

Enterprise and Learning Committee

EL(3) 03-11 (p3) : 10 February 2011

Structural funds: Implementation of the 2007-2013 Programmes

Bridges into Work: A Communities based approach (BiW).

WEFO project reference 80157

Bridges into Work (BiW) firstly wishes to thank the committee for inviting us to both the original meeting and this follow up. In responding to this invitation we have considered our ability to provide evidence regarding progress in implementing the recommendations as many of the issues that were identified relate to project development rather than operation. Since the report was published the project has successfully requested a reprofile and extension which will increase the duration of the project by eight months to August 2012 and allow us to engage with an additional 2,420 participants for no additional ESF funding. This has given us some insights into developments which we gladly share with the committee.

We have broken down our submission into the relevant recommendations and linked this to our original submission where appropriate. In the interests of brevity we have not included recommendations for which we have no evidence to submit. Many of these relate to a more strategic view of the programme as a whole than the experience of a single project.

Recommendation 2 – Closer liaison between WEFO and projects

We described the application process as challenging and subject to delay. Our subsequent experience with our request for an extension and reprofile of the activity was a significant improvement. Whilst the internal process of reprofiling the project was complex, with multiple sponsors, the whole process took around three months to complete. Our WEFO contact was efficient and helpful and the level of frustration we had felt with the original project approval process was much reduced.

The WEFO Project Development Officer (PDO) in post for the reprofile was assigned the role to ensure that the reprofile was not delayed, following the departure of the previous PDO. We were pleased that WEFO acted promptly in this case; however I understand this to be a temporary measure and we are currently waiting to hear who will be the fourth officer to take that role since 2009. Whilst we acknowledge that movement of staff will always occur this lack of continuity is not helpful in fostering strong working relationships between projects and WEFO.

Recommendation 5 – State Aid advice

Evidence for this recommendation comes from the sister project to BiW called "Working Skills for Adults" an ESF priority 3 project raising the skills of the workforce. During the reprofile we received advice from WEFO with regard to State Aid and have had to change the conditions under which some of the project sponsors who engage directly with employers handle this issue. We feel that this round of advice has been comprehensive and clear from both WEFO officers and the documents published on their website. The inclusion of template letters and other documents has been particularly helpful in ensuring that the project is able to adapt the processes quickly and efficiently.

Recommendation 11 – Ensuring smaller players have opportunities

BiW has not benefited from any changes that would allow improved opportunities to local third or private sector organisations.

Recommendation 12 – Revision of procurement guidance

We have seen the approval of another priority 2 project (QWEST) operating in some areas that overlap with BiW and have noted that one of our previous third sector partners has been successful in tendering for delivery.

We welcome the revision made in the October 2010 "Sponsorship and delivery models" guidance document and find it to be clearer than the previous guidance.

Recommendation 13 – Availability of public sector match funding

We have noted the response to this recommendation that the TMF will continue to be managed to meet increasing demands due to reducing public financing. We have also noted that the WEFO website is currently advertising that the TMF is closed for capital support for new projects, although revenue support is still available.

BiW has had an extension request approved with no change in intervention rate. We will be seeking a further extension at an increased intervention for the remaining period of the programme but this will not have an impact until mid 2012. We are not yet in a position to determine the likely impact of the spending review on the provision of activity under BiW for this proposed second phase.

Recommendation 15 – Impact of recession

The BiW reprofile has taken into account some impacts of the recession, particularly with respect to the shift of our target participants from 30% unemployed to 50% unemployed as previously agreed between WEFO and the commission. Whilst ESF Convergence Priority 2 was primarily tasked with tackling economic inactivity WEFO have recognised the shift in the situation and acted accordingly.

We are satisfied that WEFO are effectively balancing the programme aims with the changes in the economic situation with respect to our project and await developments regarding future changes in classifications with regard to unemployment and economic inactivity resulting from the roll out of work capability assessments.

Recommendation 17 – Data collection and duplication

We reported concerns about duplication of activity and potential double counting of outcomes during the initial inquiry. We feel that the response to this recommendation has not addressed these concerns at a project level.

The main reporting mechanism for indicators is via an aggregate summary of outputs and results that we submit alongside each quarterly claim. The source of the "Key Indicator achievement broken down by Unitary Authority" regularly published by WEFO is not clear but references on the document seem to indicate that they are taken from the aggregate claim indicators. It will be apparent that no double counting checks can have been made if this is the source.

The existing "participant level data collection system" receives data from project sponsors via spreadsheets. BiW has recently been requested to submit only the second such complete set of data to this system since the project began in January 2009. We agree that the data available from the participant level system will allow double counting to be identified although we have received no feedback from our first submission. We therefore believe that no double counting issues have been identified; we work hard to ensure that we only record outcomes which we believe result from the work done by BiW with each participant.

Allowing multiple interventions for participants, potentially across different projects, is crucial in providing the level of support that some participants require and critical in ensuring that projects are able to refer participants on to other complementary projects. It also creates difficulties in determining ownership of certain outcomes. Some outcomes have a clear link to the project and activity, for example 'participants gaining qualifications' paid for or delivered by a particular project. Some outcomes, particularly 'participants entering employment', can be less easy to assign to one project as multiple projects may feel that they have helped achieve this goal.

Given that we are judged by meeting targets it could have devastating consequences for us to later be informed that some of the outcomes we have reported for participants have also been reported by another project, particularly if this were to happen towards the end of the project.

We would seek assurance that the existing system is able identify any double counting at an early stage and also to be given guidance on how any such double counting may be resolved at a programme and project level. We believe that at present it would be easy for a project to adopt a less rigorous approach in reporting outcomes and rely on WEFO to identify and resolve the differences.

We are also not reassured regarding duplication of effort. Within the six counties of South East Wales we have the following ESF funded projects targeting economically inactive and unemployed participants; BiW, JobMatch, Want 2 Work, NOMS Cymru Newday (predominantly targeting (ex)offenders but also those at risk of offending), Genesis Wales II, QWEST, BTCV Family Employment Initiative.

One of the critical factors in ensuring collaboration rather than competition between two of the major projects in South East Wales has been the recognition by WEFO that BiW is a generic, transferable skills project whose participants may benefit from more vocationally specific training. We are able to serve the interests of our participants by making referrals to the JobMatch project who then move participants onwards with the aim of entering employment. In recognition of the supporting role in achieving this aim BiW has reduced targets for job outcomes in areas that JobMatch operate. This was agreed between the two projects and WEFO during the approval stage and has been cited by WEFO officers as an example of best practice. BiW recently won the JobMatch Partner of the Year award on the strength of our collaborative working.

Since the recommendations were made an additional priority 2 project, QWEST, has been approved which will operate in some of the same areas as BiW. We have met with QWEST many times during their approval process and discussed the avoidance of duplication and the referral mechanisms we could operate. The project originally complemented the work being done by BiW, with QWEST focussing on specific target participant groups with multiple barriers to education and employment and also on volunteering routes. In fact we believed that the project would enhance the opportunities for participants through additional support and the development of accredited volunteer training. We communicated our observations and concerns about how the projects would collaborate to WEFO.

The final approved QWEST business plan and subsequent tenders for delivery that we have seen have given us cause for concern as they appear to reflect a much more generic priority 2 project with targets taken from the range of priority 2 participants along with generic qualifications and job outcomes. We believe that the changes from the initial project development to the approved business plan result from an inflexibility in the programme that demands each project contribute to each of the results and outcomes in the programme.

This inevitably shapes each project proposal into delivering the same results and outcomes to largely the same target groups and directly leads to competition for outcomes between projects. This is in no way a criticism of QWEST, who we believe had a clear aim throughout their business planning, or the WEFO officers involved, but rather a genuine concern that the approval system does not match project targets to the stated aims of the projects. It appears that the approval process tends to favour projects that operate across the whole spectrum of the framework and through the indicators forces more specialist projects with specific aims to adopt more general targets. All of this lends more to competition between projects who are jealous of meeting their targets than to collaboration.

Summary

We were very satisfied with the findings of the inquiry and pleased to note that some of the concerns that we had raised found their way into the recommendations. We have noted changes to the guidance documents available for projects and have benefitted from advice from WEFO in areas that previously has been less satisfactory.

Once again we would like to thank the committee for their invitation.