



# Youth Employment Initiative Process Evaluation: Assessment of Strategic Fit, Design and Implementation

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This summary presents the key findings and issues for consideration arising from an evaluation of the Youth Employment Initiative (YEI) in England, undertaken by Ecorys between July and November 2016. The YEI represents part of the European Commission's (EC's) policy response to the social and economic challenges stemming from the financial crisis of 2007-2008, and is implemented in England as part of the European Social Fund (ESF). The evaluation focused on assessing the YEI's strategic fit, design and early implementation. A review of documentation was supplemented by fieldwork undertaken between August and November 2016. Informed by a series of semi-structured topic guides, fieldwork involved 56 interviews including five with ESF Managing Authority (MA) and EC representatives; 11 with European Structural and Investment Funds (ESIF) sub-committee representatives in YEI-eligible areas; and 40 with representatives of YEI providers.

## Key findings

### Strategic fit

There is a clear read across between YEI objectives at the European Union (EU), national and local levels, indicating a high degree of coherence in respect of policy and operational intent. Likewise, YEI projects developed locally all reflect the relevant EU and national guidance. While a few stakeholders questioned

the YEI's relevance due to changes in youth unemployment between the initiative's inception and the start of delivery, most felt the YEI remained highly relevant. Statistical evidence concerning rising not in employment, education or training (NEET) levels in some YEI-eligible areas between 2013 and 2015, and levels of inactive young people not falling as fast as youth unemployment in the UK over the same timeframe, adds further weight to this view.

In England, the YEI complements a number of other policies and initiatives, including those relating to traineeships, apprenticeships and other mainstream employability provision delivered through Jobcentre Plus. In line with the ESF Operational Programme (OP), the YEI has been designed to complement and not duplicate, existing provision, in particular through providing more tailored, intensive and wrap-around support for specific target groups further from the labour market.

### Design and development

Although only a few stakeholders interviewed had an awareness of the development of the YEI at the programme level, in particular in terms of partnership working between Department for Work and Pensions (DWP) as the ESF MA and the EC, those that did expressed positive views. It was noted that the Commission had been responsive and had sought to enable flexibilities

where possible. Likewise, the general view was that partnership working between the ESF MA and local partners in designing the programme in the English context had functioned effectively.

Local ESIF sub-committee representatives generally felt that they were able to substantially influence the calls for proposals developed, and hence strategically influence local project design. However, such representatives often felt that an ongoing role beyond this would have been beneficial. Conversely, the point was made that such a role could constitute a conflict of interest where such representatives were from, or linked to, organisations with a role in YEI delivery. In addition, the restrictions on such a role stemming from the regulatory and governance arrangements for the ESF programme were also cited.

In general, the initial design phase was felt to have worked well. Collaboration between YEI project partners in developing bids and projects was common. In several instances, workshops were used to engage local partners, providing the opportunity to showcase provision as well as offering a forum to share lessons on existing provision. Interviewees also emphasised the key role that good local relationships between the partners involved had played in initial YEI design.

Accepting this, some design challenges were encountered; in particular, the mismatch between the boundaries of Local Enterprise Partnerships (LEP) areas and YEI-eligible areas, the perceived restrictiveness of the YEI guidance and eligibility rules, and the requirement to source local match funding. While these were felt to have been overcome in many cases, restrictions on the ability to support those at risk of becoming NEET was felt to have compromised the potential impact of the YEI in some quarters. A combination of these challenges also represented the key reasons for two LEP areas not being able to take-up the YEI funding allocated.

In terms of factors influencing design, the localism agenda was widely seen as a key consideration. Learning from partners' previous

experience of working with the NEET target group was also described as a primary driver for the design of provision. Value for money was also considered by providers. However, interviewees generally felt that the main consideration was developing provision to meet the needs of the target group, rather than monetary concerns per se. Also in terms of factors influencing design, interviewees generally felt that ESF cross-cutting themes (sustainable development, gender equality and equal opportunities) were taken into account.

While some interviewees felt that YEI procurement processes had worked reasonably well, a notable theme was the length of time taken from launching calls for proposals to the signature of funding agreements. Many interviewees stated that this had significantly impacted on their delivery plans, and some providers mentioned that delays would lead to an underspend due to changes in the local match funding available in the time period concerned. Some interviewees also noted that they felt under pressure to start delivery as quickly as possible in order to achieve their targets and provide support to young people waiting for the provision.

### **Implementation: YEI provision, governance and partnerships**

The provision examined closely mirrored that anticipated in the ESF OP and all YEI projects have adopted governance arrangements which seek to inform, oversee and guide provision at both strategic and operational levels. Providers were generally positive about the arrangements adopted. Local steering group meetings were typically reported to be regular and well-attended, and local operational groups to have high levels of engagement. While governance arrangements were seen as positive by provider staff, several local ESIF sub-committee representatives noted that they would like to see more feedback on the projects in their area.

YEI delivery has often built on pre-existing partnerships, or at least relationships, between

the local organisations involved, in some cases offering the opportunity to formalise these partnerships. It was also apparent that the partnerships developed had remained fairly stable from the design and procurement stages through to implementation. Where changes have occurred, this was mainly to add new partners to deliver a certain type of provision identified as being required.

In general, interviewees felt that it was too early to make strong judgements around how well delivery partnerships were functioning. Accepting this, some provider representatives cited that their partnerships seemed to be operating well, while others felt that fully cohesive partnership working was yet to emerge. The main challenges faced thus far were typically described as early 'teething issues' around getting processes and paperwork in place, and establishing effective working relationships, though representatives were confident these would be resolved.

There was little indication from the fieldwork that processes to identify and share good practice had been implemented. In part this related to delays in project implementation, and a perceived need to prioritise getting delivery up and running. Of those projects that have been sharing good practice, partnership meetings were the most commonly used forum for transferring learning. Generally, however, it was more common for provider representatives to feel that such good practice sharing would occur, but that implementation would have to be in further first.

### **Implementation: Engagement, delivery and overall implementation**

Engagement processes were generally reported as functioning well. Engagement included referrals from Jobcentre Plus, housing authorities, other employment programmes, partner agencies and other local support organisations. Successful methods cited included targeting areas where young people gather, outreach activity outside working hours, and co-location with relevant services. Many

provider representatives felt, however, that YEI eligibility criteria were contributing to lower-than-anticipated numbers being supported. A common theme was that eligibility evidence requirements were challenging in the context of the target group. Despite there being some flexibility in these requirements, it appeared that such an understanding was not always present amongst provider staff.

Across the stakeholders interviewed, YEI delivery was described as going broadly to plan, though in many cases it was seen as being too early to offer a fully detailed assessment, or to comment significantly on what was working well or less well. However, many of the project staff interviewed felt that the case-worker function – involving building up a relationship with a young person to encourage sustained engagement – was proving effective in particular. The flexibility of the provision was also cited as important in implementation so far, with the ability to tailor support due to the breadth of the YEI project partners being noted as key.

In terms of innovation, YEI projects were most likely to be building on or utilising provision already present. In general, projects were not adopting a completely innovative approach on the one hand, but neither were they completely transposing existing provision into the YEI context on the other.

Although it was a requirement at the YEI procurement stage for projects to identify how the ESF cross-cutting themes would be reflected in the provision, not much has been actively done to date to ensure these themes are reflected in delivery. It was common for provider representatives to note that the focus thus far has been on getting delivery up and running. From this perspective, while cross-cutting themes were seen as important, it was noted that more attention is likely to be paid to this aspect once project delivery is more advanced.

Although projects were generally affected by delays in procurement and contracting, provider representatives reported having positive

experiences with DWP's contract managers. However, interviewees highlighted that queries took some time to be answered. In some cases such answers were also cited as unclear or ambiguous. A further issue for provider representatives was the widespread view that the YEI claims process is particularly onerous, with administrative processes being seen as extensive and time-consuming. A number of provider representatives thus felt that greater clarity and consistency in guidance would help to address some of these issues around contract management and compliance that had emerged to date.

## Issues for consideration

Key issues for consideration arising from the evaluation were as follows:

1. In light of potential additional YEI calls for proposals, it is important to review the existing position in eligible areas to ensure that there is a need for additional funding (i.e. numbers requiring support and able to be engaged are sufficient), and that projects are not currently struggling to spend existing allocations.
2. To avoid delays and knock-on issues for providers, it is worth exploring any ways to reduce the time needed from the submission of bids to the signing of contracts.
3. There is a potential need to review evidence requirements for eligibility in light of the nature of the YEI target group, and/or ensure that provider staff are aware of any potential flexibilities in the evidence required where these exist.
4. There could be possible benefits in reviewing the guidance for providers, ensuring this is consistent across areas, and ensuring that the guidance is collated in a single, easily accessible place.
5. It may be worth considering how further engagement with local partners, including LEPs and other ESIF sub-committee members, can be facilitated on the part of the ESF MA, accepting the programme governance arrangements.
6. Consideration should be given to the stakeholder request that a representative from DWP should attend any future national provider meetings.
7. Ongoing monitoring should be used to ensure that the YEI projects are taking as full an account as possible of the ESF cross-cutting themes in their delivery.

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