

Evaluation of Milton Keynes Neighbourhood Employment Programme

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

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

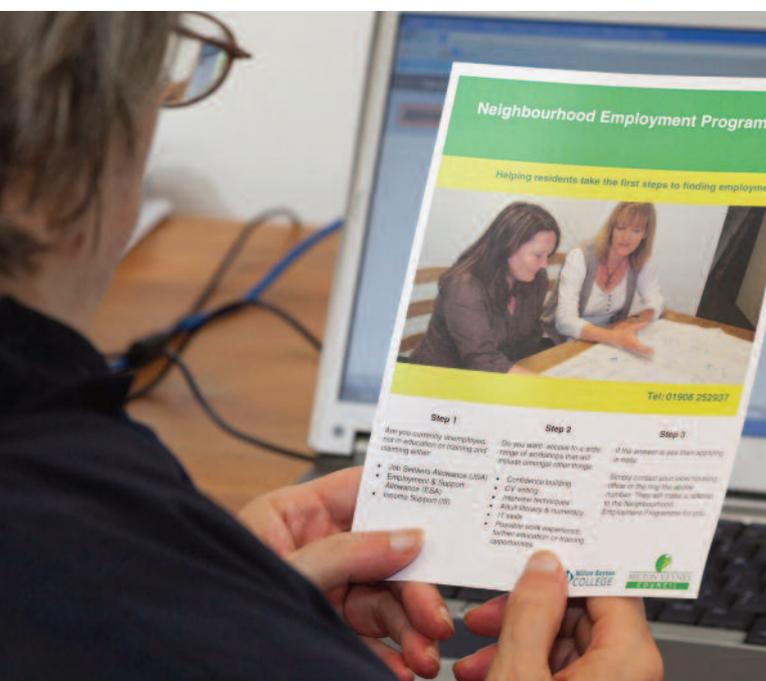


Executive summary

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.

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.

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 2013¹.

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

“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.”

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.

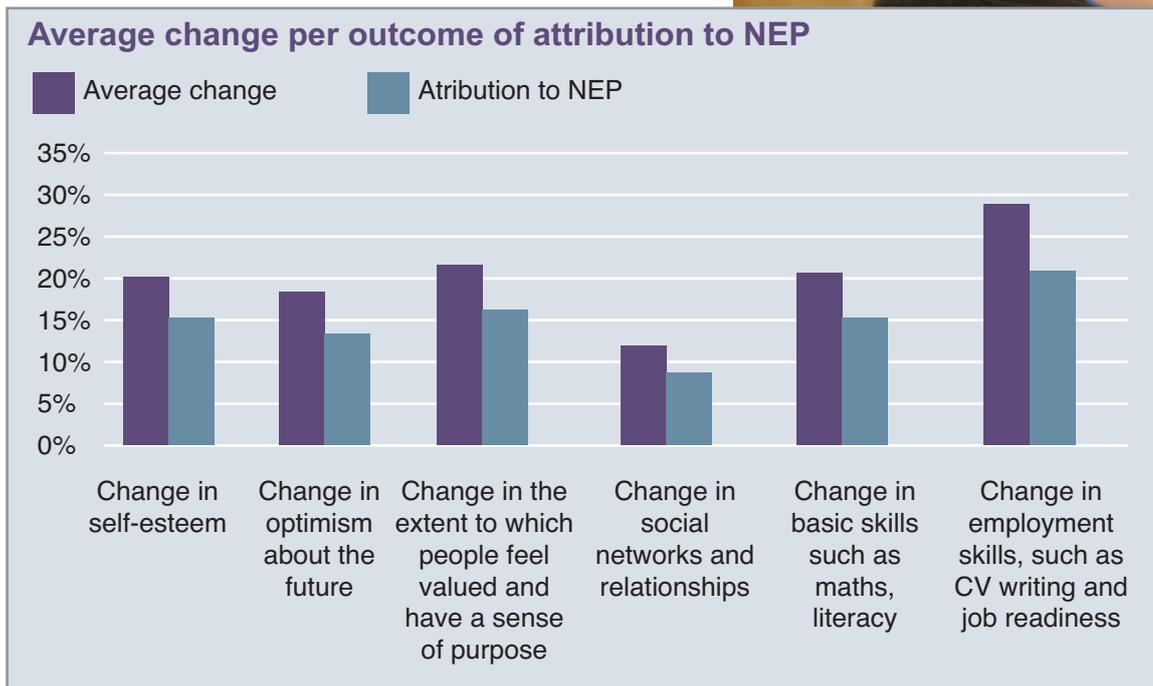


Chart 1: Understanding how the job clubs create change

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.

“It boosted my morale ... 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”

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.

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.

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.



“ [I'd like] to see more funding so that job clubs can always be there for others in the future. ”



¹ 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]



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