



England ESF Programme 2007-2013: Evidence synthesis

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The European Social Fund (ESF) was established to improve employment opportunities in the European Union (EU). As one of the EU's structural funds, ESF seeks to reduce economic and social imbalances between regions within Member States. The 2007–2013 ESF programme operated with two main objectives:

- The Convergence Objective – covering Cornwall and the Isles of Scilly; and
- The Regional Competitiveness and Employment Objective – which covered all areas outside the Convergence Objective.

ESF supports a range of interventions for individuals in England, including helping those unemployed and disadvantaged tackle the barriers to labour market participation, and supporting training for people in the workforce who do not have the necessary basic skills and qualifications.

ICF were commissioned to produce the final synthesis report of the England ESF programme 2007–2013 on behalf of the Department for Work and Pensions, which aimed to:

- synthesise the key learning from the second half of the programme, updating and building upon the synthesis of evidence from the 2007–2011 period; and
- review the delivery of the ESF Evaluation Strategy 2007–2013, in terms of the achievement of its components and its influence on the development of policy and practice.

The study was intended to inform planning for the England ESF programme 2014–2020, and the further development of the programme Evaluation Strategy.

Methodology

The methodology had three main components:

- a desk-based review of 32 published evaluation reports commissioned in the second half of the 2007–2013 programme – following a systematic approach and ensuring consistency through the use of a common data extraction template;
- in-depth qualitative interviews with 15 programme stakeholders, including both current and previous representatives of: the ESF Division (ESFD) and the ESF evaluation team; Co-Financing Organisations (CFOs); the Cornwall Convergence programme; and wider stakeholders including the National Council for Voluntary Organisations (NCVO), the producer of ESF Works and the European Commission; and
- a review of ESF programme performance data – taken from the Annual Implementation Report (AIR) 2014, the most up-to-date published data available at the time of the study.

Performance of the programme

The England ESF programme 2007–2013 operated with two main objectives, namely the:

- Convergence Objective – covering Cornwall and the Isles of Scilly; and
- Regional Competitiveness and Employment Objective – covering the rest of England.

Six Priorities were established under the objectives, namely:

- Regional Competitiveness and Employment:
 - Priority 1: tackling the barriers to work faced by unemployed and disadvantaged people; and
 - Priority 2: training people without the skills/ qualifications needed in the workplace.
- Convergence:
 - Priority 4: the equivalent to Priority 1; and
 - Priority 5: the equivalent to Priority 2.

Priorities 3 and 6 refer to technical assistance under each objective, to support preparation, management, monitoring and evaluation activities.

The programme had an allocated budget of over €6 billion (ESF and match funding), with over €4 billion being spent at the end of 2014. Priority 4 had spent the highest proportion of its allocation (72 per cent), whereas Priority 3 had a negative level of expenditure.

The programme overall outperformed its targets for the absolute number of participants and the absolute number of results achieved, achieving the numerical targets by 2010. Consequently it was decided that it was more appropriate to assess the performance of the programme in terms of the proportion of participants by target group, and the proportion achieving targeted results.

In terms of participation:

- At the end of 2014 over seven million participations in ESF activities were reported, compared to a programme target of below two million, due to the change in economic conditions across the programme period and extra funds resulting from changes in exchange rates.
- However, performance in terms of the share of participants by target group was more variable – for example, only Priority 4 met its target for participants with disabilities, and only Priority 5 for female participation. The programme was more successful in recruiting unemployed individuals and those with higher qualification levels, but less so in recruiting lower skilled workers and inactive participants.

In terms of results:

- The programme also overachieved in terms of the absolute number of results achieved, including 257,000 gaining basic skills against a target of 201,000; 688,000 participants being in work on exit against a target of 201,000; and 1.1 million being in work six months after exit compared to a target of 238,000.
- Performance varied in terms of the share of participants achieving results and by Priority. For example, achievements were similar for Priorities 1 and 4, with the proportion in work at exit being above target, and the proportion not in education, employment or training (NEET)/at risk being lower than target.
- In Priorities 2 and 5 there was an under-performance in terms of the share of participants achieving a level 3 qualification and a slight over-performance in the share achieving at level 2. Larger differences emerged in the share gaining basic skills (with Priority 5 over target at 100 per cent against Priority 2 under target at 40 per cent).

Evaluation synthesis

The England ESF programme 2007–2013 supported a wide range of projects with different

target groups, expected outcomes and delivery models, and so it was not surprising that different methodologies were employed in their evaluation. The methodologies employed were found to be strong in terms of those applied to process evaluations, but weaker in terms of impact (in part due to the programme comprising a large number of small projects),

Some 32 reports were reviewed covering all six Priorities, commissioned by a range of organisations (the majority being CFOs), and with differences in geographic and thematic focus. Coverage by Priority reflected the distribution of funding, with the majority (26) focusing on Priority 1, with 11 focussing on Priority 2. Overall the quality of the reports reviewed was concluded to be good and the reports were fit for their intended purpose.

A wide range of methodologies were followed in the evaluations, most commonly a combination of qualitative interviews with participants and stakeholders and an assessment of management information (MI). The qualitative interviews focused on process evaluation, often examining what worked well/less well and the level of participant satisfaction with their experiences. Some studies combined qualitative research with wider beneficiary surveys, to explore the impact of the programme and the level of satisfaction with it.

The qualitative interviews frequently featured a broad range of individuals, including participants, project staff, wider stakeholders and employers. This allowed a complete and balanced view of the projects' successes and areas for improvement, and for findings from a range of perspectives to be triangulated.

A limited number of studies assessed the additional/net impact of the project or programme in question – an important finding given the emphasis on identifying impact in the 2014–2020 programme. Two of these used formal quasi-experimental approaches (one Difference-in-Difference, one Propensity Score Matching) and

seven a comparator group analysis, each using administrative data to assess the counterfactual. Two further studies estimated net impacts by assessing the 'additionality' of the project or programme.

Fewer studies analysed the value for money (VfM) the project or programme represented using different approaches. Two studies estimated the additional gross value added (GVA) the project or programme generated and compared this to programme expenditure; a further two conducted cost benefit analyses by monetising the results achieved and comparing this to expenditure; and one study estimated the unit cost of provision compared to similar projects or programmes.

The main strengths of the research reviewed lay in the process evaluation of projects and programmes, identifying what worked well and why, and what did not work well. The main weakness of the research was that most studies did not assess the additional impact of the project or programme or the VfM, despite these being important factors when deciding whether a project or programme has been a success.

Findings from the evaluations

The review of evaluation reports sought to identify what had worked well (and so represented good practice), what less well, and the key lessons for future programmes.

While the examples of good practice identified were not new or innovative to the evaluation community, they nonetheless provided useful lessons for project providers and for policy makers. Examples of such good practice included:

- involving local or specialist organisations/local partnerships in engaging participants and in the delivery of the programme;
- using partnership working/networking to bring in specialist knowledge and allowing organisations to learn from each other;

- a key worker approach to provide wraparound, often intensive, support from a single point of contact;
- providing work placements and activities tailored to participants' needs;
- commissioning projects through correctly specified Payment by Results (PbR) contracts to ensure a focus on sustained results; and
- recognising soft outcomes, particularly for hard-to-reach groups.

Key areas of learning from the programme included:

- multiple referral routes are desirable to ensure sufficient participants are recruited, and to allow for referral agencies experiencing difficulties;
- good communication and sharing of information and learning are essential for effective collaborative/partnership-based projects;
- the use of a key worker approach can be particularly effective when their support continues after the participant enters employment or training, to aid sustainability;
- when offering work placements, consideration should be given to accessibility/travel time, and how this might affect participants' abilities to undertake other activities;
- for PbR contracts to be successful, they must be correctly specified to encourage sustaining results without causing cash flow problems; and
- when looking to engage with specific target groups, such as females or disabled workers, projects targeting these specific groups should be considered.

Review of the 2007–2013 ESF Evaluation Strategy

The review of the 2007–2013 programme evaluation strategy explored a series of issues including: awareness and understanding of the

strategy, fitness for purpose, implementation, management and governance, impact and influence, and lessons for the 2014–2020 programme. Overall the strategy was found to provide a useful framework for the identification of operational and strategic issues and, through the Programme Monitoring Committee and Evaluation Sub-committee, the formulation and steering of activities to address them. The review findings included:

- **Awareness and understanding** – in the majority of cases interviewees had a clear awareness and understanding of the objectives and content of the strategy, although in a few this was not the case, emphasising the need for continued promotion.
- **Fitness for purpose** – the review concluded that the strategy was fit for its intended purpose, and was described as comparing well with those produced by other Member States. Few areas for improvement were identified, although suggestions were made regarding content and specific activities (e.g. the cohort survey).
- **Implementing the strategy** – a series of challenges meant that the effective implementation characterising the first half of the programme was not repeated in the second. In the second half reduced staffing led to the delay and cancellation of studies and limited the support that the ESF evaluation team could provide to develop the new 2014–2020 programme. Despite these challenges the studies which were completed by the evaluation team continued to be of good quality overall.
- **Management and governance** – the management of the evaluation strategy sat with the ESF evaluation team, with the Evaluation Sub-committee (a sub-committee of the Programme Monitoring Committee) leading on evaluation issues. Intended to meet every six months, the frequency of sub-committee meetings reduced to annually in 2011, with an 18-month gap between the previous and

most recent meetings in 2015. Views of the effectiveness of the sub-committee varied – from positive to others who felt it had a mainly administrative function, with the active exchange of learning being limited.

Lessons and suggestions for improvement in the context of the 2014–2020 programme included: involving representatives of other Government Departments in the sub-committee; providing opportunities for the in-depth consideration of evaluation findings and their implications for the programme; and ensuring clarity over the ‘ownership’ of the strategy (the evaluation team or the Managing Authority) and responsibilities under it.

- **Impact and influence** – the evaluation strategy made the commitment to disseminate its outputs through a range of channels, to support the exchange of learning and to stimulate policy and operational development. However, there have been few opportunities for this learning to be shared, and the implications for the programme discussed. This limitation was considered to be the main weakness of the 2007–2013 strategy by many of the consultees.

Consequently, few examples of evaluation outputs being applied to the planning and implementation of the programme were identified, examples of which included changes to the delivery of the cross-cutting themes, and learning from the cohort survey on the importance of continued support to ensure results are sustained for the most challenging groups. Consultations with CFOs and wider stakeholders suggested that national and local evaluations had had a greater degree of influence at the local level. Several interviewees did, however, comment that recommendations from evaluations were not always followed up by implemented action plans.

Overall, for the second half of the programme, we conclude that while fit for purpose, challenges

with the implementation of the strategy meant that the overall objectives of addressing the operational and strategic needs of the programme (and of the 2014–2020 programme) were not met. Despite the evaluation strategy not meeting its overall objectives, the evaluations commissioned under it did provide valuable insights into the delivery, performance and outcomes for the ESF programme.

Recommendations

A series of recommendations were proposed for the 2014–2020 programme, and for the 2014–2020 Evaluation Strategy.

Recommendations for the 2014–2020 programme – included:

- Projects working with individuals a long way from the labour market should consider following a ‘key worker’ approach, where a single point of contact provides holistic or wraparound support for participants throughout service delivery. This was widely reported as being an effective way to engage with, and support, sustained relationships with participants with greatest need.
- Where possible support (from key workers or others) offered to hard-to-reach individuals should not stop when a participant achieves a result, as its continuation can ensure results are sustained.
- Despite the challenges in their design and implementation, include (and promote the use more widely) of impact assessments using CIE approaches. This requires preparatory work early in the programme to consider what data is required and how potential comparator groups can be constructed.
- Promoting the assessment of value for money as part of all evaluations commissioned under the new programme – including providing data on unit costs to support preparations for the next programme period.

Recommendations for the 2014–2020 ESF Evaluation Strategy and plan

For finalising the 2014–2020 strategy, our recommendations included:

- Continuing to follow the ‘rolling programme’ approach from the previous strategy, with a mid-point update to allow change in the wider environment to be considered.
 - Actively involving all recipients of ESF funding (and Commission representatives) in finalising the strategy, to help foster understanding, secure commitment and ensure strategic and operational needs are referenced.
 - Providing clear information to CFOs and others on the requirements of the strategy and their role/inputs to it – including requirements for data provision.
 - Ensuring that the strategy is sufficiently resourced and that the necessary number of appropriately skilled staff are in place in the ESF Evaluation Team, and in the CFOs, to implement the strategy effectively.
 - Including specific reference to support for the successor programme in the 2014–2020 strategy – to emphasise the importance of ensuring sufficient resources are available.
- In terms of implementing the strategy, our recommendations included:
- Providing clear guidance on evaluation requirements for recipients of ESF funding, with advice on specific issues from the ESF evaluation team (e.g. expected standards for evaluation reports produced).
 - Improving the process for sharing the learning from commissioned evaluations, and facilitating the discussion of implications for the programme, by:
 - Continuing to publish reports and encouraging others to do the same;
 - Enabling more detailed discussion of findings at sub-committee meetings or events / workshops (particularly at the mid-point and towards the end of the programme); and
 - Ensuring that all evaluation reports produced set out the implications of their findings.
 - Ensuring that action plans are produced to respond to evaluation recommendations, and that implementation is monitored and reported to the Evaluation sub-committee.
 - Taking steps to ensure that the staffing complement is maintained throughout the programme – particularly in the latter stages to meet the planning requirements of the new programme.

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