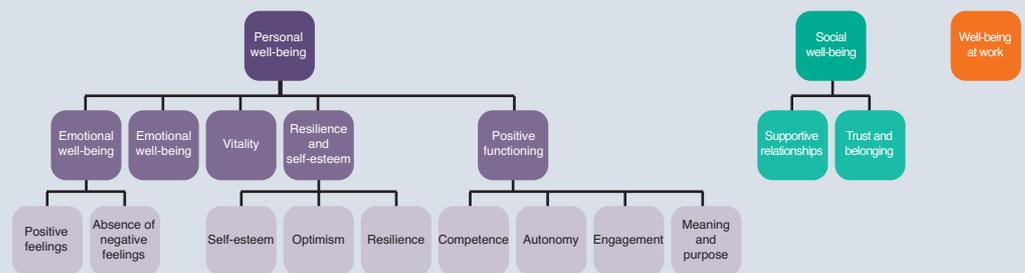
**The importance of well-being at work**

Good well-being in the workplace can lead to improved working conditions, greater productivity, product or service innovation and a sense of purpose. Recent research by the University of Bath has found that in 2012 the UK was missing out on the full capability of 20 million workers because they were not actively engaged in their jobs<sup>xvii</sup>.

It was therefore important for the current study to capture the extent to which the NEP had impacted clients' well-being. In arriving at a set of outcomes to take forward and measure in this analysis, it was decided to draw on nef's research around the definition and measurement of well-being and its relationship to work. This would help build on the results of the research at the stakeholder engagement workshops.

From the outcomes identified for clients, an exercise was undertaken to map the relevant components of well-being in nef's National Accounts of Well-being (NAWB)<sup>xviii</sup> and well-being at work research. The NAWB came out of the European Social Survey<sup>xix</sup>, a major piece of research which looked at people's attitudes, behaviours and the contributing factors to well-being, across Europe. A simple indicator structure was built to reflect crucial aspects of how people experience their lives, as presented in Figure 15.

Figure 15: Framework indicator structure for example National Accounts of Well-being



Several of the components in these frameworks draw on similar themes to those identified by the clients and advisors: in particular, the feelings of meaning and purpose, self-esteem and positive functioning as expressed by individuals, the emphasis on the benefits from the development of supportive relationships, and learning new skills.

The in-work survey found that respondents did experience positive personal well-being and overall satisfaction from their work. This suggests that the individuals will be able to maintain the employment in the medium to long-term as it does not impact on their well-being, and they are likely to have the personal resources to respond to any challenges.

One area where people did not respond favourably was in terms of their optimism about the chance to progress in their work. This may present challenges for maintaining their interest in their work, and may also be detrimental if external influences, such as a significant increase in the cost of living, affect the ability of their job to support them and their family. As set out in Chapter 1, Milton Keynes has a growing economy which is set to grow in coming years. The challenge for these individuals is whether their jobs can continue to meet the increasing financial demands that are placed on them.

## 3.3 Economic return to the State from investing in the NEP

In order to consider the value for money of the NEP, a socio-economic analysis was undertaken to understand the benefits to the State of people moving into work. The analysis that has been undertaken assumes that the movement of individuals into work has an overall benefit for the State. This benefit can present in two forms: cashable savings (i.e. direct financial benefits for government departments); and non-cashable savings (i.e. an initial reduction in resources required by these individuals, which may be used to support others in need).

### *Cost Benefit Analysis for the State*

In order to understand the benefits to the State of supporting individuals into work, we consider three key outcomes of NEP support:

- A decrease in the number of benefits claimed: it is assumed that those going into work will require less welfare benefits as a result of moving into work. This is represented by Job Seekers Allowance (JBA), the main out-of-work benefit, as it can be assumed that if individuals were accessing other out of work benefits the basic rate of JBA can act as a conservative estimate of the potential savings.
- An increase in the amount of tax received by the government as a result of people moving into work. This is considered in respect of both the employee and employer contribution following the individual undertaking paid work.
- A decrease in the number of people who return to support services for assistance. We assume that those that move into sustainable work are less likely to return for further support delivered by Job Centre Plus, or other local agencies. These are referred to as those who 'cycle' in and out of employment. We assume that those who have been unemployed for over one year are classed as 'harder to reach' and therefore are more likely to return to support services if they do not find suitable employment. We have also assumed, based upon the qualitative feedback from the in-work survey, that people are moving into 'sustainable' jobs; this includes the type of contract (65% accessed a permanent contract); and the number of hours (the average number of hours worked was over 25). In addition, the average wage, based on our research, is calculated as being greater than the 'living wage', suggesting the jobs offer financial sustainability.

The following tables set out the results of the analysis. The results for the first two outcomes are presented as the potential savings over two years; this represents an estimation of the amount of time that individuals will remain in employment linked to the NEP. This is a conservative estimate of the amount of time that clients are likely to remain in employment. A CIPD study<sup>xx</sup> found that over 71% of employees had been with their employer for longer than two years. We use two years as a conservative estimation for the amount of time clients are likely to remain in employment following support from the NEP (assuming that other factors will come into play after this time).

The third outcome is presented as a one-off saving resulting from an individual not returning to JobCentre Plus (JCP) following employment support.

Table 1: Observed results: how have clients been supported?

Outcome	Outcome incidence - how will we know the outcome has been achieved?	Description
Changes in benefit payments	% of those entering employment, and of those the % on benefits	<p>We know that 282 clients were supported into employment between January 2012 and June 2013 (the period of investment for which we will calculate the cost-benefit analysis, over 600 clients overall have been supported into work to date).</p> <p>We know that 75% of all clients are registered for JCP support (and, we assume, benefits), so assume that 75% of all those supported into work were accessing financial support.</p> <p>Therefore we assume 213 clients have been supported to date to move away from some form of financial assistance.</p>
Changes in taxation	% of those entering employment and the 'general' type of work that they enter, and resulting tax contributions.	<p>We know 282 clients have been supported into work in the investment period. The results of the in-work survey found that 65% of them have been supported into permanent contracts, working on average for 26.5 hours per week. The roles of workers were also taken into account when calculating the 'average' wage.</p>
Changes in spending on employment support for individuals who 'cycle' in and out of employment	% of those entering employment, who have been out of work for over one year.	<p>We know that 40% of those who access support from the NEP have been out of work for over one year. We assume that 40% of those supported into work have been out of work for over a year; this is 113 people.</p>

Source: NEP Management Information, in-work survey

In order to derive an understanding of the value per individual, and cumulatively for the State, we use financial 'proxies' (approximations of the cost of delivering a service or providing a cash benefit). Table 2 details the financial proxies used in this analysis.

Table 2: Financial proxies for socio-economic analysis

Outcome	Description	Value
Changes in benefit payments	Cost of JSA per week, per person	<b>£56.80</b>
Changes in taxation	Average tax paid in total per person (employer and employee per month). This has been calculated by working out the average earnings for those who responded to the in-work survey, and the resulting taxation that would be expected.	<b>£57.20</b> (The average annual wage of those responding to the survey was £9,969, based on working 26.5 hours per week for 47 weeks per year).
Changes in spending on employment support for individuals who 'cycle' in and out of employment.	Average cost of supporting an individual through JobCentre Plus (this includes the cost of support and processing a JSA application)	<b>£95.00</b>

Source: NEP in-work survey, desk research

Table 3: Impact considerations

Impact consideration	Description	Value
Deadweight	The JSA leavers rate - JSA leavers divided by (claimants + new claims). This is the national figure.	<b>16%</b>
Attribution	"How much did attending the Job Clubs help you to get ready to find work?"	<b>63%</b>
Displacement	According to a working paper by the Department of Work and Pensions (DWP), 'Improving DWP assessment of the relative costs and benefits of employment programmes' <sup>xxi</sup> , the short run substitution (displacement) effect can be assumed to have a reasonable upper bound of 60% and a lower bound of 30%. The effects of employment support programmes are also assumed to diminish over time when the economy is growing. We assume that people getting support from NEP may be at an advantage from those accessing no support. However, there are a number of support programmes offered by the DWP (including the Work Programme in the area), therefore we take the lower end of the scale as a conservative estimate.	<b>30%</b>

Source: NEP survey of job club participants and desk research

These values are used to generate a calculation of the savings made by the NEP. Table 4 sets out the findings.

Table 4: The savings to the State as a result of NEP support

Impact consideration	Outcome incidence - number of people supported	What is it worth to the State? (net results)
Changes in benefit payments	213 people	<b>£416,444</b>
Changes in taxation	282 people	<b>£138,993</b>
Changes in spending on employment support for individuals who 'cycle' in and out of employment	112 people	<b>£3,834</b>

The cost of delivering the NEP between January 2012 and June 2013 was approximately £300,000. Taking this into account, Table 5 shows the current cost-benefits to the State of investing in support.

Table 5: Cost-benefit analysis

<b>Investment</b>	£300,000
<b>Total savings to the State (over two years)</b>	£559,271
<b>Cost-benefit analysis (investment to date vs. two-year benefits)</b>	1:1.86

The above table shows that after two years of employment, the savings to the State for those supported into work, is approximately £559,000 to date. This represents the direct savings as a result of supporting individuals and does not take into account other social and support services that may support someone who has not been able to secure employment. The analysis is conservative and does not present all of the potential future savings that are likely to arise as a result of employment. This analysis also takes into account 'average' work and does not value those who move into higher paid roles, or those who were initially accessing more welfare benefits. As more of those supported through the NEP move into work, the cumulative financial impact of the support will increase.

### 3.4 Understanding the benefits for individuals

In addition to the benefits generated for the State as a result of the support, we also know that individuals benefit directly from moving towards and into work.

Employment gained through the NEP is having a positive impact overall on the financial situation of clients. When asked whether their financial situation had improved or worsened, 76% of respondents reported an improved financial situation as a result of employment. 18% reported a worsening situation and 6% stated that they did not know. Those who report an improvement are better off by an average of £164 per month, or around £1,900 per year. If we scale this up to the 282 clients that the NEP has supported into work, it equates to clients being better off financially by over £400,000 collectively. This money is likely to be spent by participants within the local area, creating a multiplier effect and supporting the local economy.

In addition to the direct cash benefits for individuals, we can also consider the other individual and social benefits that participants gain from being supported to move towards employment. We consider the benefits for those 55 people who responded to the job club survey and assume that if similar progress is made by all other job club participants, then the results will also apply to them.

The following analysis follows the principles of Social Return on Investment (SROI), and uses the outcomes previously detailed in Chapter 3 and in above analysis. The outcomes measured below are subject to the same impact considerations as those analysed in the cost-benefit analysis section. We therefore present the results accordingly. The following tables set out our findings.

Table 6: Understanding outcomes, what change is measured?

Outcome	How is this measured?	Average change (gross value - taken from job club survey)
Changes in self-esteem	% average change	20%
Changes in optimism about the future	% average change	18%
Changes in the extent to which people feel valued and have a sense of purpose	% average change	21%
Changes in social networks and relationships	% average change	12%
Changes in basic skills, such as maths, literacy	% average change	21%
Changes in employment skills, such as CV writing and job readiness	% average change	30%

Source: NEP job club participant survey

Table 7: Financial proxies for socio-economic analysis

Outcome	Financial proxy	Value
Well-being related to employability (Changes in self-esteem, Changes in optimism about the future, Changes in the extent to which people feel valued and have a sense of purpose)	Cost of providing Cognitive Behavioural Therapy (CBT) to improve resilience and self esteem  (NB This is the total value of improving all three outcomes, the value is therefore divided across all three.)	£1,240.00
Changes in social networks and relationships	Value of helping individual to be more confident with family and other people	£690.00
Changes in skills (Changes in basic skills, Changes in employment skills)	Value associated with learning and skills services (NB This is the total value of improving both outcomes, the value is therefore divided across two outcomes.)	£754.00

Source: Desk research

In order to gain an understanding of the net value of change for individuals, we also take into account deadweight, attribution and displacement.

Table 8: Impact considerations

Impact consideration	Description	Value
Deadweight	Number of those reporting existing support networks (taken from in-work survey)	53%
Attribution	"How much did attending the job clubs help you to get ready to find work?" (Taken from job club survey)	75%
Displacement	This is the same estimate as in Table 3.	30%

Source: NEP survey of job club participants, in-work survey, desk research

Bringing these values together, Table 10 shows the value created for those 55 individuals who responded to the job-club survey.

Table 9: Socio-economic value created for individuals by the job clubs

Outcome	Average change (gross value-taken from job club survey)	What is this worth? (Net present value <sup>2</sup> )
Changes in self-esteem	20%	£1,086.66
Changes in optimism about the future	18%	£994.97
Changes in the extent to which people feel valued and have a sense of purpose	21%	£1,137.14
Changes in social networks and relationships	12%	£1,099.87
Changes in basic skills, such as maths, literacy	21%	£1,038.68
Changes in employment skills, such as CV writing and job readiness	30%	£1,451.27
<b>TOTAL</b>		<b>£6,809</b>

The values above show the cumulative value created for the 55 individuals who responded to the job club survey. Disaggregating this figure, we assume that for each individual, £124 of personal value is created. If the average change was created for all of those who attend the job clubs, the total value created would be around £170,000 to date.

These results show that the job club is supporting individuals to achieve gains in their life as they search for work. The job clubs are able to support clients effectively to get ready for the labour market, with external factors then taking a lead. Qualitative and quantitative data shows that clients have experienced progression and that this has value to them in itself.

<sup>2</sup> The Net Present Value is the difference between the present value of the future cash flows from an investment and the amount of investment. Present value of the expected cash flows is computed by discounting them at the required rate of return. Simply put, it's the discounted amount you would get now from the future investment returns.

## 3.5 Delivery approaches

The following sub-section has been informed by a semi-structured discussion with NEP staff and observations by the research team. As well as analysing the results of the support, the appropriateness of the NEP provision was also considered: how the partnership works together to support local people to move closer to the labour market. The following observations were made:

“[It’s about] getting together, having other perspectives... if you have a problem you can ask for help.”

- The NEP brings together internal and external partners across the Council, education institutions and civil society. It has offered a way of **aligning local delivery** to the diverse needs of clients, bringing together the expertise of local partners. The partnership has expanded during delivery of the programme to link with other local strategies, such as those for supporting families. NEP partners have a lot of pride in their partnership and how it helps to strengthen their own provision.
- The **focus and oversight from** the Economic Development team helps to guide the development of local employment opportunities (working with the ‘demand side’ of the market), leaving NEP staff to prepare the ‘supply side’ (the clients). This ensures that where possible, clients are supported to be in the right place, at the right time for local employment opportunities.
- Staff in the NEP have knowledge of the local support available and a centralised database and management information system allows clients to be supported by a number of organisations whilst maintaining a record of their overall progress.
- NEP partners work together to support clients, referring them internally to appropriate support and sharing in the **collective success** of those supported. By working together they understand how they can help, and when they need to refer people to specialised support. The partnership brings together all of the main local actors, reducing unnecessary competition and ensuring that clients are supported in the best way for them, rather than to deliver an output (and related payment).
- The partnership operates on an outreach basis, offering **responsive support** in a community setting. It is seen as a ‘soft start’ for hard-to-reach clients, who may then move into support which has a clear structure.
- The partners offer non-partisan, non-statutory support for clients, which **complements the more formal relationship** that clients have with the Job Centre, taking them along a support route which is more intensive than JCP can offer.
- The support in **community settings**, provided on a regular basis, offers the opportunity for clients to support their peers and for clients to access timely support should they have a ‘dip’ during their return to work. This co-produced structure of support helps the staff to deliver more specialist advice, whilst clients support each other with the social element of job club support, moving forward together.
- The partnership is currently effective at supporting clients to move towards the labour market, and is starting to consider how it **tracks the employment** that people move into. This research represents one step towards a more formal structure for tracking clients who move into work, something which will help the NEP to continue to plan and deliver effective local support.

Overall, the partnership is effective at working together to support local people alongside statutory support. There are concerns from staff in the partnership that the needs of the clients they support is increasing, which will put increasing pressure on the partners to intensify the support provided, whilst the number of people that attend the job clubs is not necessarily reducing. The strategic leads for the NEP have an existing good relationship with the Job Centre and other large welfare-to-work providers, and this may be key to ensuring that the local employment 'market', with its many actors can offer an effective support net for those with multiple needs.

## Chapter 4: Conclusions and recommendations

The Neighbourhood Employment Programme has effectively supported clients since 2012. This research considered the efficacy, appropriateness and impact of the project after 18 months of delivery. The research found a high level of satisfaction amongst those clients supported, with most moving forward on their journey into employment.

### 4.1 The effectiveness of the NEP at improving access to employment

To date, the **NEP has supported 20% of clients to move into employment** and supported many others to move closer to the labour market. This compares favourably to other welfare-to-work programmes, such as the Work Programme, which was found to have moved 13% of those who started in June 2012 into work by June 2013<sup>xxii</sup>.

This research found that the NEP generates **positive changes in terms of skills and well-being** for clients. There was a demonstrable effect on clients' confidence levels when it came to looking for, applying for, and getting ready for work, with clients reporting a 20% improvement in these skills. In addition, there was a 42% change in clients' confidence in using computers, reflecting the design and support available in job clubs.

In terms of well-being, those supported by the job clubs reported a 20% increase in self-esteem and a 21% increase in their sense of purpose. These are assumed to be beneficial in helping clients to engage effectively in the process of looking for work and moving towards the labour market.

Clients reported a high level of attribution to the job clubs in getting them ready to find work, and in many cases they also stated that without the job clubs they might not have been able to get to where they are now. This was echoed by those who had moved into work, with an average attribution to the NEP of 63% among those who are now working.

Overall, the data from the survey and qualitative research found that clients were very happy with the support given, and found the job clubs and advisers to be beneficial to their journey to employment. The range of opportunities for support and training helped them to build their experience and present themselves effectively to employers.

### 4.2 The appropriateness of the design of the NEP

The NEP brings together internal and external partners across the Council, education institutions and civil society. It has offered a way of aligning local delivery to the diverse needs of clients, by bringing together the expertise of local partners. The programme has offered the Council and local providers an effective way of bringing together expertise and resources to support local clients. The nature of the payment system (revenue funding across all partners which is not linked to employment outcomes) gives advisers the opportunity to support clients at the speed at which they need, complementing local statutory

provision, which may not be able to offer the flexibility and intensive support needed to those who are far from the labour market.

The results show improvements for clients across the board. Some indicators for the pre-support skills and feelings, are high – suggesting that some people already had the skills and well-being needed to move towards work. There is a question here about who is targeted and whether these are the right people. It is not possible for us to isolate the characteristics of respondents in this research. However, the NEP has invested in a new database, and improvements in the management information should enable staff to better isolate the demographics and outcomes for clients, facilitating more effective reporting in the future. Data collected will include: the duration of time out of work; level of education and skills; disabilities; mental health issues or learning difficulties; caring responsibilities; and some elements of well-being, such as self-esteem.

In addition, staff reported an increase in the breadth of needs of new clients presenting to the NEP, suggesting that demographics and outcomes need to be closely measured to ensure that the current delivery model remains valid for a changing client group.

### 4.3 The impact of the NEP

The research considered the impact of the NEP for two key stakeholders; clients and the State.

“I’m not better off but I am more independent.”

The positive benefits of improved skills and well-being for each individual supported in job clubs has been estimated to be worth **£124 per person** (although this is an average estimated figure which disguises the extent to which those who have had more intensive support will have benefitted). If this change was aggregated up to all participants it would total **£170,000 of value created to date**. These changes help to support people to move towards the labour market and, if sustained, we hope will result in lasting change and the development of more resilient individuals.

In addition to improving individuals’ skills and well-being, the NEP has supported clients as they move into work that is financially beneficial. On average, those supported into work earn around £9,900 per annum. This is based on an average estimated hourly wage of £7.33, which is very slightly less than the current UK living wage of £7.45<sup>xxiii</sup>. 76% of clients interviewed reported an improved financial situation, and were better off on average by £1,900 per year. This equates to clients being **collectively better off by over £400,000**, money which can be spent in the local economy.

Qualitative feedback from clients indicated that **moving into work had been beneficial for their mental health**. It is widely accepted that poor health can have wide-ranging social and economic costs, for both individuals and wider communities. In addition, in the 2008 review of the health of the working age population, Dame Carol Black identified that, ‘common mental health problems and musculoskeletal disorders are the major causes of sickness absence and worklessness due to ill-health... [t]he costs to the taxpayer – benefit costs, additional health costs and forgone taxes – are estimated to be over £60 billion.’<sup>xxiv</sup>

Therefore improvements in the mental health of those who move into employment should reduce the probability of their needing additional health and social support from local services, and will further improve their resilience. For all clients, the improvements to their well-being have an instrumental value in helping them to move forward into sustainable employment, but also have an intrinsic value in creating positive feelings and experiences for individuals.

However, the clients report that their work is satisfying but is **not considered to offer many opportunities for progression**. This may present some challenges to those who have moved into work if their financial situation does not keep up with relative increases in the cost of living. The NEP partners, together with the Economic Development Team at the Council, have some opportunities to work with employers – to understand where more-financially-sustainable employment may be found. The ability to influence and control the labour market is limited, so the NEP partners may need to further consider how their existing in-work support offers can better target those who move into relatively precarious work. This will involve using better tracking systems for clients who move into work.

“Really enjoyed [my job]; it was varied and outside and with decent people.”

The NEP has generated a positive, short-term return to the State in terms of reducing the welfare bill and increasing tax revenue. It is assumed that these savings will increase over time, as a conservative estimate of the benefits over two years has been used. The savings to the State to date, from those supported into work, is approximately £559,000. This represents the direct savings as a result of supporting individuals and does not take into account other social and support services that may support someone who has not been able to secure employment. Comparing this value to the investment in the NEP over 18 months gives a cost-benefit ratio of 1.86, showing a healthy return on the investment that has been made.

#### 4.4 Recommendations

The NEP partners work closely together to reflect upon and improve the service through regular steering group meetings. The recommendations from this research therefore represent some of the longer-term and more strategic considerations that the NEP needs to take. The partnership has been found to be effective in supporting local people, but with an ever-changing economy and statutory support structures and welfare systems, the partnership needs to remain one step ahead in order to continue to offer effective local provision.

The recommendations arising from this research are:

- The partnership should continue to measure the skills and well-being changes for those in the job clubs, to monitor performance over time. This will enable the NEP to understand *how much* change they are helping clients to achieve through the support, which takes into account the different starting points of those seeking support. Appendix 2 offers further guidance on this.
- The partnership needs to implement better tracking systems for those who move into work, to better understand not only when they move into work but also the nature of that work. This requires an investment in the resources to do this, but will ultimately provide the partnership with a greater understanding of the type of local opportunities that clients are moving into, and whether this will offer them the opportunity to remain in fully sustainable employment: ‘good jobs’.

- In addition, the NEP partners need to continue to offer, and where necessary further develop, the in-work support that is available to those who have moved into work. This will help those that are able to find a 'stepping stone' job, but need to be able to move into more sustainable work in the longer term.
- The partnership needs to utilise the power of the new management information database to provide timely updates on the nature of the needs of clients. It is understood that this process has begun and will be rolled out across the programme. This will help to provide the programme leaders with better information on who needs to be supported, which will in turn help to ensure that resources and partnerships with other providers can be best used to help deliver effective local support.
- The partnership should continue to offer flexible, community-based, local support which compliments other statutory provision. The NEP is not a mandated service; clients choose to interact with the support team as part of their journey to employment. Although some of the referral agencies may direct their clients to attend, the optional attendance ensures that those who participate are motivated to make the transition to the labour market, and that staff are able to build trusting relationships with clients. The programme is successful in supporting local people, and has a healthy return on the investment. The Council has invested in this research to help develop the evidence base for the success of the programme, which will help the continued development of the programme over time.

## Appendices

### Appendix 1: Methodology - outcomes and indicators

This document has been informed by the following:

- A desk review of the strategic and operational literature for the NEP, including quarterly reports containing case studies; the three-month and six-month evaluations of the Housing Employment Project, and its final report; and a summary of the Fishermead Employment Project.
- Primary stakeholder engagement with programme staff in a focus group of 12 participants across all partners; and face-to-face semi-structured interviews with seven project participants across three job clubs (the Lakes, Milton Keynes College and Netherfield).
- An in-depth review session with the NEP's Operations Manager; and interviews with representatives of project partners Women and Work, ACE, MK Mind and Ixion.
- A telephone interview with representatives of JobCentre Plus.
- Four in-depth case study interviews.
- Job-club surveys completed across eight job clubs in June 2013 (55 respondents).
- Telephone interviews with clients who had moved into work in July and August 2013 (17 respondents, 100 phone calls made, 17% response rate).
- Desk research into financial proxies and impact considerations.

The following table sets out the measurement approaches used to inform the job club survey and in-work questionnaire.

#### *Outcomes to be measured*

Measuring what matters is a key to understanding the effectiveness of a project, programme or intervention. The theory of change that underpins the NEP illustrates qualitatively the difference that the NEP is making to the local residents of Milton Keynes. The second phase of the evaluation was to measure quantitatively the extent to which these changes are occurring. In Table 10, we present the outcomes from the theory of change that were measured during this evaluation, broken down by stakeholder and type of outcome: social or economic.

Table 10: NEP outcomes to be measured

Stakeholder	Type of outcome	Outcomes
<b>Job club participants (local residents)</b>	<b>Social: personal well-being</b>	Changes in self-esteem Changes in optimism about the future Changes in the extent to which people feel valued and have a sense of purpose
	<b>Social: social well-being</b>	Changes in social networks and relationships
	<b>Social: skills</b>	Changes in basic skills, such as maths, literacy Changes in employment skills, such as CV writing and job readiness
	<b>Social: well-being Economic: income</b>	The extent to which people are accessing sustainable and meaningful employment
<b>State (public services such as Department of Work and Pensions)</b>	<b>Economic</b>	Changes in benefit payments Changes in taxation Changes in spending on employment support for individuals who 'cycle' in and out of employment

## **Implementation**

Data was collected using a variety of methods, as presented by Table 11. In addition, a number of case studies were undertaken to support the wider research into the outcomes, as well as value for money considerations such as attribution (contribution) and deadweight (what would have happened anyway). Data collection took place between April and June 2013.

Table 11: Method of data collection

Stakeholder	Outcomes	Implementation
<b>Job club participants (local residents)</b>	<b>Changes in self-esteem</b>	<p>Changes collected through the NEP Management Information (MI) and a Soft-Measures (SM) questionnaire.</p> <p>This captured change over time, called 'distance-travelled', using a retrospective approach. Questionnaires were administered to job club attendees approximately 3 months after they have joined. Attendees were asked to how they feel 'now' (called Time 1 – T1) and how they felt when they joined the job club initially (called Time 2 – T2).</p> <p>A representative sample of attendees was be asked by all job clubs.</p>
	<b>Changes in optimism about the future</b>	
	<b>Changes in the extent to which people feel valued and have a sense of purpose</b>	
	<b>Changes in social networks and relationships</b>	
	<b>Changes in basic skills, such as maths, literacy</b>	
	<b>Changes in employment skills, such as CV writing and job readiness</b>	
	<b>The extent to which people are accessing sustainable and meaningful employment</b>	
<b>State (public services such as DWP)</b>	<b>Changes in benefit payments</b>	<p>Through desk-based analysis of the management information by nef consulting; individuals who have moved into employment. This information was combined with the findings of the in-work survey.</p>
	<b>Changes in taxation</b>	
	<b>Changes in spending on employment support for individuals who "cycle" in and out of employment</b>	

## Indicators

Tables 12 and 13 present the indicators incorporated into in the work survey. Both objective and subjective indicators were used. Data was collected in the following way:

Table 12: Indicators for participants in the NEP

Outcome	Indicators	Examples of questions
<b>Changes in self-esteem</b>	<p><i>Objective:</i> The average time between first visit to a job club and making first application for work. (Split into a number of categories less than 1 week, 2 weeks, 3 weeks, 4 weeks etc). (Management Information (MI))</p> <p><i>Subjective:</i> Measurement of distance travelled (Soft Measures (SM)).</p> <p>Feedback through case study participants: subjective reporting of their self-esteem (used to verify the results gathered through the quantitative data).</p>	<p>N/A</p> <p><i>In general, I feel positive about myself (agree - disagree, 1-5 inverted scale)</i></p>
<b>Changes in optimism about the future</b>	<p><i>Subjective:</i> Measurement of distance travelled (SM).</p> <p>Feedback through case study participants: subjective reporting of their self-esteem (used to verify the results gathered through the quantitative data).</p>	<p><i>In general, I'm looking forward to the future (agree - disagree, 1-5 inv scale)</i></p>
<b>Changes in the extent to which people feel valued and have a sense of purpose</b>	<p><i>Subjective:</i> Measurement of distance travelled (SM).</p> <p>Feedback through case study participants: subjective reporting of their self-esteem (used to verify the results gathered through the quantitative data).</p>	<p><i>In general, I feel that what I do in my life is valuable and worthwhile (agree - disagree, 1-5, inv scale)</i></p>
<b>Changes in social networks and relationships</b>	<p><i>Objective:</i> number of job clubs attended, number of new people relevant to employment met since attending the NEP (case studies).</p> <p><i>Subjective:</i> self-reported measure of supportive relationships (SM).</p>	<p><i>How many times do you attend the job club each week?</i></p> <p><i>I am aware of and likely to take part in local activities (agree – disagree, 1-5, inv)</i></p>
<b>Changes in basic skills, such as maths, literacy</b>	<p><i>Objective:</i> the number of those who go on to training courses (MI).</p> <p><i>Subjective:</i> (T1, T2) self-reporting on their confidence in each of the three skills (IT, literacy, numeracy). Measurement of distance travelled. (SM)</p> <p>Feedback from case studies: their experience of developing transferrable skills.</p>	<p>N/a</p> <p><i>How confident are you in using computers and the internet? (strongly agree – strongly disagree, 1-5 inv scale)</i></p> <p><i>How confident are you at reading and writing? (strongly agree – strongly disagree, 1-5 inv scale)</i></p> <p><i>How confident are you in using and understanding numbers? (strongly agree – strongly disagree, 1-5 inv scale)</i></p>

Outcome	Indicators	Examples of questions
<b>Changes in employment skills, such as CV writing and job readiness</b>	Subjective: (T1, T2) self-reporting on their employability skills: CV writing/ application forms, interview skills and searching for work. (SM)	<i>Use of an adapted Outcomes wheel to map the progress on a ten-point scale from 'Stuck' to 'Self-reliant'. Adapted for a reduced 5 point scale.</i>
<b>The extent to which people are accessing sustainable and meaningful employment</b>	<p><i>Objective:</i> Length of employment (under 6m, over 6m, 1 year, 18m+). Change in financial situation.(in work survey)</p> <p><i>Subjective:</i> self-reporting questions, taken from the WB@W survey (base lined at national level). (in work survey)</p> <p>Feedback through case study participants: subjective reporting of the extent to which they feel valued (used to verify the results gathered through the quantitative data).</p>	<p><i>By how much approximately has your financial situation changed per month? (&lt;0, £0-£25, £26-£50, £51-£75, £76-£100, £101-150, £151+). NB:</i></p> <p><i>How satisfied are you with your work overall? (0-7)</i></p> <p><i>How good is the balance between the time you spend on your paid work and other aspects of your life? (0-7 scale)</i></p> <p><i>To what extent have you been able to learn new skills at work? (0-7 scale)</i></p> <p><i>To what extent does your job offer good prospects for developing your role? (0-7 scale)</i></p>

Table 14: Indicators for the State

Outcome	Description	Indicators
<b>Changes in benefit payments</b>	For those that enter employment, we assume that the government will provide reduced financial support- in terms of JSA, Income Support/ Housing Benefit (NB: may be countered with tax credits).	% of those entering employment, and, of those, the % on each of the benefits listed. (MI- where available)
<b>Changes in taxation</b>	For those who enter employment, we assume that the government will receive a greater amount of income tax and national insurance	% of those entering employment- using case studies and data from the in work survey to estimate the "general" type of work that they enter. (MI and in work survey)
<b>Changes in spending on employment support for individuals who 'cycle' in and out of employment</b>	For some who are unemployed, the revolving door of unemployment and unsustainable work means that they end up back on benefits a number of times, and then enter back into the support system. We assume that for those entering more sustainable work, the cycle is broken.	% entering employment who have been unemployed on multiple occasions in the last few years. Triangulate data from MI with feedback in the in work survey.

### *Attribution*

A self-reported question on attribution was asked in the outcomes questionnaire to assess the extent to which credit for the above outcomes can be attributed to the NEP. That is, how much has the NEP contributed to the outcomes being achieved?

Reporting from case studies of people already in employment also give a sense of attribution from a qualitative point of view.

Example question is: how much did going to the job club help you? (A small amount – All, 1-5 scale)

What else helped you? (Comment box)

## Appendix 2: Recommendations for future measurement of activities

The research used two key research instruments in order to assess the outcomes and impact of the NEP. Following piloting of these research materials, and analysis of the data, we would recommend the following:

- A sample survey of job club participants should be undertaken each year in order to assess their progression in key skills and well-being domains. This survey should be implemented with those who have been attending the job clubs for approximately three months. The survey questions which could be used are included in the draft questionnaire below. These are taken from this research and will offer a comparable measure of performance over time.
- A survey of those who move into work should be systematically undertaken with a sample of those who move into employment after three months. The survey should aim to ascertain the nature of the work, the overall satisfaction with the work, and the opportunity for progression. This is a reduced version of the survey undertaken for this research, drawing on the data which provided a rich picture of the employment of clients. This will help NEP partners to track the extent to which they are helping people move into sustainable employment, which will help with understanding the effectiveness of the NEP, and how an in-work offer may be needed to support local clients.

## Survey 1: Job club participants

This amended version of the research survey contains a number of questions which may be used to analyse the performance of the NEP over time. The NEP partners may wish to add in additional questions which will help guide local delivery.

**In your own words, please tell us why do you attend Job Clubs?**

**How long have you been out of work?**

*Please tick one box.*

Under 3 months	4-5 months	6 -12 months	13 months-2 years	Over 2 years
<input type="checkbox"/>				

**Have you attended a training course since joining Job Club?**

*Please tick one box.*

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

**We have some questions about your skills;**  
*please tick a box in Before and After columns.*

Thinking about before you joined Job Club and now, how much do you agree or disagree with the following statements?	Before attending the Job Club					After attending the Job Club				
	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree
I am confident in using computers and the internet	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I am confident in reading and writing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I am confident in using and understanding numbers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I am confident in writing and updating my CV	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I am confident in filling in application forms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I am confident in preparing and attending interviews	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I am confident in using the internet to search for work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**We have some questions about how you feel;**  
*please tick a box in the Before and After columns.*

Thinking about before you joined Job Club and now, how much do you agree with the following statements?	Before attending the Job Club					After attending the Job Club				
	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree
In general I'm looking forward to the future	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In general, I feel positive about myself	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In general, I feel that what I do in my life is valuable and worthwhile	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I am aware of and likely to take part in local activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**How much has attending the Job Clubs helped you to get ready to find work?**

*Please tick one box.*

None	A little	Some	Some Quite a lot	A lot
<input type="checkbox"/>				

**What would you be doing if the Job Club did not exist?**

*Please comment freely.*

## Survey 2: Clients who have moved into work

This amended version of the in-work survey can be used to better understand the quality of employment for NEP clients. These questions can be administered over the telephone or on a paper survey.

### How satisfied are you....

(1 being extremely dissatisfied and 7 being extremely satisfied)

with your overall job?    1 2 3 4 5 6 7

with the balance between the time you spend at work and the time you spend on other aspects of your life?    1 2 3 4 5 6 7

### To what extent... (1 being not at all 7 being a great deal)

have you been able to learn new skills at work?    1 2 3 4 5 6 7

does your job offer good prospects for developing your role?    1 2 3 4 5 6 7

### How much did attending the Job Clubs help you to get ready to find work?

None	A little	Some	Some Quite a lot	A lot
<input type="checkbox"/>				

What is your job title?

---

What sector do you work in?

---

How many hours do you work per week?

---

How would you describe your main employment contract (permanent, fixed term, no contract, zero hours, other (please specify)?

---

How long have you worked in this job?

---

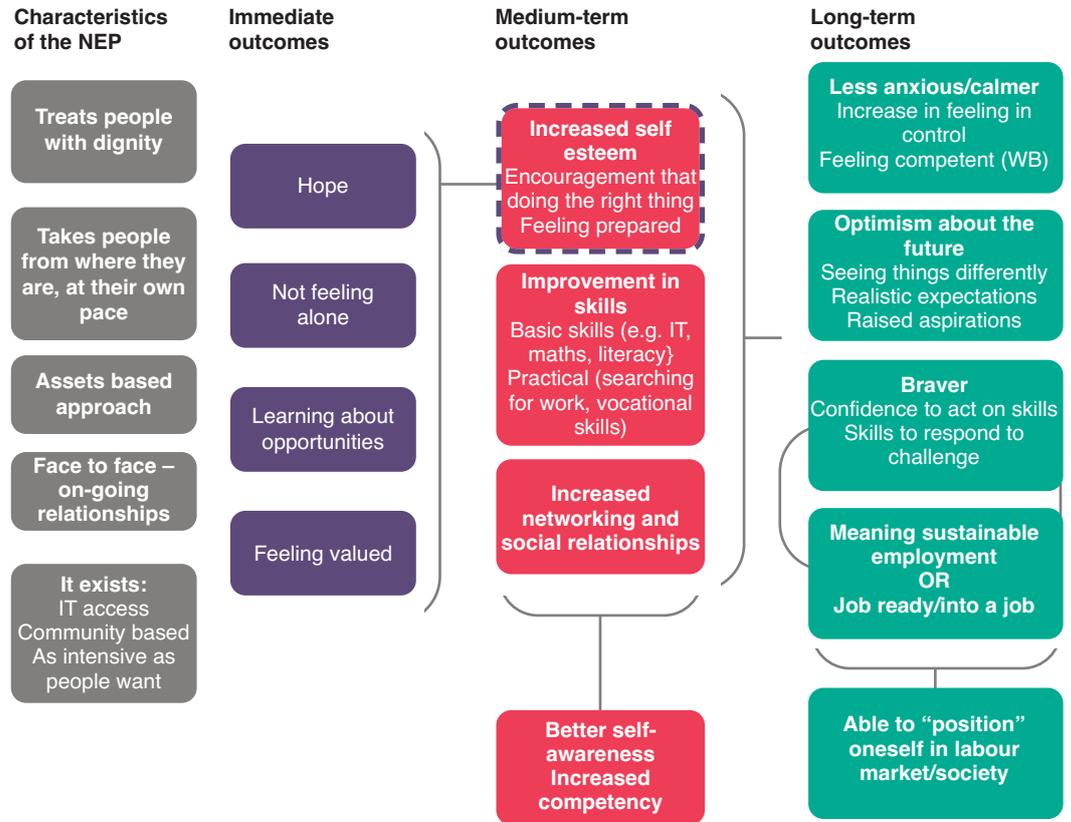
By how much approximately has your financial situation changed per month since you moved into work (if at all)?

*Please circle the most appropriate*

My financial situation has become worse	£76 - £100 better off
£0 - £25 better off	£101 - £150 better off
£26 - £50 better off	£151 - £200 better off
£51 - £75 better off	£200+ better off

### Appendix 3: The Theory of Change

Figure 16: Theory of Change – Neighbourhood Employment Programme



## End notes

- <sup>1</sup> Mean attribution stated by job club clients- when each response was apportioned a value (None=0, Some= 0.5, A lot =1)
- <sup>2</sup> The Net Present Value is the difference between the present value of the future cash flows from an investment and the amount of investment. Present value of the expected cash flows is computed by discounting them at the required rate of return. Simply put, it's the discounted amount you would get now from the future investment returns.
- <sup>i</sup> Department for Work and Pensions (DWP), Work Programme Statistics (September 2013). Available at: <https://www.gov.uk/government/collections/work-programme-statistics—2> [Accessed 25.10.13]
- <sup>ii</sup> Milton Keynes intelligence (MKi) *Observatory* (2013). Available at: <http://www.mkiobservatory.org.uk/page.aspx?id=1618&siteID=1026> [Accessed 06.09.13]
- <sup>iii</sup> NOMIS Official Labour Market Statistics, 2013. Source: Office of National Statistics. Available at: [http://www.nomisweb.co.uk/reports/lmp/la/1946157283/subreports/ea\\_time\\_series/report.aspx?b](http://www.nomisweb.co.uk/reports/lmp/la/1946157283/subreports/ea_time_series/report.aspx?b) [Accessed 06.09.13]
- <sup>iv</sup> *Cities Outlook 2013*, Centre for Cities (2013).
- <sup>v</sup> Ibid.
- <sup>vi</sup> *Best and worst cities to find a job* (May 2013), Adzuna (2013). Available at: <http://www.adzuna.co.uk/blog/wp-content/uploads/2013/05/Best-and-Worst-places-to-find-a-job-April-2013.jpg> [Accessed 08.09.13]
- <sup>vii</sup> Abdallah S et al. (2012) *Well-being patterns uncovered*, (London: nef) Chapter 5, p.22.
- <sup>viii</sup> Cox E, Abdallah S and Stephens L (2009) 'Living better, using less – rebuilding a more sustainable and socially just regional economy', A think piece for Yorkshire & the Humber Regional Forum on the Integrated Regional Strategy, (London: nef).
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- <sup>xi</sup> Aked J, Marks N, Cordon C and Thompson S (2009) *Five Ways to Well-Being: A report presented to the Foresight Project on communicating the evidence base for improving people's well-being*, London: nef), pp.11–12.
- <sup>xii</sup> Clark AE and Oswald AJ (1994) 'Unhappiness and unemployment', *The Economic Journal*, **104**: 648–659.
- <sup>xiii</sup> Clark, A. (2010). 'Work, jobs and well-being across the millennium' in E. Diener, J. Helliwell, D. Kahneman (eds). *International Differences in Well-Being* (New York: OUP) pp. 436–464
- <sup>xiv</sup> Dolan, P., Peasgood, T. & White, M. (2006), *Review of research on the influences on personal wellbeing and application to policy making*, Final report for Defra. (London: Defra).
- <sup>xv</sup> Ibid. p.60.
- <sup>xvi</sup> Clark, A. (2010). op cit.
- <sup>xvii</sup> Rayton B et al (2012) Employee Engagement Task Force – 'Nailing the evidence' Workgroup. University of Bath
- <sup>xviii</sup> See <http://www.nationalaccountsofwellbeing.org/> for more information.
- <sup>xix</sup> See <http://www.europeansocialsurvey.org/> for more information.
- <sup>xx</sup> , CIPD (2013) *Megatrends: The trends shaping work and working lives*. Available at [http://www.cipd.co.uk/binaries/6306%20Megatrends%20\(WEB\).pdf](http://www.cipd.co.uk/binaries/6306%20Megatrends%20(WEB).pdf) [Accessed 02.10.13]
- <sup>xxi</sup> *Improving DWP assessment of the relative costs and benefits of employment programmes* (DWP) 2011. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/214397/WP100.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/214397/WP100.pdf)
- <sup>xxii</sup> Department for Work and Pensions (DWP), Work Programme Official Statistics (September 2013). op cit.
- <sup>xxiii</sup> Citizens UK (2012) *Living wage: A guide for employers*. Available at: <http://www.livingwage.org.uk/sites/default/files/Living%20Wage%20-%20A%20Guide%20for%20Employers%20-%20Jan%202013.pdf> [Accessed 09.09.13]
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