



Social Research Number: 9/2023

Publication Date: 07/02/2023

Evaluation of Parents, Childcare and Employment (PaCE)

Final Summative Evaluation Report

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.

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Evaluation of Parents, Childcare and Employment (PaCE)

Evaluation of the Parents, Childcare and Employment (PaCE) Project: Final Summative Evaluation Report

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Views expressed in this report are those of the researcher and not necessarily those of the Welsh Government

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Glossary

| Acronym/Key word | Definition |
|------------------|--|
| APS | Annual Population Survey |
| C-CAS | Coronavirus Childcare Assistance Scheme |
| CfW | Communities for Work |
| CQFW | Credit and Qualification Framework Wales |
| CSCS | Construction Skills Certification Scheme |
| CV | Curriculum Vitae |
| DBS | Disclosure and Barring Service |
| DWP | Department for Work and Pensions |
| ESA | Employment and Support Allowance |
| ESF | European Social Fund |
| ESOL | English for Speakers of Other Languages |
| EU | European Union |
| FIS | Family Information Services |
| FPN | Foundation Phase Nursery |
| FSF | Flexible Support Fund |
| IB | Incapacity Benefit |
| IMAP | Income Maximisation Action Plan |
| IS | Income Support |
| JCP | Job Centre Plus |
| JSA | Jobseeker's Allowance |
| LFS | Labour Force Survey |
| NEET | Not in Employment, Education or Training |
| PaCE | Parents, Childcare and Employment |
| SIA | Security Industry Authority |
| UC | Universal Credit |

1. Introduction

- 1.1 In January 2018, the Welsh Government appointed OB3, Dateb and People and Work to undertake an evaluation of its Parents, Childcare and Employment (PaCE) programme.

Introduction to PaCE

- 1.2 PaCE is a Welsh Government sponsored labour market intervention designed to tackle poverty through sustainable employment. It aims to provide individual support to out of work parents who consider childcare to be their main barrier to accessing employment and training opportunities. More specifically, PaCE is targeted at economically inactive parents aged 25 and over and young parents aged 16 to 24 who are not engaged in employment, education or training (NEET).
- 1.3 The Programme was launched in July 2015, with the intention that it would run until at least March 2018. Since then, however, the programme has been extended, initially to March 2020 and latterly to October 2023. These extensions to the programme have been tied-in to increases in the budget available and alterations to key targets, particularly in terms of engagement numbers and job outcomes to be achieved.
- 1.4 The programme is jointly funded by the Welsh Government and the European Social Fund (ESF)¹ and has a revised overall budget of £24.6 million.

Phases of the evaluation

- 1.5 An initial evaluation report, published in December 2016², set out the context for the programme, the Theory of Change underpinning PaCE and discussed

¹ PaCE is funded under two separate ESF priorities:

- Priority Axis 1: ‘tackling poverty through sustainable employment’. More precisely, PaCE seeks to address Specific Objective 1.1 within the East Wales Programme and Specific Objective 1.2 within the West Wales and the Valleys Programme, both of which aim ‘to increase the employability of economically inactive and long term unemployed people aged 25 and over who have complex barriers to employment’
- Priority 3: ‘youth employment’ in the East Wales Programme and ‘youth employment and attainment’ in the West Wales and the Valleys Programme. More specifically, PaCE seeks to address Specific Objective 3.1 in both programmes, which aims ‘to reduce the number of 16-24 year olds who are not in employment, education or training (NEET)’.

² [Evaluation of the Parents, Childcare and Employment \(PaCE\) Project: process evaluation](#)

early-stage findings surrounding programme processes and participants' experiences of PaCE.

- 1.6 Following the publication of this initial evaluation report, a more comprehensive, four phase evaluation was commissioned, with a series of reports being published over a four-year period.
- 1.7 A Process and Outputs Evaluation report was published in December 2018³ (Phase 1). This report considered the way the programme had been structured, discussed the profile of participants engaged (including the barriers to work they faced), described participants' journeys through PaCE and considered the programme's emerging outcomes at that time.
- 1.8 An Experience and Outcomes Evaluation report was published in March 2020⁴ (Phase 2), looking in greater depth at participants' experiences of PaCE and the differences made to them by taking part in the programme. The report also highlighted lessons to inform future delivery and practice.
- 1.9 This was followed in 2022 by an Impact, Counterfactual and Value for Money Evaluation report⁵ (Phase 3), which looked at the extent to which PaCE had met its targets and provided an insight into the additionality and deadweight attached to the programme. The report also considered value for money, benchmarking the costs of engagements and key outcome measures against other employability programmes.
- 1.10 This (Phase 4) report is intended to draw together the findings of earlier stages of the evaluation. The specific aims of this final phase of the programme of evaluation are to:
 - provide summative evaluation of PaCE
 - consider the veracity of the Theory of Change underpinning the programme
 - consider the on-going relevance of interventions such as PaCE in the context of the 2022 policy climate.

³ [Evaluation of the Parents, Childcare and Employment \(PaCE\) Project: process and outputs](#)

⁴ [Evaluation of Parent, Childcare and Employment \(PaCE\) project: experiences and outcomes](#)

⁵ [Evaluation of Parent, Childcare and Employment \(PaCE\) project: impact, counterfactual and value for money](#)

Structure of this report

1.11 This report is presented in seven chapters as follows:

- chapter one: this introduction to the report
- chapter two: methodology
- chapter three: review of the current policy environment and key contextual changes since PaCE was launched
- chapter four: reflections on the programme's delivery
- chapter five: the extent to which PaCE led to the expected results
- chapter six: the veracity of the Theory of Change
- chapter seven: conclusions and consideration of the on-going need of an intervention such as PaCE.

2. Methodology

Introduction

- 2.1 This chapter provides an overview of the approach taken during this four-phase evaluation of PaCE. It is presented in five sections as follows:
- a summary of the activities undertaken during each phase of the work
 - an account of the desk research undertaken
 - an account of fieldwork undertaken with stakeholders
 - an account of the longitudinal research undertaken with participants
 - a discussion of the approach taken to assessing the difference made by PaCE.

Activities undertaken

- 2.2 As previously noted, this research has been undertaken in four phases between January 2018 and May 2022. The tasks which each of the four phases have involved are shown in Table 1.1 below, with evidence derived as a result of these tasks triangulated to arrive at the findings presented in this report⁶.

⁶ Reports produced during earlier phases of this evaluation provide more detail.

Table 2.1: Method adopted for the evaluation

| | Phase 1 | Phase 2 | Phase 3 | Phase 4 |
|---|---------|---------|---------|---------|
| Desk review of the wider policy context | ✓ | | | ✓ |
| Interviews with stakeholders involved in the design and management of PaCE | ✓ | | | ✓ |
| Interviews with staff from partner/referring organisations | ✓ | | | |
| Interviews with PaCE advisers | ✓ | | | |
| Fieldwork with participants | ✓ | ✓ | ✓ | |
| Coding data and populating a database of participants interviewed | ✓ | ✓ | ✓ | |
| Analysis of the programme database | ✓ | ✓ | ✓ | |
| Multivariate analysis of the programme database | | | ✓ | |
| Analysis of Annual Population Survey (APS) and Labour Force Survey (LFS) data | | | ✓ | |
| Preparation of full and summary reports and agreeing with client | ✓ | ✓ | ✓ | ✓ |

Desk Research

- 2.3 Desk research was undertaken in 2018 to set out the context for PaCE and build a picture of the way in which the programme was being implemented. The desk research involved a review of relevant policy documents, the 2016 initial evaluation report, business plans, programme guidance, management information reports and a range of other supporting documents. It also involved an analysis of the database of programme participants.
- 2.4 The database of participants was analysed again in 2019 and 2021 to provide an up-to-date picture of the programme's performance.
- 2.5 A further review of the policy environment was undertaken in 2022 to capture changes to the context within which PaCE operates and to inform the consideration of future needs.

Stakeholder interviews

- 2.6 Semi-structured interviews were conducted with Welsh Government and Department for Work and Pensions (DWP) officials involved in the design and management of the programme. Ten Welsh Government and DWP representatives were interviewed in person in 2018 and four were interviewed via Microsoft Teams in 2022.
- 2.7 In 2018, interviews were undertaken with individuals involved in the management and/or delivery of family services (e.g., Early Years and Childcare Services, Family Information Services, Families First, Flying Start staff) across all local authority areas served by PaCE⁷. Twelve individuals were interviewed face-to-face and a further 17 were interviewed by telephone⁸.
- 2.8 Discussions about the programme's implementation in particular areas were held with PaCE advisers in 2018, 24 face-to-face via group or individual interviews and a further 15 over the telephone.

Fieldwork with participants

- 2.9 Our fieldwork with participants involved conducting in-depth interviews with a sample of individuals who had engaged with PaCE. This involved a longitudinal element in order to capture participants' journeys into and through PaCE and to provide insight into the programme's effects upon them. Two 'cohorts' of participants were interviewed, as illustrated in Table 2.2 below. The first cohort of participants interviewed had engaged with PaCE between 2015 and 2017 whilst the second cohort comprised individuals who engaged with PaCE during 2018.

⁷ The programme is not run in two local authority areas, Blaenau Gwent and Merthyr Tydfil, because most wards in those areas are served by CfW. Individuals living outside CfW wards in those local authority areas are able to capitalise upon PaCE services delivered by advisers working in neighbouring local authority areas.

⁸ More than one representative were interviewed in some areas

Table 2.2: Timing of longitudinal participant interviews

| | 2018 | 2019 | 2020 | 2021 |
|-----------------------------------|-----------------|------------------|------|------|
| Cohort 1 first interviews | 83 ⁹ | | | |
| Cohort 2 first interviews | | 44 | | |
| Cohort 1 second interviews | | 45 ¹⁰ | | |
| Cohort 2 cohort second interviews | | | | 22 |
| Cohort 1 third interviews | | | | 20 |

- 2.10 Our first interviews with participants were conducted in person and subsequent interviews took place over the phone. Our fieldwork with the first cohort of participants (in 2018) also involved reviewing a sample of participant portfolios and discussions with individual participants' advisers.
- 2.11 Information gathered during our interviews with participants was analysed, coded and recorded on a database of participants interviewed.

The approach taken to assessing the difference made by PaCE

- 2.12 It had originally been our intention to undertake a counterfactual impact evaluation, employing statistical matching techniques to match details of PaCE participants captured in the ESF Participant Survey with comparable individuals extracted from the APS and LFS. This approach was predicated upon an expectation that 1,067 PaCE participants would be available for survey in 2018 with more during subsequent waves of the ESF Participants Survey. In the event, however, only 184 PaCE participants responded to successive waves of the ESF Participants Survey, and this number was insufficient to support the approach originally proposed.
- 2.13 Given these limitations, our assessment of the likely counterfactual position was based on an analysis of APS and LFS data to understand the employment trajectories of economically inactive individuals with dependent

⁹ The intention had been to interview 80 participants

¹⁰ The intention had been interview 40 individuals

children in Wales and elsewhere in the UK, to provide benchmarks against which to compare the transitions of PaCE participants into work.

- 2.14 Multivariate analysis of administrative data was also undertaken to allow us to simultaneously account for the effect of different characteristics on the likelihood that those supported by PaCE would enter employment following their participation on the programme.

3. Current Policy Environment and Changes Since PaCE was Launched

Introduction

3.1 This chapter provides a brief overview of the policy context against which PaCE was developed and how that context has evolved during the roll-out of the programme. It is presented in four sections as follows:

- policy developments associated with UK benefits reform
- Welsh Government policy objectives in relation to tackling poverty
- the evolving policy environment around employability in Wales
- developments around childcare policy, particularly the Childcare Offer in Wales.

UK Benefit Reform

3.2 UK welfare and labour market activation policies have shifted over the last decade and more, with an increased emphasis on preventing people from becoming long term unemployed. This has included moving lone parents (considered to be more at risk of becoming long term unemployed) from unconditional welfare benefits¹¹ to conditional unemployment benefits¹² when their youngest child reaches a particular age.

3.3 The **Welfare Reform Act 2012** heralded a shift to Universal Credit (UC), a new single, means-tested benefit for those in and out of work. The UC replaced six existing benefits¹³ and aims to encourage benefits claimants to start paid work or increase the hours worked, and to make it easier for people to manage the move into work. Existing benefit claimants began to be transferred to UC from 2014 and the roll-out continues. With the roll-out of the UC, the limit on the number of hours that could be worked by Job Seekers' Allowance (JSA) claimants was removed, allowing those transferring to continue claiming UC whilst working more than 16 hours a week.

¹¹ Primarily Income Support

¹² Specifically, Job Seekers' Allowance

¹³ Jobseeker's Allowance, Income Support, Working Tax Credit, Child Tax Credit, Employment and Support Allowance, Housing Benefit

- 3.4 Alongside these changes to benefits, the DWP has introduced various new 'welfare to work' programmes since the launch of PaCE. The **Work and Health Programme** was launched in December 2017, replacing the earlier Work Programme. The Work and Health Programme is a voluntary programme which provides personal support to help individuals identify their employment needs, find long-term employment, access training to help them find work and manage health problems to reduce their impact on work. It is primarily aimed at people who have been claiming unemployment benefits for 24 months or more rather than people who are economically inactive (e.g., those looking after children).
- 3.5 A new DWP employment support scheme, **Restart**, was launched in 2021, with the intention that referrals will be made over a three-year period. It aims to break down the employment barriers that could be holding people back from finding work. It is a large-scale, mandatory, intensive employment support offer for UC claimants, initially aimed at individuals who had been out of work for 12-18 months, but latterly open to people after nine months out of work, with no upper limit. It has been designed as a personalised and flexible programme that can deliver up to 12 months of tailored support to individuals and can adapt to changing national and local conditions.

Tackling Poverty

- 3.6 Whilst welfare policy (delivered through the DWP) remains the responsibility of the UK Government, successive Welsh Governments have made it clear that devolved powers will be used to tackle unemployment and economic inactivity and to address in-work poverty.
- 3.7 The Welsh Government's **Tackling Poverty Action Plan** (2012) included actions to help people into work and recognised Flying Start, Families First and Jobs Growth Wales as key mechanisms to deliver its outcomes. PaCE was designed to build upon the Families First and Flying Start programme infrastructures to help reduce the number of workless households.
- 3.8 The **Child Poverty Strategy for Wales** published in 2015 also aimed to:
- reduce the number of workless households

- increase the skills of parents living in low-income households so they can secure well-paid jobs and progress in work
- reduce inequalities in health, education and economic outcomes for children and families.

3.9 The 2019 progress report¹⁴ highlights PaCE specifically as contributing towards the objective of supporting people into decent jobs, whilst also acknowledging that child poverty in Wales has remained high.

3.10 The coronavirus pandemic had a huge impact on the most vulnerable in society during 2020 and 2021, and the Welsh Government developed the **Child Poverty: Income Maximisation Action Plan** (IMAP) for that period. The IMAP included a series of practical actions aimed at maximising the incomes of families living in poverty in Wales and the provision of support to help them build financial resilience. The plan promoted awareness of benefits and financial support available and provided additional advice services to help those most at risk of poverty to help them claim all the benefits to which they were entitled.

3.11 The **Families First** programme provides support to disadvantaged families and communities across Wales and aims to reduce the number of families developing complex needs and requiring intensive or costly interventions¹⁵. Supporting progression into and within work is one of four programme outcome areas. Families First is administered by local authorities and can help with coordinating support from different agencies and advising on specific projects that can help address families' specific needs. Local authorities are encouraged to integrate the delivery of Families First with other complementary programmes and to link with initiatives which provide opportunities for youth employment¹⁶.

¹⁴ [Child Poverty Strategy: assessment of progress 2019](#)

¹⁵ [Families First Guidance](#)

¹⁶ [Evaluation of Families First: year 3 report](#)

Employability Policy

- 3.12 The Welsh Government published an **Employability Plan** in 2018, alongside a ten-year implementation plan that set ambitious targets relating to unemployment, economic inactivity, and skills levels.
- 3.13 The Plan recognises that despite high employment rates in Wales, there are geographical variations in the opportunities available and that some groups, including women, ethnic groups and disabled people continue to experience poorer labour market outcomes.
- 3.14 The Plan seeks to address the in-work poverty that is often the result of underemployment or short-term, insecure and low paid jobs and highlights the need to consider barriers to work, including the availability of good quality childcare.
- 3.15 One of the key themes of the Plan is to provide an individualised approach to employability support with a commitment to developing bespoke solutions to those in greatest need, with a particular focus on the economically inactive and those less likely to be in contact with mainstream employment support.
- 3.16 A commitment is made to create an Employment Advice Gateway as an 'independent' broker and new employability support structure, Working Wales¹⁷, aimed at supporting the unemployed, economically inactive and individuals aged over 16 who are NEET. PaCE is mentioned in the Plan as a key programme within this support structure, working alongside the Childcare Offer, and a 'continued commitment to support working families with childcare' so that parents have easier access to sustainable jobs and employment options.
- 3.17 The Plan recognises the value of co-locating local employability support and health services and outlines the intention of the Welsh Government to encourage this approach to simplify access and stimulate cross referrals.
- 3.18 In March 2022 the Welsh Government launched an updated employability plan, **Stronger, fairer, greener: Wales: a plan for employability and skills**.

¹⁷ The Employment Advice Gateway nomenclature was dropped, and Working Wales adopted instead. Working Wales provides access to support via programmes such as Jobs Growth Wales and ReAct

It responds to the priorities of the Programme for Government through a shared commitment to ensure no-one is left behind and everyone reaches their potential. The new plan seeks to outline clear policy priorities with a sharper delivery focus in order to leave a legacy for future generations¹⁸.

- 3.19 The Plan is set against the backdrop of a Wales facing the loss of EU funds and recovering from the COVID-19 pandemic¹⁹.
- 3.20 The tackling economic inequality headline aims to ‘prioritise and consolidate Welsh Government led, national employability support’, targeting those who are currently under-represented in the labour market and those who are out of work due to long-term health conditions.
- 3.21 In future, Welsh Government commits to:
- strengthening the joint-working concordat with the DWP so that national provision can be optimised to meet the needs of the priority groups
 - consolidating Welsh Government led employability programmes to deliver a new single operating model from 2023 onwards to include ReAct+, Community Employability Programmes and Jobs Growth Wales Plus
 - delivering a phased expansion of early years childcare provision to include all two-year-olds and fund childcare for families where parents are in education, training or on the edge of work so that they can either prepare for the labour market, improve existing skills, or secure more sustainable employment
 - setting and monitoring challenging diversity targets on all employability programmes and services to increase participation and outcomes for underrepresented groups. Priority groups will include ethnic minorities (including migrants), disabled people, those with a learning disability, women, lone parents, carers, young people and older workers²⁰.

Childcare Policy

- 3.22 A review of childcare capacity in Wales in 2017 mapped the supply of childcare at that time against potential future demand and noted that further

¹⁸ [Stronger, Fairer, Greener Wales: A Plan for Employability and Skills](#), page. 4

¹⁹ Ibid, Foreword

²⁰ Ibid. p.27

research was required to understand parental behaviours and actual demand for childcare. The report questioned whether there were sufficient places available to provide a Childcare Offer in Wales²¹.

- 3.23 Welsh Government committed in its **Taking Wales Forward programme for government 2016-21** to provide 30 hours of government funded early years education and childcare for all 3- and 4-year-olds for up to 48 weeks of the year. All local authorities are also required to provide a minimum of 10 hours of Foundation Phase Nursery (FPN) entitlement during term-time in either a maintained or funded non-maintained setting.
- 3.24 The review recommended that the childcare sector be given priority sector status as part of Welsh Government's **Workforce Plan for Wales**, with a particular focus to be given to areas where childcare capacity was limited. In 2017, the Welsh Government published its 10-year **Childcare, Play and Early Years Workforce plan** in response to this recommendation, with financial support available for providers in the Childcare Offer pilot areas and to providers looking to start or expand a current business in response to the Childcare Offer.
- 3.25 In 2018, a **review of the Childcare Sector in Wales** highlighted how childcare providers faced 'obstacles and risks to expansion', including low profit margins and vulnerability to 'abrupt changes to regulation and funding'²². The report also estimated that around 20 per cent of all parents felt unable to work due to caring responsibilities either because childcare was not available, or it was unaffordable. Nine out of 10 of parents affected were women²³.
- 3.26 The **Childcare Offer**²⁴ was launched in 2017 in seven pilot areas and rolled out incrementally across Wales between 2018 and 2019. Changes were made to the Childcare Offer delivery model due to the outbreak of COVID-19 in March 2020, but the Welsh Government committed to maintaining payments

²¹ [Childcare Capacity in Wales: Mapping childcare supply against potential demand](#)

²² [Review of the Childcare Sector in Wales](#), p.7

²³ Ibid, page. 47

²⁴ The [Childcare offer](#) is available to three and four-year-old children whose parents earn on average at least a weekly minimum equivalent to 16 hours at the applicable national minimum wage and earn less than £100,000 a year.

to providers for childcare under the Offer, even when a setting was closed, or a child was unable to attend due to lockdown. This commitment continued for three months ending in June 2020²⁵. Those who could access the Offer before March 2020 were able to return to funded childcare from this point onwards.

3.27 The Offer was temporarily suspended to new entrants between April and August 2020, and the budget for the Offer repurposed under the Coronavirus Childcare Assistance Scheme (C-CAS) to cover the costs for the pre-school age children of critical workers and vulnerable children. The Offer reopened to new entrants in September 2020.

3.28 By the end of 2021, four evaluation reports of the Childcare Offer have been published. Key findings from the latest report include:

- awareness of the Offer is high, due to promotion on social media and word of mouth
- COVID-19 created challenges for families accessing Foundation Phase Nursery and childcare at more than one childcare setting
- over half of parents accessing the Offer earned below the national average annual full time salary level
- whilst 88 per cent were already using formal childcare before accessing the Offer, 45 per cent of these were now using more hours of formal childcare due to the Offer
- parents felt that the offer made it easier for them to undertake their work (73 per cent); increased flexibility in the way they worked (53 per cent); would have been working fewer hours had the Offer not been available (30 per cent); and the Offer had given them the potential to increase their earnings (46 per cent).

3.29 The fourth evaluation report states that whilst awareness of the Offer is high amongst eligible parents, their knowledge of the details (in terms of how it works, who is eligible and what they are entitled to) remains relatively low. It also found that organisations and programmes that also work with parents of young children, including out of work parents, are not always sufficiently

²⁵ Ibid., p.16

informed about the Offer²⁶. PaCE advisers that contributed to the evaluation noted that they were aware of the Offer but that they did not always feel sufficiently informed and did not always feel confident that they could provide parents with accurate, up-to-date information about it. PaCE advisers also noted that they did not think the parents they supported had much knowledge of the Offer and often did not consider childcare options in any detail until they managed to secure work. They also reported that they directed parents to online information about the Offer but did not usually provide them with a direct contact at their local authority who could provide the detailed information they needed, as they did not work sufficiently closely with the Offer teams. PaCE advisers also thought that the application process for the Offer hinders some parents from applying²⁷.

- 3.30 The report recommends that 'local authorities may need a renewed focus on raising awareness of the Offer amongst partner organisations operating within their area, including PaCE and JobCentre Plus (JCP), and provide them with details relating to the Offer that they can pass on to the parents they support.'²⁸
- 3.31 The **Programme for Government 2021-26** commits to funding childcare for more parents in education and training. Following the Cooperation Agreement with Plaid Cymru this was expanded to include support for those on the edge of work. Currently, whilst the early education element of the Childcare Offer is a universal offer, access to the childcare element is only available to eligible working parents. From September 2022, the Welsh Government intends to expand the Offer to enable parents who are in education and training to also benefit from the additional hours of funded childcare as a 'first step' in achieving their Programme for Government commitment. Initially this expansion of the Offer will focus on parents enrolled on higher and further education courses. Over time, the Welsh Government intends to include additional cohorts of learners including those in adult learning, work-based

²⁶ [Evaluation of Year 4 of the Childcare Offer](#), p.10

²⁷ Ibid., page 38

²⁸ Ibid., page.10

learning, community learning and those undertaking short term learning, including English for Speakers of Other Languages (ESOL) courses²⁹.

- 3.32 The Welsh Government also announced an additional £6 million per annum to increase the hourly rate paid to childcare providers from £4.50 to £5 from April 2022 and committed to reviewing the rate at least every three years thereafter in an attempt to provide greater sustainability across the childcare sector in Wales.
- 3.33 There is a further commitment in the Programme for Government to expand free childcare to all 2-year-olds in Wales, with an announcement expected in due course as to how this will be rolled-out.
- 3.34 **Flying Start** is an early years programme aimed at families with children under four living in disadvantaged areas which provides, amongst other things, free, high-quality part-time childcare for 2–3-year-olds. PaCE was intended to build upon the Flying Start infrastructure, where it was available.
- 3.35 The latest Programme for Government (2021-26) states the intention to continue support for the ‘flagship’ Flying Start programme, with a decision to extend it as a universal offer across Wales. From September 2022, additional target areas in every local authority in Wales will be included in the programme. Plans for a larger expansion of childcare via Flying Start are to be announced in the autumn of 2022. Once fully rolled out, all families in Wales with children aged 2 to 3 years will be eligible for 12.5 hours of funded, high-quality childcare for 39 weeks of the year.

²⁹ [Written Statement: Expansion of the Childcare Offer for Wales, 2 March 2022](#)

4. Reflections on the Delivery of PaCE

Introduction

4.1 In this chapter we seek to provide an outline of the PaCE programme and reflect upon the way it has been delivered. This chapter is presented in two sections as follows:

- a brief recap upon the background to PaCE, the delivery model adopted and the outcomes which the programme was intended to deliver
- reflections on the delivery of the programme.

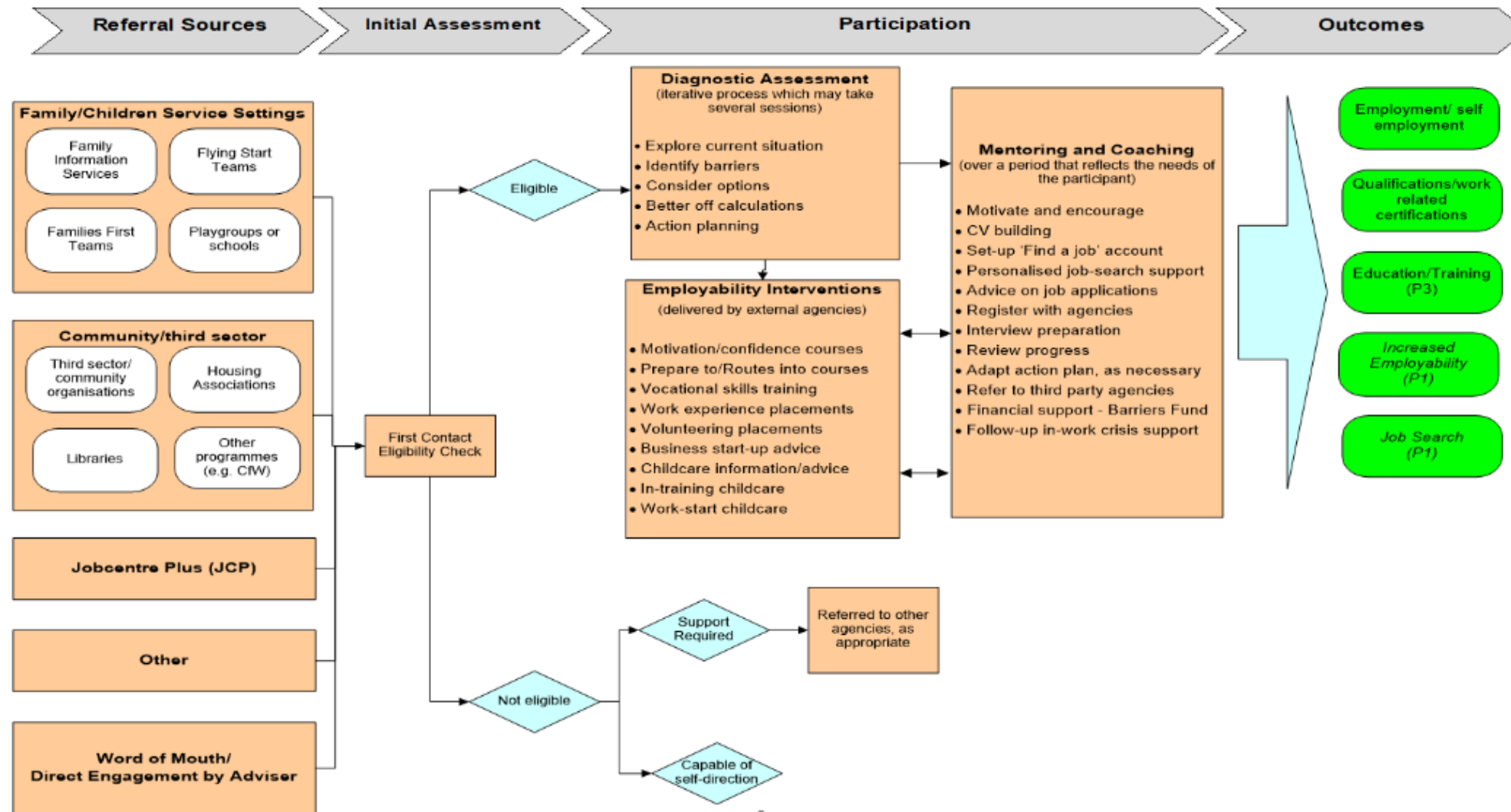
Introduction to PaCE

- 4.2 As previously noted, PaCE is a Welsh Government sponsored labour market intervention designed to tackle poverty through sustainable employment. It aims to provide individual support to out of work parents who consider childcare to be their main barrier to accessing employment and training opportunities. More specifically, PaCE is targeted at economically inactive parents aged 25 and over and young parents aged 16 to 24 who are not engaged in employment, education or training (NEET).
- 4.3 PaCE operates alongside mainstream provision targeted at those who are not in employment, such as the DWP's Work and Health Programme and latterly its Restart programme. It also works alongside the Welsh Government's Communities for Work (CfW) and CfW+³⁰ programmes and Childcare Offer³¹, as well as local authority led services such as Families First and Family Information Services, in order to provide a seamless, integrated service to potential clients.
- 4.4 The programme is delivered by a team of PaCE advisers who provide intensive support to participants to explore employment options, consider their development needs, overcome barriers to employment and find workable solutions to childcare challenges. Advisers also work with a range of partner organisations, both to secure referrals onto the programme and to source employability support for PaCE participants. Figure 4.1 seeks to capture the journey into and through PaCE which participants are generally expected to take.

³⁰ CfW+ was launched in 2018, by which time PaCE was well established.

³¹ The Childcare Offer was launched in 2017, when PaCE was already up and running.

Figure 4.1 PaCE intended delivery model



Source: [Evaluation of Parents, Childcare and Employment \(PaCE\): Process and Outputs Evaluation Report](#), p.17

- 4.5 Figure 4.1 shows that the primary outcomes which PaCE is expected to deliver are:
- participants progressing into employment or self-employment
 - participants gaining qualifications or work-related certifications
 - participants progressing into education or training as a step towards employment³².
- 4.6 The business plans for PaCE also set out ‘increased employability’ and engaging in ‘job search’ as outcomes of the programme, though in practice these are more difficult to evidence and have not been subject to the same degree of scrutiny as the more measurable outcomes discussed below.
- 4.7 As an ESF-funded operation, PaCE is also expected to contribute to the three cross-cutting themes of equal opportunities and gender mainstreaming, sustainable development and tackling poverty and social exclusion. Allied to this, the programme is expected to contribute to the realisation of the Welsh Government’s Wellbeing of Future Generations goals, as set out at annex 1.

Reflections on the delivery of PaCE

- 4.8 In this section, we return to the PaCE intended delivery model illustrated in Figure 4.1 and discuss how different components of the programme have worked in practice.

Referrals into PaCE

- 4.9 It was intended that PaCE advisers would be located in family/community settings, accessible to target participants e.g., Flying Start and children’s centres. It was envisaged that being located in community settings would allow PaCE advisers to foster good working relationships with staff from agencies involved in supporting families and thus, help generate referrals and deliver a seamless service to individual clients. PaCE advisers have worked from family/community settings but doing so proved more difficult in practice than expected because:

³² This is only measured as an outcome for participants aged 16-24 i.e. so called Priority 3 participants

- Flying Start centres tend to be located in areas served by Communities for Work rather than PaCE
- relationships with local authorities have not developed to the degree intended in all areas, sometimes because of the contraction of local authority services in the face of financial pressures
- community settings are not always conducive locations in which to hold sensitive conversations with participants
- poor internet connections and security restrictions have hampered remote access to DWP systems limiting advisers' ability to work in 'real time' with clients from outreach centres.

- 4.10 There was a deliberate intention at the design stage to avoid locating PaCE advisers within JCP offices in order to mark-out the PaCE offer as something distinct from mainstream welfare provision. In practice, however, JCP offices have often proved more practical and fruitful locations for PaCE advisers to work from and advisers have made significantly more use of JCP premises than expected.
- 4.11 Our fieldwork found that there are advantages to advisers spending time in JCP premises, not least being able to promote PaCE to DWP work coaches, being immediately available to individuals attending JCP offices and being able to access DWP databases. The downside of advisers spending more time than anticipated in JCPs was that they may not be integrating as fully as they might with family support networks and may miss opportunities to engage with parents who are more difficult to reach, including those not claiming welfare benefits.
- 4.12 This means that the single most important source of referrals onto PaCE has been JCP, with far fewer participants than expected being referred by family/community organisations or being engaged directly by advisers through outreach working. This means that the majority of PaCE participants are likely to be welfare benefit claimants. Conversely, economically inactive parents who are not claiming benefits make up only a small proportion of participants.

- 4.13 The flow of referrals from JCP reduced in the wake of COVID-19 and following the DWP's introduction of the Kickstart³³ and Restart³⁴ programmes in response to the pandemic. The pandemic also made it more difficult for some parents to engage with PaCE, whilst observing lockdown rules and, in many cases, home-schooling children.
- 4.14 The pandemic prevented advisers from working from either JCP premises or outreach locations. For a period, they were limited to delivering a remote service, primarily over the phone, by e-mail or text. Whilst advisers have been able to return to JCP offices over the last few months, DWP risk management protocols mean that they have not been able to return to community locations in the same way and the resumption of the full service seems likely to take some time.

Adviser support – assessment and mentoring

- 4.15 Adviser support is at the heart of the PaCE programme. It involves advisers getting to know participants, understanding their circumstances and ambitions, and developing a sense of the things that hold them back from working. There is a strong emphasis upon developing a positive relationship with participants and building trust, allowing an on-going discussion throughout individual clients' journeys through PaCE. The support provided by advisers is key in helping individuals to:
- understand their situations, explore possibilities and consider work options: advisers help inspire participants to think about work whilst managing their expectations and tempering unrealistic ambitions
 - consider ways to develop their skills and make themselves more attractive to employers: advisers discuss and - where relevant - arrange training and/or volunteering opportunities for participants

³³ [Kickstart](#) provided funding to employers to take-on 16-24 year olds on Universal Credit. The Scheme ran from September 2020 until March 2022.

³⁴ [Restart](#) provides Universal Credit claimants enhanced support to find jobs. The programme is delivered by Serco in Wales and is open to individuals who might otherwise be eligible for PaCE. Restart was launched in July 2021 and is still running.

- develop CVs, apply for jobs and prepare for interviews: in some cases, this includes organising funding to help with travel costs or with the cost of appropriate clothing or work equipment
- understand that they would be better off financially in work: participants often need help to navigate the welfare system and seek reassurance that they will not compromise their families' financial security by moving into employment
- think through how they will deal with childcare responsibilities: participants were often unaware of formal childcare options or the financial support available to allow them to take-up the options available.

4.16 Crucially, participation in PaCE is entirely voluntary and participants can determine the intensity and pace of their involvement with the programme. This marks a key difference between the service provided by PaCE and that available through mainstream DWP programmes: advisers have more time to work with participants and the relationship between advisers and their clients is more equal than that between DWP work coaches and their clients in that it is not overshadowed by compulsion or the threat of sanctions.

4.17 No two advisers work in exactly the same way. The approach taken by each adviser depends on their own personal experience and preferences as well as the needs and motivations of clients. Whilst these differences lie in emphasis rather than anything more fundamental, there have been marked differences in the numbers of participants with whom individual advisers have worked.

Employability support

4.18 The employability support aspect of PaCE essentially comprises four main elements: training, volunteering, advice and help with childcare and help to deal with costs associated with participation or starting work.

Training

4.19 Training forms a key component of PaCE, helping participants to develop skills, attain qualifications and enhance their CVs, thus, increasing their chances of securing employment. The training undertaken can be broken down into three main types:

- employability skills courses

- short vocational courses leading to work related certifications such as basic food hygiene, first aid and construction
 - more substantial vocational training programmes leading to recognised qualifications, primarily at level 2.
- 4.20 Where possible, participants are enrolled onto free training provision delivered under the auspices of programmes such as Flying Start or local authority 'Into Work' services, free employability courses put on by JCP or free vocational courses offered by further education colleges. Where no such provision is available, advisers look for suitable training from the single provider retained by the Welsh Government to deliver training to PaCE and CfW participants.
- 4.21 The single provider procurement model adopted essentially required the provider retained to source and sub-contract training providers outside the area which it already served in south Wales. The procurement model, supported by an electronic booking system, represented an innovation that did away with the need for advisers to search the market for suitable training provision. It also presented a means by which the Welsh Government could more easily manage the consistency and cost of training provision across Wales.
- 4.22 Whilst the situation improved over time, difficulties experienced by the procured provider in finding sub-contractors to deliver training led to an unevenness in the availability and take-up of training across Wales, with areas in the north being particularly badly served. The absence of provision in some parts of Wales undoubtedly meant that some participants were unable to undertake the training they wished, at least for a period whilst sub-contracting arrangements were put in place.
- 4.23 Participants' ability to undertake training was also affected by the pandemic, with in-person training becoming impossible for several months. In response, the retained provider developed a range of on-line and blended learning³⁵ options to allow participants to continue training during the pandemic period.

³⁵ By 'blended learning', we mean courses that involve a mix of on-line learning and face to face training

Such on-line courses were regarded as an important means of keeping some participants engaged with the programme.

- 4.24 In reality, however, the volume of on-line training undertaken during the pandemic period was minimal, partly because parents found it difficult to engage whilst also looking after children full time and, in many cases, home schooling children. The take up of blended learning options was subdued for the same reason and also because many participants were reluctant to engage in face-to-face elements of blended courses, even as social distancing restrictions were eased.

Work experience through volunteering

- 4.25 PaCE participants are encouraged to consider volunteering in order to gain experience of particular kinds of work, develop confidence, have something to put on their CVs and to secure recent references. As well as being a means of developing or honing work-related skills, volunteering is seen as a means of allowing participants to try out fields in which they may have never worked and to trial the use of formal childcare whilst they volunteer.
- 4.26 In practice, relatively few participants took up volunteering opportunities, though those who did were overwhelmingly positive about the experience, with some individuals being offered jobs by the organisations with which they had volunteered. Our multivariate analysis of the PaCE participant database showed that undertaking a volunteering opportunity was associated with a 79 per cent increase in the likelihood of entering employment.

Barriers fund

- 4.27 The barriers fund is used to meet the costs of things that allow individuals to participate in PaCE or progress into work e.g., Disclosure and Barring Service (DBS) checks or bus fares to work. It is very much a fund of last resort, with advisers drawing upon the DWP's Flexible Support Fund to support most participant related incidental costs.
- 4.28 Barriers fund expenditure is relatively modest compared to the costs of the programme as a whole. The small amounts spent do, however, make a difference to the participants who benefit.

Childcare

- 4.29 PaCE aims to support parents whose main barrier to work is childcare responsibilities. The programme was intended to support parents having 'difficulties in accessing or affording childcare'³⁶ by providing advice on childcare related matters as well as funding to help meet the costs of childcare whilst individuals undertake activities designed to prepare them for work (e.g., engaging with advisers, training and volunteering) and as parents make the transition into work. A significant provision was made within the original programme budgets to meet the financial costs of childcare.
- 4.30 In practice, demand for financial support to meet the costs of childcare has been lower than expected and the nature of childcare barriers more nuanced than first anticipated. Our fieldwork revealed that whilst childcare is seen by participants as a big issue when they first become involved in PaCE, this often reflects a lack of knowledge of the support that is available. Individuals are overwhelmed by the prospect of simultaneously trying to hold down a job, manage financially and look after their children. On top of that, it is difficult to get to grips with precisely what kind of childcare is needed in the abstract, without first being clear about working hours and the costs of childcare. In essence, the way in which childcare acts as a barrier to employment is more complex than simply the availability or affordability of formal childcare. In order for individuals to feel able to use formal childcare (in any of the myriad ways it is used), they first need to understand what is available, how it works, how much it costs, what help can be accessed to meet those costs, how that help can be accessed and how to go about sorting things out with childcare providers.
- 4.31 PaCE advisers play a key role in this regard, informing participants about childcare options and helping them think through their childcare needs to arrive at workable solutions: the childcare landscape can be complex, with Flying Start providing 2.5 hours of free childcare a day (depending on postcodes) and the Childcare Offer providing working parents of three- and four-year-olds with up to 30 hours of free early education and childcare a

³⁶ PaCE Business Plan – WWV P1 v1.2, p.5

week at present. Advisers are also crucial in helping participants understand the financial implications of entering work and in navigating the welfare benefits/UC system.

- 4.32 The lower than expected take up of financial support for childcare is attributable to a several factors such as participants engaging with the programme during nursery or school hours, and family and friends featuring more prominently than expected as a source of childcare. Advisers are often instrumental in helping participants arrive at blended solutions to manage childcare responsibilities, which encompass a combination of nursery/school, formal wrap-around provision, and family and friends.
- 4.33 The pandemic also had a significant impact upon the take-up of childcare support, both because parents did not feel able to continue engaging with PaCE and because childcare settings were only able to provide for vulnerable children and the children of key workers.
- 4.34 Our analysis of programme data revealed that participants who might be deemed closer to the labour market (those who are better qualified and those who have been out of work for shorter periods) were more likely to receive help with childcare costs than the participant population as a whole. This partly reflects the high take-up of 'into work' childcare support by more work ready participants as they make the transition into employment. It also owes something to the low level of take-up of childcare support to allow less work ready participants to undertake volunteering and training opportunities, as well as the increased availability of free childcare options (essentially negating the need for PaCE childcare support). However, it might also suggest reluctance to engage with formal childcare among those furthest from the labour market.
- 4.35 It must also be recognised that it remains difficult for some parents to find workable childcare solutions, particularly individuals with children who have health issues or additional learning needs and for individuals with several children of differing ages.

5. The extent to which PaCE has led to the expected outcomes

Introduction

5.1 In this chapter we seek to assess whether PaCE has delivered what it set out to deliver. This chapter is presented in two sections as follows:

- a discussion of the outcomes achieved by PaCE, specifically the three primary outcomes discussed in the previous chapter:
 - participants progressing into employment or self-employment (job outcomes)
 - participants gaining qualifications or work-related certifications
 - participants progressing into education or training as a step towards employment.
- consideration of the wider impacts of PaCE.

Outcomes achieved

Job outcomes

5.2 PaCE is primarily concerned with helping to move non-working people into employment and ‘job outcomes’ has been the headline target for the programme since it was launched.

5.3 The achievement of job outcomes has consistently exceeded expectations. By October 2021, 44 per cent of all PaCE participants (this equates to 2,885 individuals) had gone into work, exceeding the revised overall job outcome target of 36 per cent, which itself exceeded the original target of 20 per cent. However, actual job outcomes were severely impacted by the COVID-19 pandemic and have only made a partial recovery since. It is possible, therefore, that an even higher proportion of participants could have progressed into work had the pandemic not struck.

5.4 We estimate that around 520 more participants would have engaged with PaCE by October 2021 had the pandemic not intervened³⁷. Assuming that a similar proportion of these additional participants would have progressed into work, it is arguable that a further 229 job outcomes could have been

³⁷ A total of 6,535 participants had been engaged up to that point.

achieved³⁸. Moreover, as noted, it is possible that an even higher proportion of participants engaged by the programme, could have progressed into work had the pandemic not struck.

- 5.5 The job outcome rate for PaCE compares very favourably with that for other loosely comparable European Social Fund (ESF) employability operations in Wales. For example, 33 per cent of those taking part in Lift went into work³⁹, 30 per cent of Communities for Work⁴⁰ participants achieved job outcomes and 27 per cent of those engaging with the Employability Skills Programme⁴¹ moved into work.
- 5.6 However, PaCE was more successful at progressing some groups of individuals into work than others. A greater proportion of participants who might be described as more ‘work ready’ entered employment, including individuals who were already looking for work, those who had been in work more recently, better qualified individuals, those able to speak Welsh and those of an age (30 to 40 years) at which they were more likely to have children of school age. This, together with the fact that a majority of referrals to PaCE came from JCP and that almost half of all participants who progressed into jobs did so within three months of joining the programme, might suggest an element of deadweight (i.e., that some of the participants supported would probably have entered employment even if they had not engaged with PaCE).
- 5.7 Our fieldwork as well as our analysis of APS/LFS data, suggest that 27 per cent of participants progressing into work would not have done so without support from PaCE. This equates to 1,567 additional parents entering employment by October 2021. Furthermore, it is probable that PaCE accelerated the transition into work of other participants who might have found jobs later than they did.

³⁸ A total of 2,885 participants had progressed into employment by October 2021

³⁹ [Evaluation of the Lift Programme](#) Phase 3: Effectiveness and Efficacy p.34

⁴⁰ [Evaluation of Communities for Work Stage 3: Assessment of Emerging Outcomes and Impacts](#), p.51

⁴¹ [Mid Programme Review of the Employability Skills Programme](#), p.50

- 5.8 Our analysis of programme data showed that particular aspects of the PaCE programme were associated with improvements in job outcomes, including help in meeting childcare costs, undertaking a volunteering placement and, to a lesser degree, the achievement of qualifications or work-related certifications. Whilst these separate elements of PaCE clearly made a difference to individuals' chances of progressing into work, the programme's success was built upon the holistic approach taken, whereby practical support (such as financial help with childcare, opportunities to undertake training or opportunities to volunteer) forms part of an integrated package underpinned by the guidance and encouragement provided by PaCE advisers.
- 5.9 Whilst childcare responsibilities made it more difficult for individuals to work, this was often not the only barrier faced. Analysis of programme data showed that other factors which impact adversely upon the likelihood of participants finding work include:
- being from Black, Asian and Minority Ethnic Communities (possibly reflecting the effects of barriers such as being migrants with less experience of the UK labour market, having poor English language skills and living in socioeconomically deprived communities)
 - having a work limiting health condition/disability
 - being a lone parent
 - being aged 16-25 (possibly reflecting a lack of work experience)
 - being poorly qualified
 - being out of work for longer than five years.
- 5.10 Our fieldwork also pointed to the detrimental effects upon the prospect of progressing into employment of participants: having multiple children; having mental health issues and their coming from families with a history of joblessness.

Qualifications and/or work-related certification achieved

- 5.11 Targets for the attainment of qualifications or work-related certifications were reduced on the two occasions when the programme was extended, essentially recognising weak performance in relation to these outcomes up to those points.

5.12 Several factors contributed to this weak performance, including:

- participants not being especially interested in training (their priority was to find work rather than to develop their skills or acquire qualifications)
- a focus on unaccredited employability training, including short courses delivered by DWP and by employers looking to recruit
- an unevenness to the availability of courses from the provider retained by the Welsh Government to deliver training to PaCE participants, especially in the programme's early days
- varying levels of awareness among advisers of mainstream training provision available in their areas e.g., via further education colleges
- the requirement to shift to on-line delivery in the face of COVID-19 leading to fewer options being available, at least in the early days of the pandemic
- on-line learning suiting some participants but not appealing or being accessible to others, albeit that the volume of on-line training undertaken during the pandemic period was minimal
- on-line learning not being a conducive mode of learning for some courses
- administrative difficulties preventing the attainment of some qualifications from being captured
- pressure on PaCE budgets leading to fewer participants being supported to undertake more involved, longer-term training leading to full and higher-level qualifications.

5.13 This final point is linked to an inherent contradiction within the PaCE programme guidance. The Operational Guidance defines 'a person with low skills' as an individual without qualifications 'exceeding Credit and Qualifications Framework for Wales (CQFW) level 2'⁴² but the Training Guidance is clear that, in the case of courses delivered by the Welsh Government's retained provider, 'training referrals for level 3 will be considered on a case by case basis but this would be the exception and approval from Welsh Government would be required in order to progress'⁴³.

⁴² PaCE Operational Guidance (2016) p.19

⁴³ Communities for Work and PaCE Training Guidance V2.0, April 2018 p.6

- 5.14 Our multivariate analysis showed that the achievement of qualifications or work-related certification increased the likelihood of participants aged 16-24 entering employment but had little effect on the employment outcomes of those aged 25 and over. This would seem to suggest that qualifications are particularly important to younger people who lack a track record of working.

Education or training outcomes

- 5.15 Targets for the numbers of participants aged 16-24 (Priority 3) progressing into education or training were also reduced on the two occasions that the programme was extended, again reflecting weak performance in relation to this target up to that point.
- 5.16 As was the case for qualifications, a key reason for this weak performance was that participants tended to be interested in finding jobs rather than returning to learning (notwithstanding what is said above about the importance of qualifications/certifications to young people especially). Allied to this, it is likely that the array of competing programmes (many supported by ESF) available to 16–24-year-olds attracted those minded to look for training: including for example, apprenticeships, Adtrack, Cam Nesa and Inspire to Work.

Cross-Cutting Themes

- 5.17 PaCE contributes to the three cross-cutting themes of equal opportunities and gender mainstreaming; sustainable development; and tackling poverty and social exclusion. Whilst no targets were set, the programme was designed to address eleven case level indicators related to these themes, as set out at annex 1. These indicators are to do with engaging particular disadvantaged groups, the provision of support to help participants into work and running the programme in ways that promote equal opportunities, equal pay, the Welsh language, sustainable development and help tackle poverty and social exclusion.
- 5.18 It was clear from our desk research and fieldwork that cross-cutting themes thinking is embedded into the programme's ways of working. For example, Programme documentation and promotional material are bilingual and include

images of women, men and ethnic minority people. Crucially, the cross-cutting themes have been a feature of adviser training throughout the programme's life and form an everyday part of the way in which advisers work with clients.

- 5.19 The programme has been successful in: engaging female participants; helping participants find solutions to childcare barriers; encouraging participants to take-up volunteering opportunities in order to strengthen their CVs; assuring participants that they would be better off in work and helping them navigate the benefits system; and supporting women into work (including in non-traditional sectors⁴⁴). Case studies included in our Phase 1: Process and Outputs Evaluation and Phase 2: Experience and Outcomes Evaluation reports offer examples of PaCE doing these things. Annex 2 also provides abbreviated examples from Welsh Government management information of ways in which cross cutting theme case level indicators have been addressed.
- 5.20 The programme has also succeeded in engaging disabled people and ethnic minority people, though not in the numbers that might have been expected. Furthermore, participants from these groups were marginally less likely to progress into work than participants in general. It is possible that this slightly weaker performance may be attributable – at least in part - to other ESF-funded operations reaching potential PaCE participants from these groups.
- 5.21 All programme documentation (e.g., publicity, participant portfolios) is published bilingually and meets with Welsh language standards. However, the Welsh language as a medium of service delivery was used slightly less than was expected. However, our fieldwork pointed to evidence of advisers encouraging participants to develop their Welsh language skills as a means of strengthening their CVs.
- 5.22 Sustainable development has not been a particularly prominent feature of PaCE, though there has been a step up in the use of virtual communications

⁴⁴ Indeed, the standard ESF participant database was enhanced to capture information about the jobs into which participants progressed, in part, to capture evidence of progression into non-traditional jobs

platforms in the wake of the COVID-19 pandemic, thus reducing the travelling done by advisers and other team members.

- 5.23 In addressing these cross-cutting themes, PaCE also contributes towards the realisation of aspects of the Welsh Government's Wellbeing of Future Generations goals.

Impact of PaCE

- 5.24 The Theory of Change underpinning PaCE identified a number of longer-term impacts which the programme was expected to have, specifically:

- higher parental employment
- higher household incomes
- reduced number of households in poverty
- improved parental health
- increased take-up of formal childcare
- better developmental outcomes for children
- more children starting school with necessary skills.

- 5.25 In this section we seek to provide an indication of the extent to which these have materialised.

Higher parental employment

- 5.26 As previously discussed, some 44 per cent of PaCE participants have progressed into work and whilst some of those doing so would have found jobs anyway, we estimate that PaCE led to 1,567 more parents being in work than would otherwise have been.

Higher household incomes

- 5.27 Although job outcome performance has been encouraging, participants have tended to progress into fairly low-level and low-paid employment. However, those moving into employment are, undoubtedly, better off financially than they were beforehand. PaCE advisers play a key role in checking what effects moving into work will have upon participants' finances and in reassuring them that they will be better off. Our fieldwork also pointed to individuals feeling that

they had more money and that this led to their having choices in their lives that they did not previously have.

- 5.28 However, whilst former participants were better off and were generally satisfied with their earnings, most were reliant on state benefits to top up their income and the risk remains that they will continue living in in-work poverty. Darcy and Finch (2017) noted, for example, that ‘for most low-paid workers, poorly paid positions are not acting as a first rung on the ladder – it is the only rung’, with ‘just one in six employees making sustained progress out of low-wage work’ over a ten-year period⁴⁵. Echoing this contention, fieldwork during Phase 2 of this evaluation found that roughly half of those progressing into low level jobs in 2018 had moved into different elementary roles by 2019.
- 5.29 Women working part time in sales, customer service, accommodation and food service occupations (all important destination sectors for PaCE participants) were identified as a group particularly prone to becoming ‘stuck’ in low paid work. McKnight et al (2016) also referred to ‘low wage careers’ whereby individuals ‘cycle between low paid work and unemployment/non-employment’, with ‘periods of unemployment or employment in low paid jobs [having] a negative effect on individuals’ future employment prospects’⁴⁶.

Reduced number of households in poverty

- 5.30 It is not possible to comment on whether PaCE reduces the number of households in poverty, though the Joseph Rowntree Foundation (2020) showed that the rate of poverty among workless households is over twice that among families with members in part time employment and over three times that of families with members in full time work⁴⁷. Having said this, however, the briefing also showed that rates of in-work poverty are higher among those employed in the wholesale and retail, and accommodation and food services

⁴⁵ D’Arcy, C. and Finch, D. (2017) [The Great Escape? Low pay and progression in the UK’s labour market](#), Social Mobility Commission

⁴⁶ McKnight, A., Stewart, K., Himmelweit, S.M. and Palillo, M. (2016) [Low pay and in-work poverty: preventative measures and preventative approaches](#). Brussels, Directorate-General for Employment, Social Affairs and Inclusion, European Commission, p.25

⁴⁷ Joseph Rowntree Foundation (November 2020) [Briefing: Poverty in Wales 2020](#), p.3

sectors⁴⁸, both of which represent important employment sectors for former PaCE participants. The briefing also noted that ‘one factor in being unable to escape in-work poverty is the need to balance paid work with caring for children’⁴⁹.

Improved parental health

- 5.31 Again, it is not possible to comment definitively on the programme’s effects upon parental health. However, the negative effects of worklessness upon both physical and mental health are well documented. Bratley (1994), for example, pointed to four aspects of unemployment which affect health: poverty; stress; unhealthy behaviours; and a lower likelihood of future employment⁵⁰. Similarly, What Works Wellbeing (2017) showed that moving from non-employment into employment is associated with improvements in mental health⁵¹.
- 5.32 Our fieldwork uncovered examples of individual parents feeling better both physically and mentally as a result of moving into work. Examples included a mother losing weight and feeling physically fitter as a result of entering work and several parents speaking of having a greater sense of purpose and fulfilment as a consequence of ‘moving forward’ in their lives.

Increased take-up of formal childcare

- 5.33 PaCE undoubtedly led to some parents using formal childcare where they would not otherwise have done. However, the take-up of formal childcare was not as great as originally anticipated among PaCE participants.

Better developmental outcomes for children

- 5.34 The scope of our research did not extend to measuring children’s developmental outcomes. However, our fieldwork provided some anecdotal evidence that parents’ participation in PaCE and/or children’s related exposure to formal childcare had positive impacts. Individual parents spoke of

⁴⁸ Ibid, p.4

⁴⁹ Ibid, p.1

⁵⁰ Bartley, M., (1994), [Unemployment and ill health: understanding the relationship](#). *Journal of Epidemiology and Community Health*, 48: p.333-337

⁵¹ What Works Wellbeing (2017), [Briefing: unemployment, \(re\)employment and wellbeing](#)

children blossoming in childcare and becoming more confident and independent as a result of engaging with others of the same age and with people outside their immediate circles.

More children starting school with necessary skills.

- 5.35 Again, the scope of our research limits our ability to comment on the effects of PaCE upon children's skills upon starting school. Anecdotal evidence from parents would, however, suggest some positive effects in terms of preparing children for school where they had limited experience of being away from their parents and of children's linguistic skills improving as a result of being exposed to formal childcare.

6 The Veracity of the Theory of Change Underpinning PaCE

- 6.1 In this chapter we return to the Theory of Change underpinning PaCE and consider the extent to which the assumptions made when the programme was developed hold water in practice. This chapter is presented in two sections as follows:
- an introduction to the Theory of Change
 - consideration of the veracity of the assumptions that informed the design of PaCE.

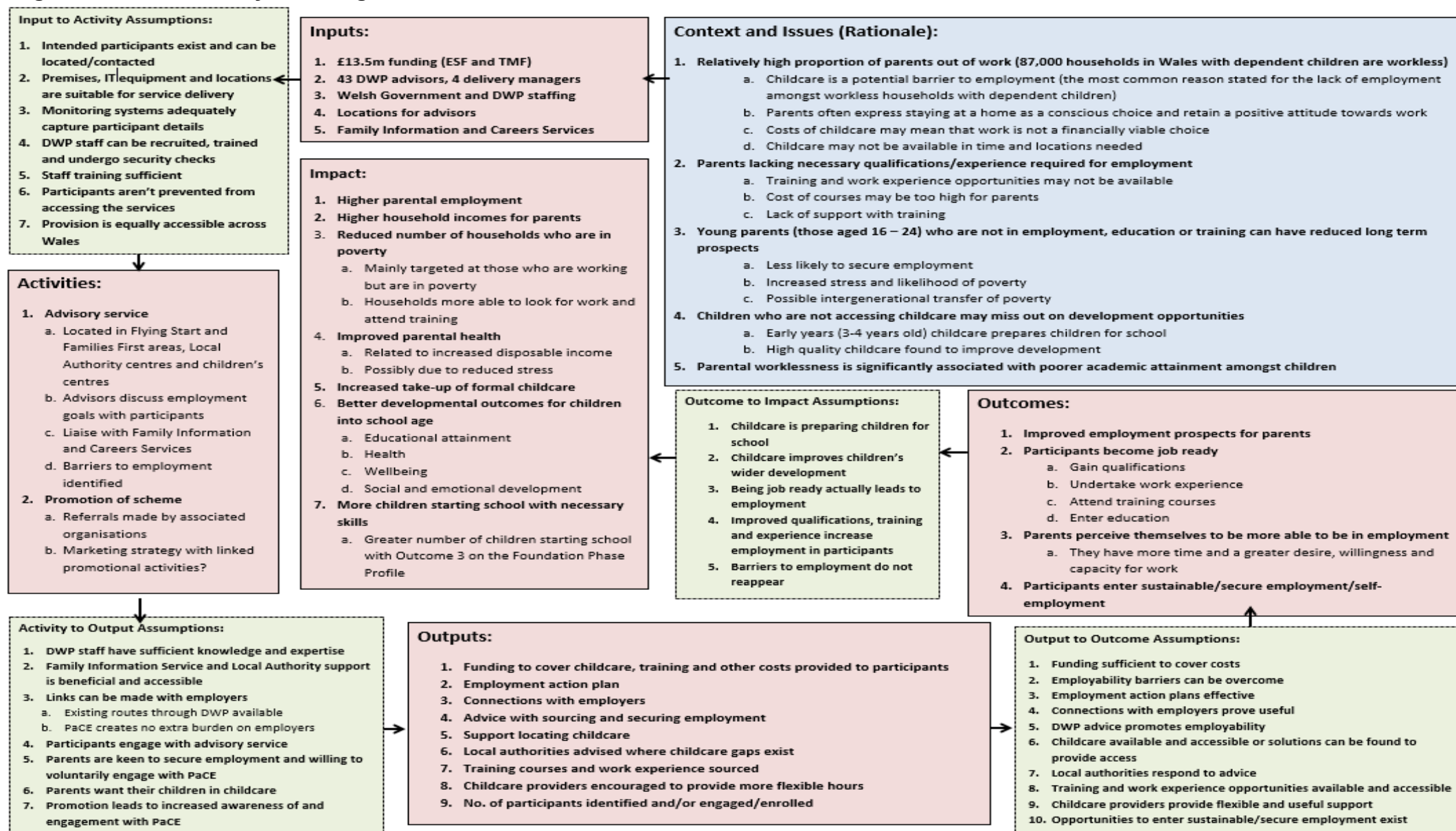
Introduction to the PaCE Theory of Change

- 6.2 The 2016 Process Evaluation report set out the context for PaCE and the Theory of Change underpinning the programme. The Theory of Change outlined the rationale for the programme, the assumptions that informed the design of PaCE and encompassed the logic model which summarised the inputs available to the programme, the activities to be undertaken, the outputs to be delivered and the outcomes and impacts which the programme was expected to achieve. The Theory of Change and logic model is shown at Figure 6.1.

Veracity of the assumptions that informed the design of PaCE

- 6.3 Table 6.1 that follows sets out our assessment of the extent to which the assumptions made hold up in practice. Whilst several of the assumptions made have proved well founded, others have been at least partially misplaced, and this means that some aspects of PaCE have not been implemented quite as planned. It should be noted in this context, however, that the assumptions set out were made in more stable times, before COVID-19 impacted so significantly upon people's lives and the ability of agencies to deliver services.

Figure 6.1: PaCE Theory of Change



Source: [Process Evaluation of the Parents, Childcare and Employment \(PaCE\) Project](#), p.30

Table 6.1: Assessment of Veracity of Theory of Change Assumptions

| Assumption | Veracity |
|--|--|
| Input to Activity Assumptions | |
| <p>1. Intended beneficiaries exist and can be located/contacted</p> | <p>Analysis of Annual Population Survey (APS) and Labour Force Survey (LFS) data would suggest that, at any given point, there were potentially some 20,000 non-working parents in Wales who:</p> <ul style="list-style-type: none"> • would like and were seeking work • wanted to work but were not looking for work because of childcare responsibilities <p>This would certainly suggest that the intended participants exist.</p> <p>The revised engagement target for PaCE amounted to 8,777 across the life of the programme, equating to some 1,050 individuals per annum, or five per cent of the population for whom PaCE was intended. Despite the adverse effects of the COVID-19 pandemic, 6,541 individuals had engaged with PaCE by October 2021, equating to 1,033 per annum, suggesting that the (revised target for) intended participants have been located.</p> <p>However, the launch of the DWP's Restart programme in 2021 affected referrals onto PaCE, with DWP work coaches tending to refer individuals eligible for PaCE to Restart instead.</p> |
| <p>2. Premises, IT equipment and locations are suitable for service delivery</p> | <p>PaCE has not been rolled out into family/community settings to the extent expected both because settings are not always ideally situated for PaCE (with many being located outside the areas served by the programme) and because relationships with local authorities have not developed to the degree intended.</p> <p>Whilst IT equipment used by advisers generally works well, it is not always possible to use the equipment to its full potential when working from outreach locations. This is due to poor internet connections, and security restrictions preventing remote access to DWP systems. This limits advisers' ability to work in 'real time' with clients. It is notable in this regard, however, that contrary to expectations during Phase 1 of this evaluation in 2018, advisers are now able to access Universal Credit (UC) claimants' records.</p> |

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| <p>3. Monitoring systems adequately capture beneficiary details</p> | <p>Monitoring systems are primarily designed to capture data to satisfy WEFO's needs rather than to manage the programme.</p> <p>Whilst some additional data, beyond those required by WEFO are collected, the programme database still lacks information that would allow a more complete understanding of participants' situations and journeys through PaCE. For example, it does not record data on participants' work histories, on the numbers and ages of dependent children or on perceived barriers to work. Some additional data about participants are captured in participant portfolios and in separate records (e.g., a spreadsheet detailing participants accessing financial support for childcare), but these are not brought together in one place to allow a more comprehensive analysis to be undertaken.</p> <p>Having said this, however, it is recognised that a balance needs to be struck between over-burdening advisers and capturing sufficient data to allow the effectiveness of the programme to be assessed.</p> <p>It is also notable that programme data are captured in Excel spreadsheets, the format prescribed by WEFO. Given the number of participants engaging with PaCE though, this is not the most appropriate software for this purpose, and we would argue that a more sophisticated client management system is needed.</p> |
| <p>4. DWP staff can be recruited, trained, and undergo security checks</p> | <p>It took longer than anticipated to appoint the full cadre of PaCE advisers. However, by the time Phase 1 of this evaluation was undertaken in 2018, a full complement of staff was in place. Notwithstanding some turnover in the intervening period, the staffing of PaCE remained fairly stable until the onset of the COVID-19 pandemic. At this point, PaCE advisers were partially redeployed to help the DWP mitigate the effects of the pandemic before returning to their normal duties by September 2020.</p> |
| <p>5. Staff training sufficient</p> | <p>Induction and on-going training provide staff with the knowledge and skill needed to do the job. Nevertheless, on-going training is needed, including on welfare benefits, the use of benefits calculators and on the Childcare Offer, to ensure that staff remain up to date with developments.</p> |

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| 6. Beneficiaries aren't prevented from accessing the services | There is little evidence of potential clients being prevented from accessing the service, although the Phase 1 evaluation report suggested that awareness of PaCE was not as high as it should be. |
| 7. Provision is equally accessible across Wales | <p>Adviser services are available equally across the areas where the programme has been implemented. However, differences in engagement levels from one local authority area to another may indicate that programme penetration is not even. This variation seems to be attributable to a number of things, including:</p> <ul style="list-style-type: none"> • the quality of relationships advisers develop with JCP work coaches • the level and quality of advisers' interaction with family support services and partner organisations • the balance of time spent by advisers in JCP and community settings, with engagements generally easier in JCP • adviser turnover • individual advisers' style and ability to connect with partners and clients. <p>The Phase 2 report recommended that a deep dive review be undertaken into the reasons for variations in engagement numbers across areas and advisers.</p> <p>The Phase 2 evaluation report also pointed to training provision being more accessible in some areas and less so in others.</p> |
| Activity to Output Assumptions | |
| 8. DWP staff have sufficient knowledge and expertise | <p>Advisers came from a variety of different professional backgrounds and brought different levels of knowledge of welfare benefits and the benefits system to PaCE. By the time of the Phase 1 evaluation, however, most advisers had sufficient knowledge and expertise to support participants.</p> <p>Advisers' skills and knowledge have been developed as the programme has been rolled out, through training on particular themes and as a result of discussion at programme wide events.</p> |

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| | Advisers' understanding of the Universal Credit (UC) has also developed as a result of DWP training and having access to the DWP's UC database. |
| 9. Family Information Services (FIS) and local authority support is beneficial and accessible | Advisers generally make good use of FIS, though the depth and quality of relationships between PaCE and wider family support service teams varies from one area to another. FIS services have contracted in some areas since the start of the programme. |
| 10. Links can be made with employers a. Existing routes through DWP available b. PaCE creates no extra burden on employers | Advisers make links with employers, either directly, through JCP Employer Advisers and in some cases, via CfW+ Employer Liaison Officers. There was no evidence that advisers add to the burden of employers. |
| 11. Beneficiaries engage with advisory service | The support offered by advisers represents the kernel of the PaCE service. Participants' willingness and ability to engage can be affected by a range of personal issues and some engage more fully than others. Target groups that have been under-represented among PaCE participants are: people from ethnic communities; individuals with work limiting health conditions or disabilities; men with childcare responsibilities; people with no or only low level qualifications and Welsh speakers. |
| 12. Parents are keen to secure employment and willing to voluntarily engage with PaCE | <p>Analysis of APS and LFS data show that a majority of economically inactive parents do not want to work. However, a large number of non-working parents want work, albeit that their ability to do so might be constrained by childcare responsibilities.</p> <p>Involvement with PaCE is entirely voluntary and this means that those engaging are generally interested in finding work. Participants' ability to engage with the programme can, however, be affected by personal and external factors.</p> |
| 13. Parents want their children in childcare | Few parents object to their children experiencing childcare, though participants tend to use formal, paid-for childcare to a lesser extent than anticipated. In practice, participants use a blend |

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| | <p>of nursery/school, formal childcare and family/friends to enable them to participate in PaCE and enter employment. Informal childcare features more prominently than had been anticipated when PaCE was developed.</p> <p>Whilst participants are generally open to the prospect of using formal childcare, parents are often put-off doing so by a poor understanding of the nature and cost of childcare provision, the support that is available to help meet the costs of childcare and how to go about arranging childcare.</p> |
| 14. Promotion leads to increased awareness and engagement with PaCE | <p>It was envisaged that a marketing strategy would be put in place and that this would help direct activities designed to promote PaCE. However, the Phase 1 evaluation report found that no such strategy had been developed and the promotion of the programme had been 'low key' (with limited coverage on the web) and ad-hoc (with advisers producing their own tailored promotional materials). It was recommended at that time that a more structured approach to promoting PaCE should be taken, with specific reference made to targeted promotional messages, setting up a stand-alone web-site for PaCE and providing a feed of promotional messages to partner organisations.</p> <p>The Welsh Government accepted the recommendations made and PaCE is certainly more visible on the web by 2022 than it was in 2018. However, the programme continues to have limited visibility on the internet and via social media and it is likely that this impacts upon the programme's ability to reach prospective participants. This is particularly the case among economically inactive parents who do not come into regular contact with JCP (which refers 73 per cent of participants to the programme) or engage with other local services.</p> |
| Output to Outcome Assumptions | |
| 15. Funding sufficient to cover costs | <p>PaCE budgets have been increased on two occasions, as the programme life-span has been extended. Overall, the increases made were roughly proportional to the extended period over which the programme would be delivered, but particular budget lines were adjusted disproportionately. Specifically, the childcare budget was reduced substantially as part of the first reprofile, reflecting the lower than expected demand for financial support for childcare at that</p> |

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| | <p>time. At the same time, the training budget was increased, reflecting demand for longer and more costly courses in the programme's early days, before the provider retained by the Welsh Government had put provision in place.</p> <p>Overall expenditure to October 2021 has been broadly in line with revised budgets, albeit that there has been some slight variation below the headline level.</p> |
| 16. Employability barriers can be overcome | <p>The Theory of Change implies that it is primarily the (un)availability and/or cost of childcare that hinders parents from moving into work. However, the availability and affordability of childcare, of themselves, are not generally the only barriers to employment faced by participants. The difficulty of understanding the childcare 'market' as well as pinning down their precise childcare needs also hinder parents. Advisers are key to overcoming the challenges of navigating childcare arrangements for many participants, but childcare remains a barrier for some.</p> <p>For many parents, other barriers to employment can also be overcome, for example through training to gain qualifications or by undertaking volunteering placements to gain work experience. Individual led constraints such as a lack of confidence or financial worries can also be overcome with support from PaCE.</p> <p>Some barriers may require more help than PaCE can provide (e.g., mental health problems) and it is important that PaCE advisers are able to refer participants in these situations to appropriate agencies.</p> |
| 17. Employment action plans are effective | <p>The term 'employment action plan' is a bit of a misnomer in that participants rarely recognise that such plans exist. The participant portfolios are more a record of conversations than 'action plans' per se.</p> |
| 18. Connections with employers prove useful | <p>Advisers' interaction with employers is limited, with DWP employment advisers and, more recently CfW+ employment liaison officers, more often acting as intermediaries. These</p> |

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| | connections are useful in setting up volunteering and work opportunities. Nevertheless, advisers still draw upon connections with employers where appropriate. |
| 19. DWP advice promotes employability | JCP represents a key source of referrals to PaCE. |
| 20. Childcare available and accessible or solutions can be found to provide access | <p>The 2018 review of the Childcare Sector in Wales found that around a fifth of parents felt unable to work because childcare was unavailable or unaffordable. However, earlier phases of this evaluation found that availability or affordability issues were rarely the only childcare related barriers faced by parents. The barriers faced by PaCE participants were generally more nuanced and related to parents' poor understanding of the childcare 'market' and of the support available to them in accessing childcare.</p> <p>However, during pandemic related lockdowns, access to childcare provision was restricted to vulnerable children and the children of key workers. Even when lockdowns were lifted, demand for childcare remained muted and this has given rise to concerns about the on-going viability of some childcare providers.</p> <p>The cost of childcare was said to have increased of late, partly as a result of the effects of the pandemic upon childcare providers. This could affect the affordability of childcare going forward.</p> |
| 21. Local authorities respond to advice | PaCE rarely offers 'advice' to local authorities. |
| 22. Training and work experience opportunities available and accessible | <p>Training opportunities have not been equally available or accessible across Wales, though the situation improved as the provider retained by the Welsh Government found sub-contractors to deliver provision away from the area which it served itself.</p> <p>The onset of the pandemic meant that no in-person training could be delivered for a period and that even as lockdown restrictions were lifted, providers' capacity to deliver classroom-based training was compromised. This meant that very few participants undertook training for several months.</p> |

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| | <p>However, the restrictions arising from the pandemic led to the development of a range of on-line and blended learning options. Whilst take-up of these options has hitherto been patchy, they are likely to be a useful resource going forward, making learning more accessible across Wales.</p> <p>The take-up of volunteering opportunities as a means of gaining work experience has been limited, though prior to the pandemic, this probably owed more to participant reluctance to engage than it did to a lack of opportunity. The pandemic did, however, affect volunteering with opportunities only now opening up again.</p> |
| 23. Childcare providers provide flexible and useful support | <p>Prior to the pandemic, childcare provision was generally flexible, though there were gaps in terms of evening and weekend provision and also in terms of provision for children with additional needs. The childcare landscape was severely affected by pandemic restrictions, and it remains to be seen how it will recover.</p> |
| 24. Opportunities to enter sustainable/secure employment exist | <p>The Employer Skills Survey showed there to be over 40,000 vacancies across Wales in 2019, with vacancies ranging from 2.4 per cent of employment in Mid Wales to 3.9 per cent across South West Wales⁵². This would suggest that prior to the pandemic, job opportunities existed in most areas.</p> <p>However, PaCE participants have tended to progress into low paid, elementary roles, with many moving into other jobs within a short time. Whilst participants are generally satisfied with their jobs, our findings clearly raise questions about the sustainability and security of the employment into which PaCE participants tend to progress.</p> <p>The numbers of jobs available contracted severely during the pandemic period, with some of the sectors favoured by PaCE participants being particularly badly affected e.g., hospitality and retail. The labour market has, however, opened up markedly over recent months.</p> |

⁵² [Employer Skills Survey 2019: Wales Report](#)

7 Conclusions

Introduction

7.1 In this chapter we consider the on-going relevance of interventions such as PaCE in the context of the 2022 policy climate. This chapter is presented in three sections as follows:

- a recap on the effects and impact of PaCE
- consideration of changes to the policy landscape that are of particular relevance to non-working parents
- a discussion of key lessons learned from the implementation of PaCE that might merit consideration in the design of any future employability programmes.

Effects and Impact of PaCE

7.2 PaCE has undoubtedly delivered on its main aim of helping non-working parents to move into employment. We estimate that, by October 2021, 1,567 more individuals than otherwise would have had found work as a result of being supported by PaCE. Being involved with PaCE is also likely to have accelerated the transition into work of still more participants.

7.3 The programme has, however, been less successful than originally anticipated in helping participants to gain qualifications/work related certifications or in moving young people into education or training.

7.4 PaCE has had wider effects upon participants and their families, beyond work or qualifications related outcomes. These have included:

- for participants: increased confidence, a greater sense of purpose and fulfilment, a greater sense of social connection, having more money and providing a good role model for their children
- for participants' families: children blossoming as a result of experiencing formal childcare and having more structure to their lives.

An evolving policy landscape

- 7.5 Reducing poverty through work has been a key policy objective for successive UK and Welsh governments and this seems likely to remain a priority going forward. However, the employability and childcare policy landscape in Wales has changed since PaCE came into being and the programme operates under very different conditions now to those in existence when it was first launched.
- 7.6 At a UK level, welfare reform has seen a range of out-of-work and in-work benefits previously in place (including the Child Tax Credit) being replaced by Universal Credit (UC). UC has been purposefully designed to encourage benefits claimants to work and our fieldwork would suggest that it has made the transition into work easier for parents. UC has been crucial to topping up the earned incomes of PaCE participants progressing into employment and arguably makes it less risky for claimants to move into better or more sustainable jobs over time.
- 7.7 Another significant change has been the introduction of the Childcare Offer, which was rolled out incrementally across Wales between 2017 and 2019. Although there is scope to improve the interface between the two programmes, the Childcare Offer essentially complements PaCE by enabling working parents of three- and four-year-olds to tap into and afford childcare.
- 7.8 The Programme for Government 2021-26 makes clear the Welsh Government's ongoing commitment to supporting and extending access to free childcare, for example by opening Childcare Offer eligibility to parents 'on the edge of work' and to those with children aged two years, and by expanding the Flying Start programme across the whole of Wales⁵³. No commitment is made to extend provision to parents with children aged under two, though such individuals made up around fifth of PaCE participants.
- 7.9 The employability support landscape in Wales is also evolving, with changes likely to accelerate as programmes funded by the ESF, PaCE included, draw to a close. The Welsh Government's updated employability plan already points to the consolidation of employability interventions and also emphasises

⁵³ Flying Start is mainly focused on CfW areas

the importance of working with the DWP to optimise employability support. It is notable in this context, however, that there seemed to be little consultation in regard to the UK Government's Plan for Jobs (in response to the COVID-19 crisis) or the subsequent launch of the DWP's Kickstart or Restart programmes. Little consideration seemed to be given to employability measures already in place in Wales (PaCE included) and this points to the challenge faced in aligning UK and Wales level policies.

Key learning points from the implementation of PaCE

- 7.10 It is not our intention to make the case for any future employability interventions here: this has already been ably made in the policy documents referred to in chapter three. Rather, our purpose is to highlight key learning points to emerge during the evaluation of PaCE.
- 7.11 PaCE is unique among employability interventions in that it targets parents whose main barrier to work is childcare. In essence, it recognises that **non-working parents face particular barriers to work**, including but not limited to the cost of childcare and PaCE, therefore, caters for them as a distinct group. We believe that this has been a strength and has led to strong performance in terms of progressing people into work.

Essential components of employment support for parents

- 7.12 Our evaluation suggests that the PaCE model is effective in many ways, and we would suggest that any employability programme aimed at workless parents should include the key elements shown below. Indeed, many of these elements would also be relevant in supporting other groups of workless people:
- **flexible, personalised support** from staff that understand the particular difficulties faced by parents (see below) and that are able to work at a pace appropriate to each participant's situation
 - **help to understand the childcare system**, what it offers, how it can be accessed and what support is available to help meet the costs of childcare
 - **help to navigate the benefits/credits** implications of transitioning into work, making use of better off calculations at appropriate points during participants' journeys through the programme

- **funding for childcare** where it is needed to allow participation and/or progression (including an element of ‘into work’ funding to help participants make the transition into employment)
- **training**, both accredited and unaccredited (see item 6.18 in relation to qualifications)
- **volunteering opportunities** as a means of providing participants with work experience
- **funding for incidental costs** of participating e.g., licences, DBS checks etc.⁵⁴
- **being voluntary**, with individuals free to determine whether or not they wish to engage, thus allowing participants a greater degree of agency than if the programme were mandatory.

7.13 Although less use than anticipated has been made of community settings for the delivery of PaCE there is value in advisers having a presence in community settings. A community presence helps to make the programme more visible and accessible to potential clients who do not engage with JCP and also helps to increase the visibility of the programme among staff working on parallel interventions, not least CfW and CfW+.

Parents’ motivations

- 7.14 Phases 1 and 2 of our research found that parents seem more susceptible to engaging with interventions such as PaCE at particular stages in their children’s lives. For example, parents were more inclined to engage with PaCE and to look for work when their children turned five and started school, and also when their children turned three and became eligible for free early years education (as part of the Foundation Phase) and latterly, free early years education and childcare (as part of the Childcare Offer).
- 7.15 Parents also become subject to ‘push’ stimuli when their children reach certain ages. When PaCE was first launched, parents claiming Income Support (IS) were obliged to switch to JSA when their youngest child turned

⁵⁴ It is notable that the DWP’s FSF has been used quite extensively to meet additional costs of participating in PaCE and/or progressing into employment. These include costs relating to training, childcare, travel, work equipment etc. PaCE has been a source of last resort to cover such costs.

five, acting as a spur for many to look for work. Similar conditions attaching to Universal Credit push lone parents towards engagement, for example by obliging them to 'take active steps to look for work' once their youngest child reaches two, to 'work a maximum of 16 hours a week (or spend 16 hours a week looking for work)' once their youngest child reaches three and 'to work a maximum of 25 hours a week (or spend 25 hours a week looking for work)' once their youngest child turns five⁵⁵.

- 7.16 This would suggest that **there are optimal times at which parents might be targeted for employability support** i.e., at or during the immediate lead up to these points.

The complexity and cost of childcare as a barrier to employment

- 7.17 The Theory of Change underpinning PaCE implies that it is primarily the (un)availability and/or cost of childcare that hinders parents from moving into work. In reality, however, childcare related barriers are far more nuanced and owe more to parents being unclear about how childcare works, how to go about organising it, how much childcare really costs, what financial support might be available to help with those costs and how to access such support. This is particularly the case for individuals who have little experience of childcare or early years education, typically younger parents and/or parents of one child.
- 7.18 Allied to this, parents are often worried about the financial implications of moving off welfare benefits into work. It is essential that parents are able to see that they will be better off in work, even when childcare costs are taken into consideration.
- 7.19 It is important that any employability programmes aimed at parents provides **tailored support to parents grappling with these questions**. It has been important that PaCE advisers understand the issues parents face, are familiar with the childcare landscape locally and also understand welfare and in-work benefits.

⁵⁵ DWP Guidance: [Universal Credit: further information for families](#), October 2020

Hours worked

- 7.20 Working Tax Credit rules and employability programmes supported by the ESF required individuals to move into jobs of 16 hours or more each week. No such condition attaches to the UC and there is **scope to do away with any minimum working hours requirement in the design of any future Welsh Government employability programmes**. Our evaluation of PaCE has shown that working fewer hours suits some individuals, at least in the short term, and potentially provides a first step onto the employment ladder. However, it is worth noting in this context that it has been shown that the UC ‘incentivises single parents (particularly renters) to reduce working hours below the 16 hours backstop present in the tax credits system’⁵⁶.

Qualifications

- 7.21 Our research has confirmed that a lack of qualifications is a significant barrier to employment. This affects younger people more than older ones who are more likely to have worked in the past and would, therefore, be considered to be ‘qualified by experience’.
- 7.22 Earlier chapters referred to an inherent contradiction within the PaCE programme guidance whereby a person with low skills is defined as an individual without qualifications exceeding level 2, whilst at the same time restricting access to training above level 2. **Consideration needs to be given to where the low skilled/skilled boundary lies and how people might be helped to cross that boundary.**
- 7.23 It is also arguable that **more emphasis should be put upon training that leads to recognised qualifications** within PaCE in order to equip participants with the wherewithal to progress once they secure work, thus reducing the chance of their living in poverty. Emphasis might be put upon qualifications in growth areas, in areas where skills shortage vacancies are regularly reported or, indeed, qualifications needed to work in childcare settings.

⁵⁶ Resolution Foundation (2018) [Back in credit? Universal Credit after Budget 2018](#), p.4

Volunteering

- 7.24 Our research also confirmed that a lack of work experience acts as a barrier to employment, again, affecting younger people more than older ones. By the same token, volunteering as a means of gaining work experience was clearly shown to improve PaCE participants' chances of progression into work. Whilst this points to the appropriateness of volunteering/work placements as part of an employability programme, the low take-up of volunteering opportunities by PaCE participants may suggest that **greater emphasis needs to be put upon volunteering** in any future employability programme.

In-work support

- 7.25 Earlier phases of this evaluation have suggested that an element of in-work support (beyond that already provided informally by some advisers) would be a useful addition to PaCE⁵⁷. This was predicated on a combination of things:
- the finding that PaCE participants typically progress into elementary jobs
 - the findings of previous research that people entering low-paid jobs have limited chances of progression and are at risk of sustained in-work poverty
 - recognition within the Welsh Government's employability plan that 'Wales needs to increase the quality of work and ensure an opportunity for in-work progression'⁵⁸.
- 7.26 Earlier phases of this evaluation recommended that more emphasis should be given to encouraging participants with no or only low-level qualifications to engage in training rather than, or alongside progressing into low-skilled jobs. It was also suggested that **participants progressing into employment are made aware of the Working Wales service as a gateway into further support** to develop their careers and access support for training, recognising that eligibility for future employability programmes will not necessarily be restricted to those who are out of work.

⁵⁷ An element of in-work support was introduced in 2020 following the publication of the [Phase 2 Experience and Outcomes Evaluation Report](#)

⁵⁸ Ibid., p.9

Programme monitoring systems

- 7.27 The monitoring systems put in place for PaCE have been shaped by WEFO requirements. They do not capture some data that relate to the underlying purpose of the programme (helping parents overcome childcare related barriers to employment) and do not, therefore, allow a good understanding of programmes' operations and effectiveness.
- 7.28 **In designing any future employability programme aimed at parents, consideration should be given to the purpose and design of data capture and management systems.** Questions should be asked about the needs of various data users (e.g., front line staff, programme managers, policy makers), integration with other/wider systems (including, potentially, DWP systems), and potential software options etc.

Integrated support

- 7.29 Welsh Government has long recognised the need to integrate policy interventions in order to maximise leverage and avoid unhelpful competition. The revised employability plan makes clear the Welsh Government's intention to consolidate employability programmes under a single operating model from 2023. There is also merit in this in terms of simplifying matters for those referring potential clients for employability support, including JCP work coaches.
- 7.30 It is important that any future **employability intervention aimed at parents is also integrated with the wider family support architecture**, not least Family Information Services, Flying Start, the Childcare Offer, children's centres and community hubs. The evaluation of PaCE has shown that achieving this is not always as straightforward as it might seem. Any future intervention should also be capable of **plugging gaps in childcare funding support**.
- 7.31 The revised employability plan also recognises the need to strengthen joint working with the DWP. PaCE has provided an excellent example of effective joint working between the Welsh Government⁵⁹ and DWP⁶⁰ which has

⁵⁹ As 'lead beneficiary' in ESF terms

⁶⁰ As 'joint beneficiary'

afforded PaCE advisers access to: benefit claimants' records (including UC records); DWP work coaches; desk space in JCP offices; the DWP Flexible Support Fund (FSF); and to DWP employment advisers. This has largely been achieved because PaCE advisers were employed by the DWP, albeit that their day-to-day functions were managed by Welsh Government staff. Consideration needs to be given to how these **links and levels of access might be sustained within any future employability intervention that does not involve DWP as a 'joint beneficiary'**.

Procuring training

- 7.32 The model adopted for sourcing training for PaCE participants essentially involved the Welsh Government retaining a single provider to deliver training and, where it was unable to provide the courses required, to sub-contract other providers to deliver on its behalf. This differs to the approach taken for other employability programmes sponsored by the Welsh Government e.g., ReACT, where grants are awarded to participants to allow them to 'buy' training from providers of their choice⁶¹.
- 7.33 The shock of the pandemic has forced a re-think about how training should be delivered, with a clear shift to on-line and blended learning approaches.
- 7.34 The forthcoming consolidation of Welsh Government led employability programmes provides an opportunity to **consider the relative merits of the different approaches taken to the procurement and delivery of training** within existing mainstream and ESF employability interventions in order to embed effective practice with the new programme(s).

⁶¹ Subject to advice from Careers Wales

Annex 1: Case Level Indicators and Wellbeing of Future Generations Goals

Case Level Indicators for all four PaCE operations

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| Equal Opportunities and Gender Mainstreaming | Positive action measures - women |
| | Positive action measure - BME people |
| | Positive action measure - disabled people |
| | Occupational segregation activity |
| | Activity supporting speakers of the Welsh Language |
| | Childcare provision |
| Tackling Poverty and Social Exclusion | Mentoring / advocacy activity |
| | Volunteering schemes |
| | Equal Pay activity |
| Sustainable Development | Development of an organisational travel Plan and sustainable transport initiatives |
| Cross Cutting Themes General | Developing / engaging CCT champions |
| | CCT staff training programme introduced. |

WBFG Goals

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| A prosperous Wales |
| A resilient Wales |
| A more equal Wales |
| A healthier Wales |
| A Wales of cohesive communities |
| A Wales of vibrant culture and thriving Welsh Language |
| A globally responsible Wales |

Annex 2: Summarised Examples from Welsh Government Management Information of Ways in which Cross Cutting Theme Case Level Indicators Have been Addressed

| CCT Case Level Indicator | West Wales and the Valleys P1 | East Wales P1 | West Wales and the Valleys P3 | East Wales P3 |
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| Equal Opportunities & Gender Mainstreaming (inc. Welsh Language) | | | | |
| <ul style="list-style-type: none"> Positive action measures – Women | <p>Lone mother of a disabled child provided with funding support to obtain a driving licence and learn how to drive.</p> <p>Participant started work with a taxi company for 10 hours a week.</p> | <p>Female victim of domestic abuse out of work for six years helped to tailor CV and prepare for interview in childcare field.</p> <p>Participant secured full time employment.</p> | <p>Female encouraged by PaCE adviser to pursue a level 3 qualification and enrolled onto relevant course, alongside a work placement. Adviser also helped to source childcare to allow participant to undertake work placement and training.</p> <p>Participant completed the level 3 training and offered work for 27.5 hours a week by the placement provider.</p> | <p>Anxious female single parent with little confidence supported by PaCE adviser to: pinpoint relevant skills; identify potential career options; complete a job application; prepare for interview; and secure funding to support childcare costs.</p> <p>Participant secured a job, initially working 16 hours a week, increasing to 30 hours after a while. Participant currently in line for a promotion.</p> |
| <ul style="list-style-type: none"> Positive action measures – Black, Asian and Minority Ethnic | <p>Single mother from ethnic minority background and out of work for six years given job search assistance by PaCE adviser.</p> <p>Participant secured a job which also offers opportunity to gain a qualification.</p> | <p>Participant from ethnic minority background fled domestic abuse and struggling financially. Supported by adviser to apply for jobs relevant to her skills.</p> <p>Participant secured a permanent full-time post.</p> | <p>Single mother from ethnic minority background out of work for over five years. Supported by adviser to secure funding for childcare to allow her to undertake training.</p> <p>Achieved a level 1 Construction Skills Certification Scheme (CSCS)</p> | <p>Participant from ethnic minority background living in a hostel helped to find and fund childcare whilst she undertook an English for Speakers of Other Languages (ESOL) course</p> <p>The participant completed the ESOL course.</p> |

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| | | | Labourer's Card and secured a job in construction. | |
| <ul style="list-style-type: none"> Positive action measures – Disabled People | <p>Housebound, paralysed mother who had no work history supported by PaCE advisers to: write a CV; fill in job applications; understand employer recruitment policies; and access childcare.</p> <p>Participant secured a full-time job.</p> | <p>Isolated parent with a health condition and no IT skills helped by adviser to identify a suitable training course and source a laptop computer.</p> <p>Participant completed the course and now looking for work.</p> | <p>Young mother suffering from a mental health impairment supported by adviser to: identify her interests and aims for the future; undertake on-line job searches; complete job applications; prepare for interview; and understand childcare options.</p> <p>Participant is now employed for 34 hours a week.</p> | <p>Young mother suffering from a mental health impairment and lacking qualifications, a support network or access to childcare. Adviser helped participant identify suitable training and made arrangements with the participant and trainer to support her participation.</p> <p>Participant enrolled on course.</p> |
| <ul style="list-style-type: none"> Childcare provision | <p>Parent of six children between the ages of four and 15. Had been out of work for 16 years, primarily because of childcare responsibilities. Supported by adviser with: CV writing; job search; making arrangements for childcare and organising benefits claims.</p> <p>Participant became a self-employed cleaner.</p> | <p>First-time mum with no experience of organising childcare supported by adviser to: update her CV, undertake job-search; access on-line training; and secure funding to help with childcare costs as she moved into work.</p> <p>Participant progressed into work.</p> | <p>Lone parent living in a rural area with no knowledge of support available to her. PaCE adviser helped her: draft a CV; access childcare support; and signposted her to Citizens Advice for help with debt issues.</p> <p>Participant progressed into work.</p> | <p>A young lone parent supported by adviser to: apply for jobs; understand childcare options; and secure funding to help meet childcare costs.</p> <p>Participant is now in work 25 hours per week.</p> |
| <ul style="list-style-type: none"> Occupational Segregation (Non-traditional Activity) | <p>A single mother who wished to train as a long-distance lorry driver was supported to gain Class 2 (rigid body vehicle) and international carriage licences.</p> <p>Participant working towards a Class 1 (heavy goods vehicle)</p> | <p>A young single mother who was unemployed for over a year supported to undertake on-line training in customer service.</p> | <p>A young single mother who was out of work for over a year supported to undertake Food Safety and Security Industry Authority (SIA) training.</p> | <p>A single mother who had good GCSE grades, apart from in maths. Adviser arranged for participant to pursue a maths course, supporting this with help with both travel and childcare costs. Adviser also helped to organise a work</p> |

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| | licence with the aim of finding work as a lorry driver. | Participant gained a qualification and secured a job as a delivery driver. | Gained a SIA licence and secured a job in security as a door supervisor. | experience placement for the participant. Participant achieved a GCSE in maths and has since enrolled onto an electrical engineering course, for which further support with childcare costs has been arranged. |
| <ul style="list-style-type: none"> Activity supporting speakers of the Welsh language | <p>A Welsh speaking participant needing vocational experience related to her degree in order to find work. Adviser helped participant find a volunteering opportunity, communicating entirely through the medium of Welsh.</p> <p>Participant secured work at a disabled respite centre.</p> | <p>An extremely shy Welsh speaking participant had been out of work for four years. Adviser worked with participant through the medium of Welsh to build rapport and encourage her to undertake a volunteering opportunity which would also entail working towards a childcare qualification.</p> <p>Participant is now working 17.5 hours a week as a nursery setting leader.</p> | <p>A Welsh speaking young mother who has been homeless in the past. Adviser supported participant through the medium of Welsh, encouraging her to apply for jobs and informing her about childcare options. Adviser also helped participant secure financial support to meet travel, clothing and childcare costs.</p> <p>Participant is now working 25-hour a week.</p> | <p>PaCE has a team of delivery and central staff who offer a bilingual service in dealing with correspondence, telephone calls, meetings, events and support to participants. Alongside this, bilingual publicity and promotional materials have been regularly updated.</p> |

Tackling Poverty

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| <ul style="list-style-type: none"> Mentoring / Advocacy activity | <p>Participant had been out of work for two and a half years and was suffering from depression. Adviser supported participant by: informing her of support available; undertaking better off calculations to assure her that her financial security would not be</p> | <p>Lone parent of two children who aspired to becoming a florist but did not know how to achieve this. Adviser helped identify a suitable floristry course and arranged funding to meet the costs of the course, a laptop, travel to and from the course location and</p> | <p>A single mother of two children, who had not worked for three years. She lived in a rural area with limited transport options available. Adviser supported her by: helping draw up a CV; helping with job search activities; undertaking better off</p> | <p>A young lone parent who had never worked, had no CV, job search experience or any idea on how to find suitable childcare provision.</p> <p>Adviser met with participant over a long period to discuss training, education, and</p> |
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| | <p>compromised by moving into work; and helping prepare her for job interviews.</p> <p>Participant has gained employment with flexible working hours.</p> | <p>childcare, both whilst attending the course and for additional study time. The adviser then assisted the participant to find business funding.</p> <p>Participant is now a self-employed florist.</p> | <p>calculations; sourcing funding to help with transport and clothing costs; sourcing funds to pay for driving lessons; and sourcing funding to pay car tax for the participants' new vehicle.</p> <p>Participant can now drive and has secured a full-time job. She is able to get her children to school and herself to work with no issue.</p> | <p>employment options, but participant's level of engagement only stepped up when her son started school full time. Adviser supported participant by: helping to create a CV; sending details of job opportunities; helping participant to apply for jobs; and arranging after school childcare support.</p> <p>Participant is now in full time work.</p> |
| <ul style="list-style-type: none"> Volunteering schemes | <p>Dyslexic participant with three children, who had not worked for seven years. Adviser arranged some volunteering opportunities to help the participant gain work experience and confidence.</p> <p>Participant now pursuing a college course whilst still volunteering for a few hours a week.</p> | <p>A widower with three children aged four to 18 years. He had previously worked in a factory but did not see returning to this as a realistic option, given childcare responsibilities. Adviser helped arrange a volunteering placement to provide the participant with a taste and experience of a different kind of work environment.</p> <p>Participant now volunteers two days a week and is looking to apply for jobs.</p> | <p>Participant lacked confidence and experience and had no help with childcare. Adviser helped participant: develop a CV; and secure a volunteering placement.</p> <p>Participant is still volunteering and is now ready to apply for jobs.</p> | <p>Dyslexic participant who had not worked for four years and had limited employability skills. Adviser supported participant to: set up an email address; develop a CV; search for jobs in a field that interested her; undertake mock interviews; undertake training leading to work related certification; and find a voluntary work placement.</p> <p>The participant was offered a job by the organisation with which she volunteered.</p> |
| CCT General | | | | |
| <ul style="list-style-type: none"> Developing / engaging CCT Champions | CCT Champion Role undertaken by the Senior Delivery Manager for the PaCE operation | | | |

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| <ul style="list-style-type: none">• CCT Staff training programme introduced (SD) | A combination of organisational training, workshops at annual events, online sessions with staff, staff inductions, learning from case studies and learning from organisational relevant policy and procedure documents. |
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