

Evaluation of the BEDP WNF  
Worklessness and Enterprise  
Programme:

Overarching Summary Report

May 2011



and Focus Consultants 2010 LLP

**Carlisle**

Suite 7 (Second Floor)  
Carlyle's Court  
1 St Mary's Gate  
Carlisle CA3 8RY  
t: 01228 402320  
m: 07501 725 114  
e: [stephen@dcresearch.co.uk](mailto:stephen@dcresearch.co.uk)

**Leicester**

1 Hewett Close  
Great Glen  
Leicester  
LE8 9DW  
t: 0116 259 2390  
m: 07501 725115  
e: [jon@dcresearch.co.uk](mailto:jon@dcresearch.co.uk)

[www.dcresearch.co.uk](http://www.dcresearch.co.uk)

## **1. Introduction**

- 1.1 Birmingham City Council (BCC) appointed DC Research and Focus Consultants in January 2011 to evaluate the Birmingham Economic Development Partnership (BEDP) element of the Working Neighbourhoods Fund (WNF).
- 1.2 The evaluation provides an independent assessment of the strategic development, management and impact of the WNF Programme delivered through BEDP, as well as providing recommendations about the provision of such activity going forward. It covers those interventions managed through the Employment Strategy sub-Group (ESG) and the Business, Enterprise Innovation and Inward Investment sub-Group (BEII) under BEDP with the overall aim of the evaluation being to:
  - Establish the effectiveness of the WNF BEDP programme, by looking at its impact, achievements and the value it has added.
  - Identify what worked well, what was innovative, and what did not work well in relation to employment and enterprise support to inform the design and delivery of future interventions.
  - Compare actual achievements against targets and provide comparative information for WNF delivery in other Core Cities and/or other programmes.
- 1.3 This overarching summary report summarises key programme level findings, innovation and lessons learned, and recommendations for future activity. More detailed evidence and analysis is contained in the accompanying Outcome 4 (activity managed by ESG) and Outcome 2 (activity managed by BEII) reports.

## **2. Worklessness and Working Neighbourhoods Fund in Birmingham**

- 2.1 A very high level of worklessness exists in Birmingham, and has done for many years. Over 120,000 Birmingham residents are in receipt of an out of work benefit, accounting for 18.5% of the working age population - 50% above the national average - and the second highest rate of all the Core Cities. Within the city worklessness tends to be concentrated in the inner city and some deprived outer city areas.
- 2.2 Birmingham is highly committed to tackling worklessness and improving quality of life outcomes for all citizens, particularly those living in the most deprived areas. The context for the use of WNF in Birmingham is the Sustainable Community Strategy (SCS) which sets out the overarching long-term vision for Birmingham 2026, with the Local Area Agreement (LAA) setting out 19 key local priorities for 2008/11 aimed towards delivering the first steps of the SCS.
- 2.3 In line with the Government's expectation, the LAA targets include NI 153, the specific National Indicator for Worklessness relating to working population claiming out of work benefits in the worst performing neighbourhoods<sup>1</sup> in Birmingham (those LSOAs with a worklessness rate of 25% and above). The target was to reduce this overall rate by three percentage points from 30.8% to 27.8% by March 2011. This was subsequently adjusted to a target relative to regional performance as a result of DCLG acknowledging the impact of the recession.
- 2.4 The aim of the WNF Worklessness theme was to create effective access routes into employment for Birmingham residents who were demonstrably most

---

<sup>1</sup> i.e. 187 Super Output Areas (SOA - census unit of approximately 1500 people)

distanced from the labour market and facing disproportionate barriers/exclusion from economic activity.

- 2.5 The WNF allocation in Birmingham is routed through the BeBirmingham Strategic Partnership, with Birmingham City Council (BCC) acting as fund holder of the Area Based Grant and as the accountable body. A total of £114 million WNF was originally allocated to the city from 2008-2011 to help tackle worklessness and low levels of skills and enterprise in areas of high deprivation. This was, in turn, allocated to a number of themed activity areas delivered through strategic thematic boards, of which BEDP was one.
- 2.6 It is important to note that WNF was allocated as part of Area Based Grant (ABG) arrangements. Area Based Grant was a general grant allocated directly to local authorities as additional revenue funding to areas. It is allocated according to specific policy criteria rather than general formulae. Local authorities were free to use all of this non-ringfenced funding as they saw fit to support the delivery of local, regional and national priorities in their areas. Birmingham City Council, as recipient of the ABG, is the accountable body for this funding.
- 2.7 The focus of the BEDP Programme, and the majority of resources, was aimed at directly addressing worklessness. The programme also had a focus on addressing barriers to employment and tackling problems in disadvantaged neighbourhoods.
- 2.8 The original WNF 2008–2011 Worklessness Programme to be delivered through Birmingham Economic Development Partnership amounted to £57 million and was targeted at Outcome 4 of the LAA (*"to increase employment and reduce poverty across all communities through targeted interventions to support people from welfare into work"*). However, to support business and enterprise in the city and to help cope with the impact of the recession, £11 million of WNF was allocated to target Outcome 2 of the LAA (*"to increase the city's economic output and productivity through expansion of key growth sectors, greater enterprise and innovation in high value-added activity"*), this included £5.7 million from the Outcome 4 budget (that was reduced accordingly) and an additional £5.3 million from BeBirmingham.

### 3. Governance and management processes

#### Programme Level

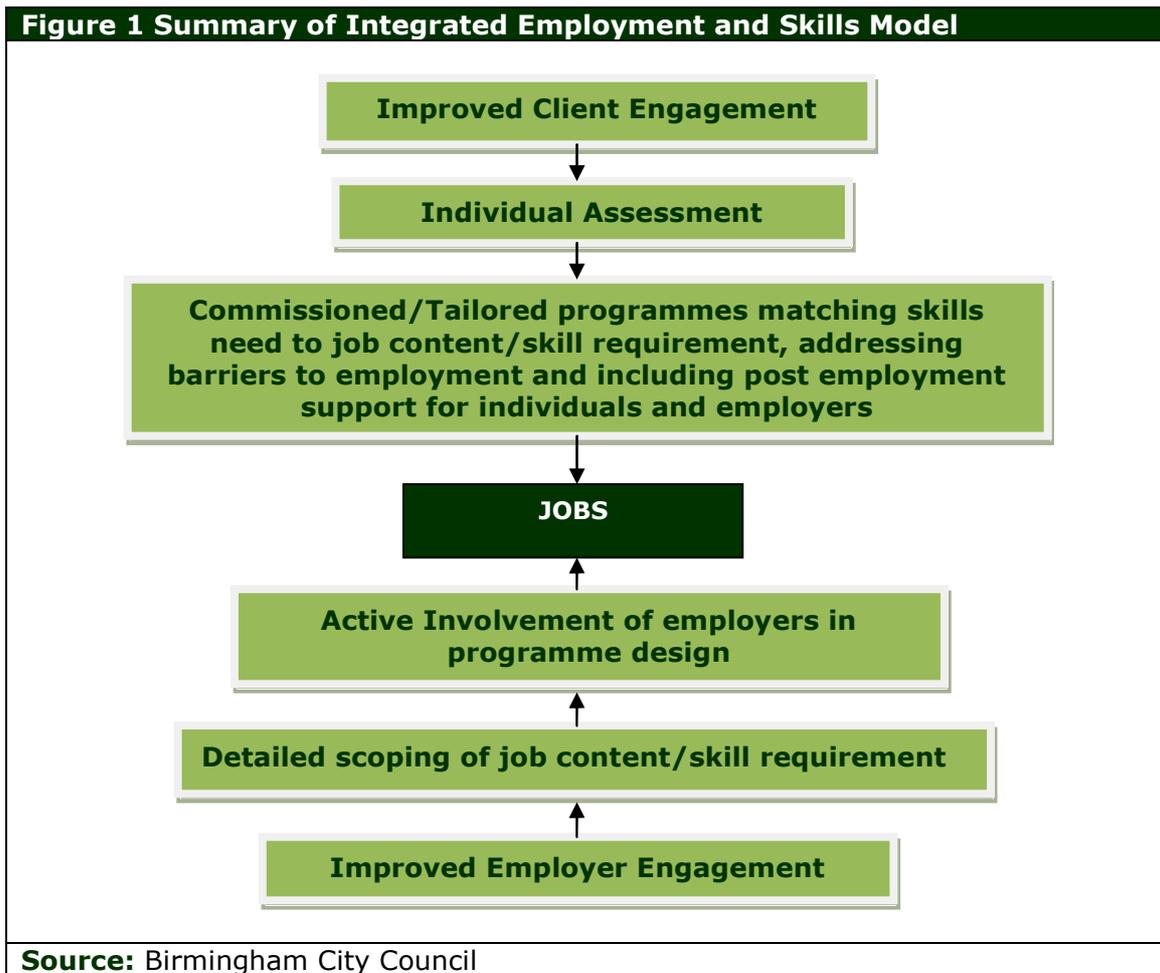
- 3.1 **Be Birmingham** (the Local Strategic Partnership for Birmingham) is responsible for ensuring effective delivery of Birmingham's Local Area Agreement (LAA) and the City's Area Based Grant, including the Working Neighbourhoods Fund.
- 3.2 The **Birmingham Economic Development Partnership** (BEDP) is the thematic partnership responsible for the economic elements of the Community Strategy and the management of the Outcome 2, Outcome 4 and Recession Package elements of WNF. It carried out this responsibility through a Coordination Group. Whilst this Group retained overall management and decision making responsibility for the programme, it delegated the responsibility for development and approval of projects to the Core Management Team of ESG (including BCC, Job Centre Plus and LSC (now SFA)) and BEII. In the later part of the programme, a BEDP Project Board was also established to help inform decisions taken by the Coordination Group.
- 3.3 Throughout its lifetime the BEDP WNF Programme has been subject to political scrutiny, both at the City wide and at the constituency level. The main issues were around the **late start to the programme, and pressures to deliver in**

**the time available.** Given the time it took to progress from commissioning to delivery (with many contracts not being agreed until the second quarter of the 2009/10 financial year), the **absence of a 'year zero'** in the structure of WNF at a national level (despite successive evaluations of other area based grant programmes highlighting the need for this), **and the scale of resources to spend**, a level of scrutiny over and above what might normally have occurred was inevitable.

- 3.4 In terms of governance and management processes, most strategic and delivery stakeholders agree that there was a **programme management disconnect between BeBirmingham** (the Local Strategic Partnership that sits above BEDP) **and BCC** leading up to WNF, and during the first year of delivery. The LSP wanted to lead the programme on the basis that WNF would fund the delivery of the LAA, creating some tension with other key stakeholders. In addition, there were issues concerning approval and appraisal processes, rigid profiling (that did not reflect delivery realities) and monitoring approaches, driven in part by a desire for programme processes to be more robust than those used for Neighbourhood Renewal Fund (NRF). BCC stakeholders in particular felt they had a track record of experience and expertise in programme delivery that was not fully utilised in the early stages of WNF development.
- 3.5 This disconnect in governance arrangements between BeBirmingham and BCC left many stakeholders with an **impression of a lack of clarity around governance structures**, and that there were **constant "shifting sands"** to be dealt with. However, since the end of 2009, many of the issues raised by stakeholders have been resolved, and there has been a considerable focus on effective delivery, supported by a well regarded Programme and Development Team at BCC.
- 3.6 Key lessons and learning from the first 18 months of the BEDP WNF Programme includes the need to **capitalise upon existing expertise and experience in programme management**, and the **importance of managing expectations** in communities, and with delivery organisations.

#### **Outcome 4**

- 3.7 **With specific reference to Outcome 4**, the programme of WNF activities was developed with the **Integrated Employment and Skills Model** at its core. The aim of this model was to offer a seamless service led by individual client needs, and that recognised client progression would not be a simple or purely linear process. Under the IES model services are commissioned strategically to ensure an integrated pathway for clients. The IES model is summarised in Figure 1 below:



- 3.8 **The adoption of the Integrated Employment and Skills Model for the Outcome 4 element of the WNF Programme was appropriate**, with the concept being well understood and communicable at a strategic level, in part as a result of its use in City Strategy processes. IES was critical in shaping the Neighbourhood and Constituency Employment and Skills Plans (NESPS/CESPS) approach, in the commissioning of contracts, and in influencing the rationale and development of the thematic/strategic projects.
- 3.9 IES remains useful in providing a context against which to assess performance and client experiences. However, it is important to recognise that it represents a 'conceptual ideal', and a range of delivery issues (such as the scale of delivery, locality differences in commissioning, programme timescale and delivery delays, the level of cross referrals between providers etc.) meant that **there was often a gap between IES ideal and the reality of client experiences**. It is important to note that **using IES meant that WNF was, on balance, more thoughtful in terms of its strategic approach to commissioning worklessness interventions** than previous programmes. IES will have ongoing relevance guiding BEDP partners in shaping and commissioning future activity and in learning lessons from WNF.
- 3.10 **The decision to take a locality driven approach to Outcome 4 provision through the development of the NESP/CESPs and resulting contracting arrangements was appropriate** for a number reasons that included locality expectations (based on experience of Single Regeneration Budget (SRB) and

NRF), and a strategic rationale based on spatially targeting those neighbourhoods with the highest levels of worklessness.

## Outcome 2

- 3.11 With specific reference to Outcome 2, the **formation of BEII brought together a wide range of the key local and regional partners to understand and address the city's enterprise and innovation needs.** BEII aimed to invest resources, (including WNF), to provide additional, targeted support to strengthen the city's business base and encourage greater innovation in the public, private and voluntary/community sectors, as well as to add value to the mainstream provision.
- 3.12 The £11 million portion of BEDP's WNF allocation that was managed through BEII was targeted at increasing the city's economic output and productivity as well as mitigating against the impact of the recession on the business community. In order to make the most effective use of WNF, the following approaches for Outcome 2 were followed:
- Projects were developed strategically to improve economic growth and prosperity in the City.
  - A package of programmes were also developed to help businesses and residents cope with the impact of the recession (the Recession Package), providing loans and help with business rates to SMEs, redundancy support and supporting the Future Jobs Fund.
- 3.13 The **approach taken by BEII was not to reinvent delivery mechanisms or establish new organisations unless there was a clear gap in provision.** The process of developing the final Outcome 2 projects suffered a delay of around 12 months. Consultees felt that this may be in part the result of the pragmatic approach taken (which they also felt narrowed the focus of the programme) and the high number of applications received. Consultees reported **a number of programme level concerns and challenges which impacted on Outcome 2 activity**, including programme delays and cuts in funding. Nevertheless, Outcome 2 has maintained a strong focus on delivery.
- 3.14 At the end of the programme, a number of stakeholders have argued that **the programme may have benefited from a more equal balance of Outcome 2 and Outcome 4 activity.** In part, this view is retrospectively informed by the current macroeconomic reality, with there being fewer vacancies in the City compared to the point at which the WNF programme was originally developed. This needs to be considered in the light of government expectations for WNF, prior to and during its early stages, and also by the reality that during this time period Outcome 2 initiatives could also look to European Regional Development Fund (ERDF) and Regional Development Agency 'Single Pot' funding, whereas there was little project or programme funding, aside from WNF, available to support the delivery of Outcome 4.
- 3.15 Finally, **WNF was not especially well aligned with other programme funding available in Birmingham during its lifetime. However, it would not be correct to assume that this was a result of programme inflexibility**, as other funding streams did not align either in terms of geography (such as ERDF) or timescale (such as Regeneration Zones and New Deal for Communities Programmes in Aston and King's Norton). **WNF was able to step in to alleviate delays in ERDF funding becoming available, and in turn ERDF has enabled Outcome 2 projects to access succession funding.** It

should be noted that in the main, match funding issues tended to be due to the constraints of other funding mechanisms rather than specific issues with WNF.

#### 4. Delivery approaches

- 4.1 The LAA Delivery Plan for **Outcome 2 and Outcome 4** provided the framework for the delivery of the ESG and BEII elements of the WNF Programme.

##### Outcome 2

- 4.2 Outcome 2 includes a range of projects that have generated significant impacts and, moving forwards, **a number of projects have influenced the approach that the city is taking to create jobs and high growth industries in the future**. For example, the Stimulating Demand and Retail Development projects have created significant job and GVA impacts, and Find it in Birmingham has influenced partners in terms of using local procurement opportunities to support businesses.
- 4.3 A **key legacy of Outcome 2 of WNF in Birmingham surrounds enterprise activities that have been supported**, with strong enterprise focussed networks now in place between Aston, Birmingham and Birmingham City Universities, Birmingham Science Park Aston and Birmingham Chamber of Commerce. A homogenous focus on job creation and retention would have been both appropriate and defensible to stimulate employment, but the development of a suite of projects focussed on enterprise and innovation has raised the profile of this activity in the city and has been well received by stakeholders.

##### Outcome 4

- 4.4 Outcome 4 consisted of activity commissioned through NESPS and CESPS, a series of strategically commissioned city wide thematic projects, a Transitions Fund, an Innovations Fund, and a Constituency Worklessness Development Fund.
- 4.5 In terms of third sector delivery, **over one third of the locally commissioned delivery was awarded to eight third sector organisations as prime providers**. Furthermore, an additional 20 third sector organisations were subcontractors on contracts led by private sector providers; and a further 15 also worked as sub contractors on third sector contracts.
- 4.6 Whilst there was significant early frustration around the lack of involvement of third sector organisations in delivery of contracts, **levels of delivery risk are likely to have contributed to a more cautious approach by private sector providers to subcontracting with third sector organisations**. In addition, it has been suggested that as NESP/CESP contracts were delivered, a number of third sector organisations did not have the capacity or capability to compete for, nor deliver, the scale required in the available timescale.
- 4.7 The range of **different types of commissioning, and also organisation types**, is a key feature of the Outcome 4 element of the BEDP WNF Programme. A number of provider partnerships have been brought together for the first time through WNF funding. These partnerships include providers of different sizes, different sectors, with varying geographical and target group focus.
- 4.8 Despite a range of issues and challenges, many stakeholders are comfortable with the delivery performance of NESP/CESP contracts at the end of the programme, a position that one senior stakeholder described as **'highly acceptable in such a short delivery window'**.

- 4.9 The development of the **thematic/strategic ESG projects** allowed Outcome 4 to target specific city wide barriers to employment and also client groups that might not be best suited to the locality approach (such as the homeless, ex-offenders etc). These city-wide strategic interventions also aimed to support the capacity of the voluntary sector.

## 5. Financial and Output Performance

- 5.1 This section assesses performance in terms of financial expenditure and progress towards outputs for this element of the Programme. It should be noted that the analysis was carried out on performance data up to December 2010. Due to the delay in starting the programme, there was considerable delivery activity in the final quarter of the of both the Outcome 2 and Outcome 4 programmes which is not included in most of the statistics.

### Outcome 2

- 5.2 **As of the end of December 2010, Outcome 2 has performed very well in terms of financial spend** for both the Strategic Projects and the Recession Package Projects (with spend representing 98% and 92% of planned/profiled spend respectively).
- 5.3 In terms of outputs, the Recession Package projects have performed well, clearly exceeding targets in all but two cases, and even here, performance exceeds 90% of target. However, output performance for the Strategic Projects is more mixed, with data **up to the end of December 2010** showing that whilst engagement related outputs are meeting or exceeding targets, **self-employment, job creation and business creation outputs were between 30% and 90% behind target.**
- 5.4 Additional data provided on actual/forecast outputs to the **end of March 2011** shows that **by the end of the Programme, all recession package outputs had clearly exceeded target** with two exceptions (Number of businesses created and Private Sector Leverage) which were almost on target, having achieved 93% and 99% of target respectively.

### Outcome 4

- 5.5 In terms of financial performance, **as at the end of December 2010 most of the strands of Outcome 4** (with the exception of the Transition Fund) **were showing an under-spend.** Whilst this is to be expected with one quarter of activity still to be delivered, both the thematic/strategic ESG projects and the Community Worklessness Development Fund show high levels of under-spend. **An update provided by the WNF Team, based on expenditure as at 31 March 2011, indicates that overall programme expenditure is within 90% of the revised target,** and following the Partnership and Cabinet agreement for a short extension to provider contracts for delivery of the Employment and Skills Plans, overall programme performance will increase.
- 5.6 **Output performance is mixed, with some outputs performing well, and others clearly underperforming** (including some of the key employment related outputs). Analysis of conversion rates for the main types of interventions shows that for all areas conversion has been lower than originally expected, with NESP/CESP showing the widest divergence between planned and actual conversion rates. However, Outcome 4 conversion rates are generally comparable with typical expectations for this type of activity, with original WNF expectations in 2008 tending to be optimistic and not accounting for reduced

delivery timeframes. Again, **updated output performance reported at the end of March 2011, indicates that good progress has been made towards achieving the overall output targets.** The extension to provider contracts for delivery of the Employment and Skills Plans should also increase performance of some key outputs.

5.7 The level of penetration in terms of **engagement with target clients in each of the target localities shows a varied picture.** Some areas show high levels of engagement, with Sparkbrook, Springfield and Washwood Heath having engaged with more than half of their target clients. Others have been less successful, engaging with less than one-fifth of their target clients (Brandwood, Erdington, Billesley, Hall Green, and Sutton Trinity).

## 6. LAA Target Analysis

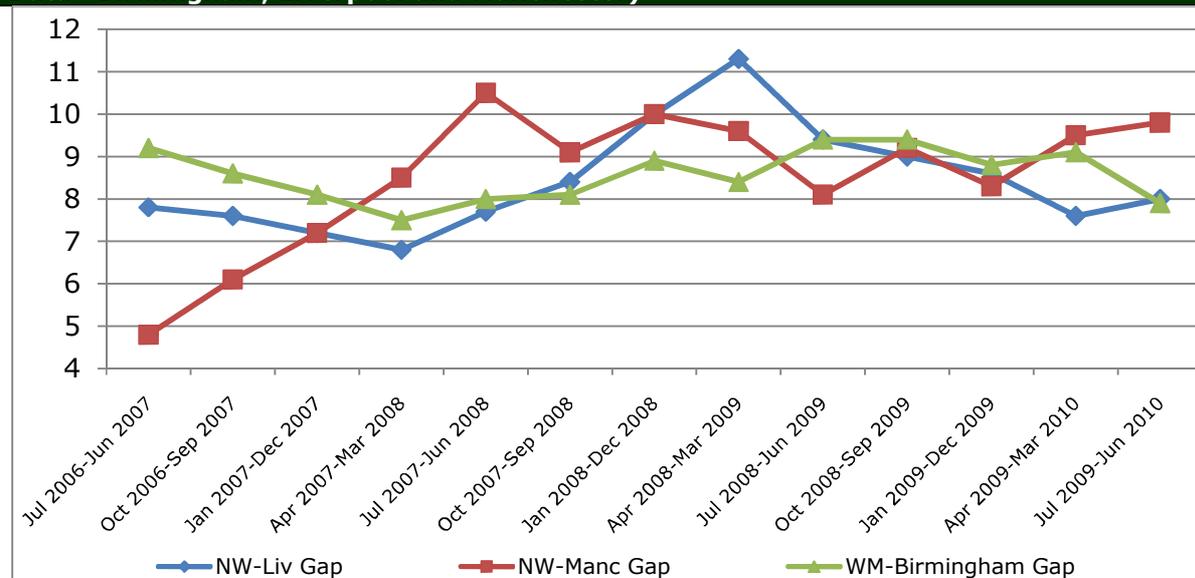
### Outcome 2

6.1 The position of the BEDP programme in terms of Outcome 2 of the LAA (i.e. **increasing the city's economic output and productivity through expansion of key growth sectors, greater enterprise and innovation in high value added activity**) is measured by three outcome indicators.

6.2 **For NI 151 – Overall Employment Rate**, the original annual targets for NI 151 were to improve against the baseline rate. This was revised in 2010 to maintain the gap with the West Midlands average at 9.4 percentage points. The gap between Birmingham and the West Midlands average for the Overall Employment Rate, based on the most recent data (July 2009-June 2010) is 7.9 percentage points, showing that **performance against this outcome measure is on target.**

6.3 The figure below compares Birmingham's performance against the regional average to the comparator core cities of Liverpool and Manchester.

**Figure 2: Employment rate (aged 16-64) Gap Core City-Regional Average - (Comparator Data – Birmingham, Liverpool and Manchester)**



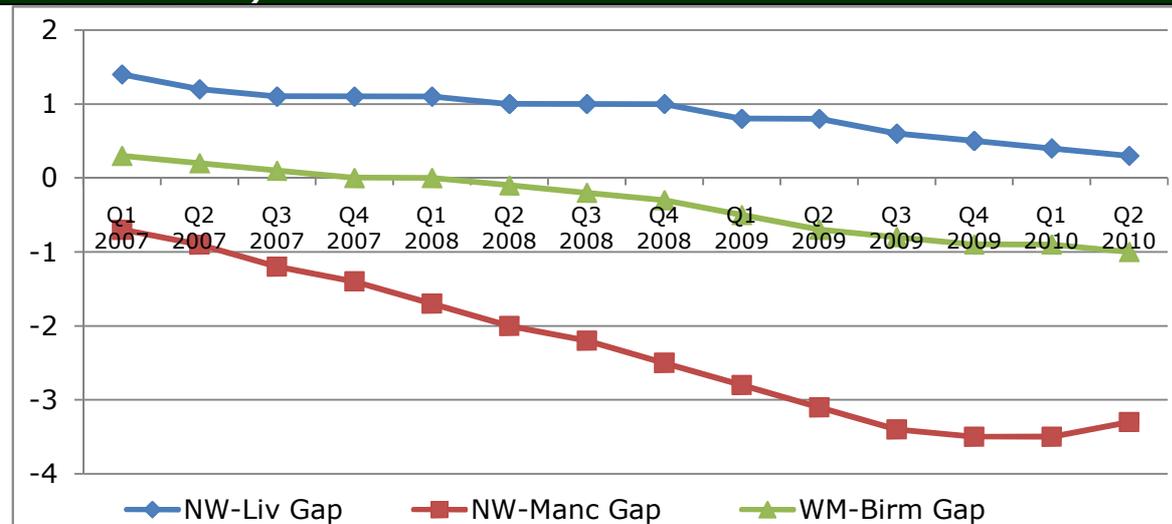
**Source:** ONS annual population survey, accessed via NOMIS, March 2011

- 6.4 **For NI 166 - Median earnings of employees in the area**, the original baseline for the Birmingham average (based on average data from 1997-2006) was 106% of the West Midlands average. Unlike the other outcome targets, there was no revision to this target in the discussions and negotiations with GOWM, so the target for 2010-2011 remains the same – for Birmingham data on Median earnings of employees in the area to be 107% of the West Midlands average. The most recent data (2010) is 107%, showing that **performance against this outcome measure is on target.**
- 6.5 **NI 172 - Percentage of small businesses in an area showing employment growth** was not measurable due national data sets not relating to the time period during which the Programme was being delivered.

#### **Outcome 4**

- 6.6 The position of the BEDP programme in terms of Outcome 4 of the LAA (i.e. **to increase employment and reduce poverty across all communities through targeted interventions to support people from welfare into work**) is measured by two outcome indicators.
- 6.7 For **NI 153 - Working age people claiming out of work benefits in the worst performing neighbourhoods**, the original baseline showed that the proportion of working age people claiming out of work benefits in the worst performing neighbourhoods was 30.8% (May 2007). At the outset of the WNF Programme, there were annual targets set against this baseline as follows:
- 2008-09 – baseline minus 0.5 percentage points (i.e. 30.3%).
  - 2009-10 – baseline minus 1.5 percentage points (i.e. 29.3%).
  - 2010-11 – baseline minus 3 percentage points (i.e. 27.8%).
- 6.8 However, the targets were revised following discussions and negotiations with GOWM in 2010, and the agreed revised target for NI 153 for 2010-11 was to achieve a gap with the West Midlands region average of +0.1 percentage point. At Quarter 2 2010, the Birmingham rate is 30.3% compared to a regional rate of 31.3%. As such, the Birmingham rate is actually 1.0 percentage point lower than the regional rate and **the target has been achieved.**
- 6.9 Figure 3 shows that Birmingham’s performance as a proportion of the regional average compares favourably with Liverpool, but is behind Manchester.

**Figure 3: Working age people claiming out of work benefits in the worst performing neighbourhoods area (Comparator Data – Birmingham, Liverpool and Manchester)**



**Source:** DC Research analysis of data from :

[http://research.dwp.gov.uk/asd/index.php?page=national\\_indicators](http://research.dwp.gov.uk/asd/index.php?page=national_indicators)

6.10 **NI 116 - Proportion of children in poverty**, was not measurable due national data sets not relating to the time period during which the Programme was being delivered.

## 7. Lessons learned, good practice and innovation

7.1 The level of political scrutiny that the BEDP WNF programme, and particularly Outcome 4, was subjected to has been a recurrent theme of this evaluation. Much of this related to a desire for constituencies to have greater autonomy over the spending of WNF, and to be able to hold deliverers to account. Whilst **a significant proportion of locally commissioned contracts were awarded or subcontracted to third sector organisations**, a key lesson for the future programmes is the need to **manage locality expectations in terms of the processes and limitations of such funds**, and to **provide relevant training for elected members** involved in programme governance.

7.2 **Outcome 4 benefited from a range of different types of commissioning, and also organisation types**, with a number of provider partnerships being brought together for the first time through WNF funding. These partnerships include providers of different sizes, different sectors, with varying geographical and target group focus. The learning point for the involvement of third sector organisations in the delivery of future programmes surrounds managing delivery expectations, with **an early assessment around capacity and delivery risk for such organisations being desirable**.

7.3 The priority SOA focus of Outcome 4 activity was regarded by stakeholders to be the correct approach to identifying and targeting priority neighbourhoods and constituencies. However, once identified, **contracts and projects should have had more delivery flexibility**, as the SOA rigidity made little sense to beneficiaries. Some providers and stakeholders advocated that WNF could have been allocated by SOA, but been delivered across eligible constituencies, with others arguing that a higher tolerance level would have helped to resolve this issue. **Changes to the approach would, however, have diluted the**

**deliberate targeting that was a key innovative feature of Outcome 4 WNF activity.**

- 7.4 From a programme management perspective the **decision requiring NESP/CESP contract providers to stop engagement activity by December 2010 was sound, and should be regarded as good practice** as this decision made providers focus on getting existing clients into work.
- 7.5 The movement towards a **'payment by results' approach for this activity is popular amongst many stakeholders, and is a strong learning point for future programmes.** The third sector providers also benefited from the experience of payment by results, with many commenting that this they felt better positioned for the future.
- 7.6 Another key learning point for future programmes from Outcome 4 surrounds **the criticality of referral mechanisms** in terms of delivery performance. The issues here are perhaps more about communication and managing expectations, than the willingness of staff and partners to engage.
- 7.7 Outcome 2 contains a range of projects that have generated significant impacts, and moving forwards, **a number of projects have influenced the approach that the city is taking to create jobs and high growth industries in the future.** For example, the Stimulating Demand and Retail Development projects have created significant job and GVA impacts, and Find it in Birmingham has influenced partners in terms of using local procurement opportunities to support businesses.
- 7.8 The development of the BEII Sub Group has led to a number of benefits beyond WNF, not least **a more focused approach to enterprise, enterprise culture and innovation, and is in itself seen as a positive outcome from the programme.** Through WNF and the establishment of this partnership, thinking and approaches to enterprise and innovation in Birmingham has been reinvigorated, and is serving to provide focus to RGF applications and influence the early development of the Local Enterprise Partnership.
- 7.9 In terms of innovation, whilst NESP/CESP contracted provision tended to provide a relatively standard menu of support, **the decision to take a locality and IES driven approach to delivery on this scale, the development of the NESP/CESP plans and the contracting process itself were highly innovative in process terms.** The preparedness of BEDP partners to take the delivery risks that came with such an innovative approach, especially given the timescales involved, is a notable highlight of the Outcome 4 element of the programme, as is the scale of delivery achieved in what became a reduced delivery period.
- 7.10 **Another innovative approach was the separate strategic commissioning of thematic projects,** recognising the need for specialist intervention beyond the locality provision through NESP and CESP contracting (for example Prolific Priority Offenders, Drug and Alcohol Misuse and Addressing Worklessness with Homeless Service Users, including giving clients control of personalised budgets).
- 7.11 The **Innovation Fund** was developed and included in the WNF Programme specifically to address an identified need to encourage and facilitate research and innovation. This fund supported a range of innovative projects and the learning has been used to develop a "Good Practice Guide" to influence future employment activity, particularly for specific client groups.

## 8. Succession and forward strategy

- 8.1 As a result of the experiences and learning from the BEDP WNF Programme, approaches that will transfer WNF activity to mainstream programmes are being discussed at the time of writing (March 2011). For example, the **use of planning and development powers to support employment activity** (through Section 106 agreements and Standard Charge) is being discussed, building on the good practice established by the CATE and JASDUPP projects. In addition, **BCC now has an agreed policy to direct its procurement processes to support pathways into employment** for residents.
- 8.2 The **Prolific Priority Offenders project has been successful in its application for NOMS Regional ESF funding**. The project will be continued for a further four years funding with circa £200,000 per year to sustain the project team in its existing structure.
- 8.3 A **particular highlight of Outcome 2 has been the collaboration between Aston, Birmingham and Birmingham City Universities** on the Graduate Enterprise Employment (BSEEN), and the relationship between BSEEN and E4F, with both these projects are continuing beyond the end of the WNF programme. More generally, BEII has **exposed a rich seam of enterprise activity and energy through an innovative and experimental approach**, with a great proportion of this activity being sustained through mainstream/partner investment, ERDF succession projects and RGF Round 1 bids.
- 8.4 There now exists both a **critical mass of activity and expertise** at Birmingham Science Park Aston, **a throughput of businesses and potential entrepreneurs**, and also raised **awareness about the importance of enterprise and enterprise culture** in developing the modern Birmingham economy. There was little evidence of such concentrated activity (particularly involving such levels of collaboration) prior to WNF.
- 8.5 The **successful Regional Growth Fund Round 1 bids** in the region (Alstom Grid UK; A45/Airport Proposals, Birmingham Chamber of Commerce (on behalf of Birmingham City Council); Bosch Thermotechnology; Jaguar Land Rover; and Prince's Regeneration Trust) will create a significant number of new jobs, and partners will **need to ensure that such opportunities are accessible to residents in the WNF priority neighbourhoods**. In particular, the BEII and Recession Package projects have provided **important insight about what works in terms of business support, innovation and enterprise**, which will serve to inform the emerging LEP proposals in these key areas. In addition to the RGF bids, some of the approaches used in delivering Outcome 2 activity are being taken forward in other forms.

## 9. Recommendations

- 9.1 More detailed recommendations are contained in the Outcome 2 and Outcome 4 Evaluation reports. In terms of overarching recommendations there is a clear consensus from programme and project stakeholders that **the BEDP WNF Programme would have benefitted from a year zero**, something that was highlighted in previous evaluations of area based programmes (notably SRB and NRF), and this would have significantly improved the delivery.
- 9.2 The underlying issue around timescale is a national one, with the three year duration of the programme, and the sheer scale of resources allocated to Birmingham, and resultant capacity and political issues therein, being the root cause of delivery delays. Nevertheless a year zero would have been extremely

beneficial to the delivery capacity of the programme, and would have lessened many of the delivery timeframe issues highlighted in earlier sections. It is therefore recommended that **BEDP and strategic stakeholders should continue to seek the inclusion of a 'year zero' in all future programmes.**

- 9.3 For future programmes that aim to close the gap between worst performing neighbourhoods and city (or regional) averages, it is recommended that the **targeting of specific priority neighbourhoods is retained.**
- 9.4 In terms of the 'end to end' aspect of the IES model, to improve this approach at delivery, **referrals (including those from mandatory providers) will need to be better specified and encouraged and, if necessary, contractually incentivised,** to encourage providers to pass on clients who would benefit from complementary provision. In future programmes, **cross referrals might be better supported by having niche and specialist provision (such as support for non job ready clients with disabilities) at the city wide level rather than being provided by locality contracts.**
- 9.5 For future programmes, **consideration should be given to the inclusion of a contractual retainer for 13 and 26 week updates on all clients obtaining a job.** This would enable more effective tracking of beneficiaries in sustainable employment, and in tandem with the better use of aggregate DWP data would serve to better evidence the contribution of such interventions to wider outcomes.
- 9.6 **There would be benefits to linking activity such as Find it in Birmingham to activity focussed in employer engagement from a client perspective** (as highlighted by Outcome 4 projects such as JASDUPP and CATE). To truly be effective, and to maximise employer engagement opportunities, **all Council departments need to adopt a common approach to using Find it in Birmingham as a procurement channel.**
- 9.7 Finally, the **BEII Sub Group should build on the success and learning from WNF, particularly around collaborative working on enterprise, to continue to influence the development of enterprise, innovation and inward investment thinking and activity in Birmingham.** There is a strong expectation that the insight about what works in terms of business support, innovation and enterprise, will be used to inform the emerging LEP developments in these key areas, and BEII should also seek to advise and critique relevant RGF applications.

## 10. Key Conclusions

- 10.1 Overall, stakeholders and deliverers believe that **WNF has provided local support and got many people into work, training and volunteering opportunities,** and there is clear consensus amongst stakeholders and deliverers that Birmingham would have been in a much worse position without the Outcome 4 and Outcome 2 WNF interventions over the lifetime of the Programme.
- 10.2 At the organisational level, **WNF has enabled different departments (at BCC) and provider organisations to work together and provide joined-up support for clients** rather than working in isolation (e.g. BCC's housing department linking to employment support that is available to the homeless, and BEDP and Safer Birmingham Partnership working together for the first time reducing worklessness and reoffending).
- 10.3 **Providers have been encouraged to work together to deliver a combined service for clients.** Many third sector providers came together solely for the

purpose of delivering WNF contracts. They have learnt how to deliver contracts more effectively and have also learnt how to adhere to payment on performance which is the future model being outlined by the coalition government. They have also been encouraged to work collectively again in the future when opportunities arise. **At the end of the programme all revised outcome targets have been exceeded and 3,407<sup>2</sup> individuals have gained employment through the programme.**

- 10.4 This is not to say that the programme has not faced **a number of challenges**, including managing early expectations, making the best use of existing systems and processes, and a number of delays in project development and contracting which resulted in reduced delivery windows across much of the programme. Many of these challenges provide **helpful learning points to shape future commissioning and delivery.**
- 10.5 Developing NESP/CESP plans, and commissioning and delivering subsequent contracts, was clearly ambitious. Nevertheless, the scale of delivery achieved in the time available is a notable achievement, and the **programme benefited from a range of commissioning approaches and provider types.** Furthermore, whilst target outcomes have changed during the programme (to reflect significantly worse macroeconomic labour market conditions as a result of the recession), **all measurable target outcomes have been achieved.**
- 10.6 From the evidence and analysis contained the Outcome 4 report, **it is reasonable to conclude that the locality approach adopted did successfully deliver against local need** (need that remains highly significant in all constituencies). It is possible that **job related outcomes might have been higher had an alternative approach to delivery been taken** (e.g. a City wide approach to delivery). **However, on balance such an approach would not have enjoyed the benefit of locality specific targeting**, would have had a higher propensity to engage with a higher number of 'job ready' clients, and resulted in less even delivery in the 235 LSOAs in the priority constituencies.
- 10.7 The development of the BEII Sub Group has led to a number of benefits beyond WNF, not least a **more focused approach to enterprise, enterprise culture and innovation, and is in itself seen as a positive outcome from the programme.**
- 10.8 Outcome 2 contains a range of projects that have generated significant impacts, and moving forwards, **a number of projects have influenced the approach that the city is taking to create jobs and high growth industries in the future.**

At the end of the BEDP Programme, **WNF has got many people into work, training and volunteering opportunities, and supported enterprise and small businesses**, and has supported Birmingham through the recession. The Programme has also **improved understanding about delivering this activity at the neighbourhood level**, and has resulted in innovative approaches and learning that can benefit future approaches to addressing worklessness in the city.

---

<sup>2</sup> Based on actuals to 31st March 2011 for outputs 1F (No of clients obtaining a job) and 1I (No of clients entering self-employment), as provided by WNF Team