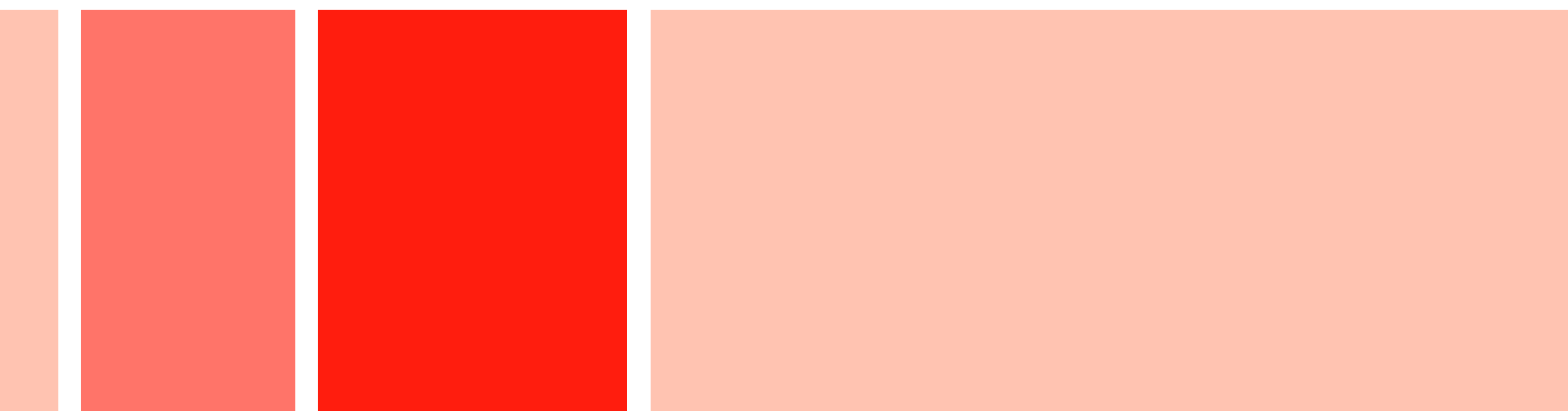Llywodraeth Cymru
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The Evaluation of Communities Two Point Zero

Interim Evaluation Report

The Evaluation of Communities Two Point Zero – Interim Evaluation Report

oldbell³

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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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1.1 Review Aims and Objectives

Old Bell 3 Ltd. was appointed in 2010 to undertake the long term evaluation of Communities Two Point Zero by the then Department for Social Justice and Local Government (DSJLG) of the Welsh Government. Communities Two Point Zero is a Programme[1] which aims to provide a strategic approach to digital inclusion, working with community and voluntary sector groups and social enterprises and which is funded by European Regional Development Fund (ERDF) from the Convergence Programme for West Wales and the Valleys and by the Welsh Government.

The aim of the evaluation is 'to identify and measure the impact of Communities Two Point Zero and its progress in meeting its aims and objectives.'

The evaluation involves three distinct stages. An Initial Process and Scoping Report was published early in 2011[2]. This second report builds on that report and provides an interim, formative evaluation, based on the first two and a half years of the Programme's life.

The original objectives of this second stage, as set out in the initial Specification, were to:

- 'review process monitoring data to assess the progress of the programme against its process targets;
- review output and monitoring data and …collect and review qualitative data to identify and measure intermediate outcomes and assess the social and economic impact of the programme….;

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[1] We refer to Communities Two Point Zero throughout this report as a Programme, although from the perspective of the West and Wales and the Valleys Convergence Programme it is regarded as a project.

[2] http://wales.gov.uk/about/aboutresearch/social/latestresearch/communities2/;jsessionid=5kBmTyQStB8qk2JnXry1ynP67yTLnPF1nWxLzZ81hnzvs8xGz2tN!-366382056?lang=en

- … make an interim assessment… of the value for money of the first three years of the Programme;
- identify examples of good practice;
- undertake a broad review of change in the political, economic and social context of the Programme since its inception and to review how Communities Two Point Zero has adapted to or influenced this change;
- make recommendations on the future of the programme post March 2012.'

However, in the light of the strong focus of the first report on examining the policy context and rationale for the Programme, and the implementation processes, and the fact that, in part as a result of the report, significant changes are being introduced to the delivery mechanisms, it has been agreed that this report should focus largely on the experience and outcomes in terms of those assisted by the Programme. Moreover, the work programme agreed for the whole evaluation involves a longitudinal element (with the second wave of research scheduled for early 2013) which will be essential to any clear understanding of outcomes and impact. Thus, the aim for this report, as agreed in the Scoping Report is to:

- 'Provide a thorough report reviewing progress on implementing the Programme and emerging evidence on its impact;
- Provide clear recommendations on the future of the Programme in the context of the Mid Term Review with WEFO'.[3]

1.2   Work Programme

The work programme for this second stage of the evaluation, which was undertaken between September and November 2011 involved:

- Reviewing policy and strategy documents published since the Initial Process and Scoping Report was published, as well as data from the National Survey for Wales;
- Receiving updated performance data from the Programme's monitoring officer;

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[3] Initial Process and Scoping Report pp. 95-6

- Developing a questioning framework and related research instruments for fieldwork with key stakeholders, assisted organisations and social enterprises and supported individuals (aligning questions for the latter with those being asked in the forthcoming National Survey for Wales)[4];

- Undertaking semi-structured face-to-face interviews with 16 key stakeholders[5], most of whom had been interviewed in the first stage of the research: these included key Welsh Government staff, the Programme's management team at the Wales Co-operative Centre, representatives of each of the delivery partners, and a number of members of the Management Board and external partners;

- Undertaking small focus groups with front-line fieldworkers from each of the delivery partners, as well as the all-Wales officers, during a meeting on 26 September 2011 (in all, 20 of the staff took part);

- Receiving data from the monitoring officer on organisations assisted and drawing a representative sample of seven social enterprises and 13 voluntary and community organisations which were recorded as being assisted by the Programme and undertaking face-to-face[6] interviews with 20 organisations (six social enterprises and 14 voluntary and community organisations): however, six of the original organisations approached (all but one of them voluntary and community organisations) and seven organisations in all declined to take part, generally on the basis that the support received was too slight to allow them to discuss it in detail, with substitutions being made to reach the quota;

- Receiving data from the monitoring officer on individuals assisted, identifying 1,003 for whom a telephone number was available and undertaking telephone interviews with 180 of these (five more than the original target of 175), the completed sample being broadly

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[4] Although differences in method (with the National Survey being carried out face-to-face and our surveys being undertaken by telephone) and scale mean that comparisons between data sets are indicative rather than conclusive, it was agreed as part of the methodology for this evaluation that aligning the questions as far as possible would enable some comparisons to be made between the experience and views of participants in the Programme and the general population.
[5] Four were undertaken by telephone and one by skype. A list is at Annex 1.
[6] In two cases, this was undertaken by telephone at the request of the respondent.

representative of the population as a whole, albeit with a higher proportion of older and retired interviewees and a lower proportion of male interviewees[7];

- Compiling a database of some 320 e-mail addresses of local stakeholders identified as having a potential engagement with Communities Two Point Zero (Chief Executives of County Voluntary Councils (CVCs); Communities First Co-ordinators; Chief Librarians; Local Authority Heads of Regeneration; and Local Authority Heads of Corporate Policy) and deploying a web-based survey to them. In all 62 responded, a response rate of 19%.[8]

1.3 The Structure of this Report

This Report is structured so as to provide an update to the Initial Process and Scoping Report.

We first provide an update on the shape of the Programme itself, and the policy context in which the Programme has been developed and is operating (Chapter 2).

We then turn to the findings of our work to date (Chapter 3), looking in turn at rationale and policy 'fit' (Section 3.1), the way in which the current Programme delivery arrangements and processes are working (Section 3.2), performance to date in terms of the targets set and the budget (Section 3.3), awareness and perceptions of the Programme (Section 3.4), the support being provided and the satisfaction with that support (Section 3.5), the emerging evidence on outcomes and impact (Section 3.6), and, finally, views on the future of the Programme (Section 3.7).

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[7] Comparisons on age and employment status are complicated by the fact that age data was not completed for 9% and employment data for 35% of the beneficiaries on the database. See Annex 2 for more details.
[8] See Annex 3 for details of respondents. In some cases, it is possible that other individuals within the organisation who were not contacted directly might have been more relevant: but it was important to ensure consistency of approach, rather than to include only individuals known to have worked with Communities Two Point Zero.

Finally, (Chapter 4) we outline our Conclusions from this stage of the work and put forward a series of recommendations for the Programme going forward.

2.0 Background

2.1 Communities Two Point Zero: Design and Delivery

As explained in our first report, Communities Two Point Zero is the flagship Digital Inclusion Programme of the Welsh Government which is expected to run for six years from April 2009 to March 2015. Developed by the Digital Inclusion Unit, it has received an allocation of £8.9 million of ERDF towards total project costs of just under £20 million.[9] The Programme involves both a focus on community and voluntary organisations as a route to promote digital inclusion (with a headline target of engaging some 20,000 individuals with ICT over the lifetime of the Programme) and an emphasis on working with social enterprises, and, in so doing, generating economic benefits for supported enterprises, communities and individuals.

In terms of spatial coverage, support for social enterprises[10] may be provided in any part of the Convergence area, while work with community and voluntary organisations is restricted to the most deprived 30% of Lower Super Output Areas (LSOAs) as identified by the Welsh Index of Multiple Deprivation (WIMD) 2008.

The Digital Inclusion Unit holds the contract with WEFO and is responsible for ensuring that the Programme is delivered, but delivery of the Programme is contracted out to a consortium led by the Wales Co-operative Centre and including four other delivery partners, Carmarthenshire County Council, Novas Scarman (now known as People Can), the Pembrokeshire Association of Voluntary Services (PAVS) and the University of Glamorgan's George

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[9] WEFO Revised offer of grant letter dated 25 August 2010.
[10] As discussed in the Initial Process and Scoping Report, the Business Plan allows for support to be given to 'enterprises including social enterprises'. In practice, assistance to enterprises is currently restricted to enterprises with a social purpose, rather than any particular enterprise governance structure, though, in terms of the target for 'new enterprises created', any business is eligible. Henceforward in this report, we use 'social enterprises' as shorthand for the enterprises supported by the Programme.

Ewart Evans Centre for Storytelling (GEECS). Two contracted organisations also provide additional circuit rider capacity[11] [12].

Partly as a result of our first report, the delivery partners and the Digital Inclusion Unit have undertaken a process of reflection and discussion which has led to a decision to introduce a new delivery structure based around integrated local area teams (delivering support both on digital inclusion and social enterprise), each led by a Broker and drawing in resources from the different delivery partners. These changes are due to be introduced from April 2012.

2.2   Policy Context

2.2.1 Introduction

Our first report highlighted the fact that since the end of Communities@One[13] in late 2008, the policy context across the UK has been, and continues to be, very supportive in meeting the challenges presented by digital inclusion. In particular, the policy review noted that:

- Digital inclusion is still high on the agenda of Government at the Welsh, UK and European levels. The agenda has seemingly been unaffected by the recent economic recession. Indeed there may be a growing case that recent economic turbulence and subsequent austerity measures have strengthened the case for the digital inclusion agenda, with digital inclusion increasingly being seen as a corollary of moving public service delivery onto digital platforms as a way of achieving savings in public spending[14]. This apparent narrowing of the focus on to a 'race on line', in contrast to a broader emphasis on digital inclusion as an important component of social inclusion, seems particularly clear in the UK Government agenda;

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[11] Circuit Riders provide ICT technical support to third sector organisations, with a focus on building the capacity within these organisations to address their own ICT needs.
[12] Please see the Initial Process and Scoping Report for further details of delivery arrangements.
[13] The predecessor Programme, which ran from 2006 to 2008.
[14] Although some research suggests that moving services on line does not necessarily save money. See e.g. Institute of Public Finance (2006) 'Validated Service Delivery Costs: Summary of Research Findings'.

- Policy developments at all levels of government seemed to be underpinned by a number of fairly consistent themes e.g. the need for agencies to work together in a targeted way. In theory, these should provide useful frameworks from which to approach the design of interventions under projects like Communities Two Point Zero. However, in practice, and particularly given the speed of technological change, the relationship between policy thinking and interventions on the ground is fluid and iterative rather than one-way;

- Digital exclusion in Wales is not fundamentally different from other parts of the UK and there is a growing body of evidence about 'what works' upon which decision makers might draw. This includes the experiences, good practices and wider evidence from the now substantial number of digital inclusion interventions across the UK (and more widely);

- Overall, digital exclusion remains a problem however: whilst progress has been made since 2008, much work remains to be done to achieve the UK and Welsh Government's sizeable medium-term targets.

2.2.2 UK Policy Context

In terms of developments since our Scoping Report, at the UK level the Cabinet Office published in March 2011 its ICT Strategy 2011 report. The report sets out the plans of the coalition government to develop existing IT-based communications between government and citizens.

The Report recognises the role for digital technologies in providing 'agile, personalised and responsive services'[15] and commits the government to work to make citizen services 'digital by default'.[16] In this respect the DirectGov portal will, where appropriate, remain a central point from which citizens can access public services and government information. Interestingly, for those without access to the relevant digital technology, the government will enable a network of 'assisted digital' service providers, such as Post Offices, UK online centres and other local service providers.[17]

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[15] Cabinet Office (March 2011) *Government ICT Strategy*, London: HM Government, p18.
[16] Ibid, paragraph 45.
[17] Ibid.

Additionally the strategy commits the government 'to remove barriers to allow SMEs, the voluntary and community sector and social enterprise organisations to participate in the government ICT marketplace.'[18]

In May 2011 the UK Government also published its Broadband Delivery Programme report[19], which describes the delivery arrangements under which Broadband Delivery UK (BDUK) - the delivery vehicle for the government's policies relating to stimulating private sector investment - will achieve its objectives. A primary goal of the BDUK is to ensure delivery of Standard Broadband to virtually all communities in the UK within the lifetime of this parliament (i.e. by 2015).

Elsewhere, the Race Online 2012 initiative continues with the aim of mobilizing grass roots organisations in order to increase internet use across the UK. The initiative also continues to place emphasis on achieving digital inclusion by improving access to digital technology (e.g. making available low-cost refurbished equipment) and the role of 'digital champions' i.e. those individuals that have enhanced internet use in their direct social environment e.g. family members, neighbours, colleagues and so on.

Though independent of government, Race Online 2012 retains close links, for example, the Head of Race Online 2012 Martha Lane Fox has been appointed to lead a review of the main government website Directgov to help it drive the delivery of online services.[20]

Notably, however, Race Online 2012 and indeed a number of other UK Government digital inclusion initiatives have been criticised for lacking clear definitions (and in some cases targets) for digital take-up (e.g. Race Online

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[18] Ibid, p10 paragraph 22.
[19] Department for Culture, Media and Sport (May 2011) Broadband Delivery Programme: Delivery Model - Broadband Delivery UK, London: HM Government.
[20]From: http://www.citizensonline.org.uk/conline/news/display?contentId=6154.

2012 does not appear to define what using the internet means in terms of frequency, breadth and sustainability of use).[21]

2.2.3 European Context

The Digital Agenda for Europe was adopted in May 2010 as the strategy for the development and use of ICT across the European Union. It remains a key pillar in supporting economic development – and more recently economic recovery – across the EU.

Progress in implementing the digital agenda is tracked by way of an annual scoreboard.[22] The first scoreboard data for (pan-EU) progress between May 2010 and May 2011 reveals:

- Good progress on regular internet use, online shopping and e-government;
- Mixed progress in broadband availability and take up;
- Insufficient progress in cross-border e-commerce, online presence of small and medium-sized enterprises (SMEs), roaming prices and public research.

Notably the UK was found to perform well in many areas, particularly in relation to internet usage (e.g. e-commerce, e-government) and broadband provision, but was below the European average in a number of e-business categories (e.g. use of electronic supply chain management, sending/receiving invoices etc).[23]

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[21] See for example the blog comments by Dr. Ellen Helsper (2011) London School of Economics and Political Science (http://blogs.lse.ac.uk/politicsandpolicy/2011/08/18/digital-inclusion-policy/).

[22] European Commission (31 May 2011) Working Paper: Digital Agenda Scoreboard, Brussels: SEC(2011) 708.

[23] http://ec.europa.eu/information_society/digital-agenda/scoreboard/countries/uk/index_en.htm.

These results of the first year scoreboard were considered at the first annual European Digital Assembly held in June 2011 which itself marked a key milestone in the implementation of the EU digital agenda.[24]

More recently, a European Congress on e-Inclusion was held in September 2011.[25] The conference focused on digital access through public libraries. Indicative evidence from the conference suggest that overall Wales currently performs relatively well in this area though policy makers in Wales may wish to consider how they might take forward a number of opportunities to improve services further.[26]

2.2.4 Digital Inclusion Policy in Wales

The Welsh Government presented its vision for increasing the take up of digital technology in Delivering Digital Inclusion: A Strategic Framework for Wales (December 2010). The framework made clear the Welsh Government's commitment to help break down the barriers for digitally excluded individuals.

The follow-up Digital Inclusion Framework Delivery Plan was launched in March 2011. It describes 15 key objectives for reducing digital exclusion and the tasks that need to be undertaken to achieve them. Outcomes measures and targets are set for 2012 and 2015, notably to reduce levels of digital exclusion:

- Of all adults in Wales from 34% of adults in 2010 to 25% of adults by 2015;
- Amongst people aged 50 and older, from 49% in 2010 to 40% by 2015;
- Amongst residents of social housing from 41% in 2010 to 30% by 2015;
- Amongst employed people from 12% in 2010 to 8% by 2015;
- Amongst unemployed people from 27% in 2010 to 20% by 2015;

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[24] Report of the Digital Agenda Assembly (Brussels 16-17 June 2011) European Commission Directorate general for Information society and media
[25] European Congress on e-Inclusion (September 2011) Transforming Access to Digital Europe in Public Libraries , Conference Report.
[26] Notes from Conference Prepared by Helen Lyall Williams, CyMAL (September 2011) and available at http://www.digitalinclusionwales.org.uk/files

- Amongst economically inactive from 49% in 2010 to 40% in 2015;
- Amongst people with disabilities (not quantified).

The remaining objectives include:
- The provision of free inclusive access to ICT and the internet to all priority groups (older people, unemployed/economically inactive, resident of social housing and people with disabilities);
- Supporting the development of ICT skills through informal and formal learning including information literacy to all four priority groups above;
- Building better alliances of stakeholders across the private, public and third sectors;
- Better alignment of policy areas across the Welsh Government and public sector;
- Building private sector alliances to support digital inclusion;
- Building third sector alliances to support digital inclusion;
- Building a volunteering base to support digital inclusion activities;
- Developing the ICT skills of the museum, library and archive workforce to enable them to support learners;
- Ensuring that advocate and broker digital inclusion initiatives operate outside the geographical areas currently in receipt of support funding (in other words, outside the Convergence area);
- Developing bilingual content to promote engagement with ICT;
- Maintaining a close and collaborative relationship with the UK Government and the BBC in support of the delivery of the digital inclusion agenda in Wales;
- Obtaining robust data and research on digital exclusion in Wales for policy formation, benchmarking and evaluation.

While the Delivery Plan was launched just before the May 2011 National Assembly elections, the incoming Government appears strongly committed to taking this forward. The overarching Programme for Government[27] announced

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[27]Welsh Government (June 2011) Programme for Government.

by the First Minister in June 2011 commits the Welsh Government amongst other things to:

- Implementing the Digital Wales strategy (and by deduction taking forward the Digital Inclusion Framework);

- Utilising digital technology to improve accountability and transparency in our democratic systems in Wales;

- Establishing a web gateway providing information and opportunities on what Wales can offer - in terms of tourism, investment, educational opportunities and culture - to the outside world;[28]

- Seeking to ensure that fast broadband and digital technology access is made available to rural areas.[29]

In the new Welsh Government, responsibility for the Digital Inclusion Unit and for Communities Two Point Zero is vested in the Minister for Finance and Leader of the House, Jane Hutt. A.M.

In October 2011 the Welsh Government released the Digital Inclusion Analysis Package report.[30] Key findings include:

- Evidence of increasing internet usage - in 2010, 69% of adults in Wales used the internet compared to 61% in 2007;

- Confirmation that those most likely to be digitally disengaged are older people, those with limiting disabilities, individuals from lower socio-economic groups or with lower educational attainment;

- 'Don't need or want to use the internet' is cited as the most common reason why people do not go online at home (and more cited this reason than those citing 'Lack of Skills' and 'Equipment or access costs' combined);

- There are significant differences in the extent of digital inclusion both at the level of LSOAs and at the local authority level. The highest levels of digital exclusion are found in the 'Valleys' counties of Blaenau Gwent,

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[28] All Commitments 2/019 to 2/021 see:
http://wales.gov.uk/docs/strategies/110930fullannexen.pdf.
[29] Ibid, Commitments 10/003 and 10/004.
[30] Welsh Government (2011) Digital Inclusion: Analysis Package, Social Research Division, Number 12/2011drawing on data from the Welsh Government's 2010 National Survey for Wales (NSW) and the 2007 Living in Wales (LIW) survey.

Merthyr, Rhondda Cynon Taf and Neath Port Talbot. Data from the pilot National Survey for Wales shows that in the most deprived 30% of LSOAs in the Convergence area, 44% of the population do not use the internet, compared with 32% of the population in the remaining 70% of LSOAs and an average of 31% across Wales as a whole (with levels of digital exclusion being significantly lower in East Wales). For those of pensionable age, this figure increases to 79%, for those not working, to 55% and for those in social housing, to 49%.

2.2.5 Conclusions from the policy review
It was noted in our first report that digital exclusion as an issue has risen sharply up the policy agenda over the last decade and that, while social justice concerns remain a key driver of the agenda, in the wake of the economic crisis and in the context of sharp cuts in public expenditure, the balance in motivations (particularly at the level of the UK Government) for policy intervention has changed, with a stronger emphasis on digital inclusion as a pre-requisite for delivering public services more cheaply and efficiently.

This review of more recent policy developments re-affirms this earlier conclusion. Financial pressures on the public (and third sectors) remain acute, and are likely to remain so in the short term with concerns over worldwide financial stability. This suggests that firstly, digital inclusion will remain a high priority of government (at all levels) and secondly, that the mantra of 'achieving more with less' across public and third sector spending will at the very least continue (and very possibly strengthen). Communities Two Point Zero, as a flagship digital inclusion initiative, thus retains a central relevance.

At the same time, research has continued to highlight that the Programme's targeting in terms both of geography and social groups, appears to remain appropriate.

3.0 Findings

In this Chapter we present our findings from the latest stage of our research, drawing on our analysis of monitoring information, our fieldwork interviews and focus groups with those directly involved with delivering the Programme and with other relevant stakeholders, our web survey with local external stakeholders, our visits to supported organisations, and our telephone interviews with assisted individuals.

3.1 Rationale and Policy 'Fit' in the Context of Changing Policy

3.1.1 Introduction
In our first report, we considered in some detail the rationale and policy 'fit' of Communities Two Point Zero, noting that the Programme has been shaped not only by the intentions of the Welsh Government and the requirements of ERDF, but by the procurement process and the development of the consortium which had bid successfully for the contract to deliver it.

In particular we noted that:
- The overall thrust of the Programme was well aligned with Government policy at EU, UK and Welsh levels, including with policy documents published since the Business Plan was developed, though the importance of increasing the proportion of the population confident in accessing the internet had come into clearer focus with the publication of the Digital Inclusion Strategy. The focus in that document on seeking to engage with the 785,000 people in Wales thought to be digitally excluded, was seen by many interviewees as worrying, given that Communities Two Point Zero was perceived as the main delivery vehicle for the Welsh Government's digital inclusion policies and that the target of engaging with 20,000 individuals was seen as challenging enough, given resources;
- The rationale for using voluntary and community organisations as a way of engaging with digitally excluded individuals was relatively clear,

although some interviewees felt that with the increasing focus on getting individuals on line (partly perceived as being driven by the e-government agenda) significant elements of the original approach[31] might be redundant or at least far less important in terms of prioritising resources within the Programme in future;

- The focus on social enterprises was recognised as being more experimental, while there was a degree of ambiguity over whether assistance could be provided only to social enterprises or, potentially at least, to all SMEs. In practice the social enterprise strand of the Programme was being delivered fairly separately from other parts of the Programme;

- Spatial targeting of the digital inclusion strand had only emerged since the development of the Business Plan and was not required by WEFO. It could be argued that the degree of prescription around this spatial targeting was not particularly well matched to the evidence concerning digital exclusion which suggests it is more closely associated with personal characteristics (age, income) rather than spatial ones – although research had also found a strong link between digital and social exclusion, which was spatially concentrated. Many (but not all) stakeholders were concerned that the spatial targeting was problematic in terms of operating on the ground (particularly outside of areas such as the Valleys where the high proportion of eligible areas meant that problems were surmountable);

- There was broad agreement with the choice of target groups in respect of working with individuals - older people; residents of social housing; the unemployed and economically inactive and disabled people – and the rationale for selecting these groups generally seemed to fit with the evidence of population groups where there are high rates of digital exclusion;

- There appeared in practice to be a relative diminution of the role of the Community Brokers, compared to the intention in the Business Plan,

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[31] Such as trying to engage people in a range of different technologies, including digital media and focusing on the organisational needs of assisted community and voluntary organisations.

while there was clearly a fairly wide variety of different front line roles within the delivery partners (potentially leading to a lack of coherence);

- The involvement of the five delivery partners had come about as a result of pre-tender discussions between the organisations and the rationale for the choice of these partners was not entirely clear. Some interviewees suggested that the partnership had, to some extent, been opportunistic and focused less on what was needed to implement the Programme than on what was needed to win the tendering process. There were also issues about the evenness of the 'offer' throughout the Convergence area, given that two delivery partners were based and strongly focused on South West Wales, with two others having staff based only in South East Wales;

- There was a strong perception that, as a result of some of these factors, there was a mismatch between emerging expectations of policymakers and the way in which the Programme was structured. This was being reflected in discussions involving all the partners and the Digital Inclusion Unit about the future of the Programme and a revision of the Business Plan.

3.1.2 Recent Developments

As noted in Section 2.1, since our report, there has been agreement to alter the delivery structures of the Programme. The main elements of the changes are to:

- Integrate the two strands (which formerly were operationally separate) of digital inclusion and social enterprise;
- Restructure the fieldworkers (from all delivery partners) into area-based teams, each led by a Broker;
- Simplify the roles, with each area team having inputs from a circuit rider and an outreach officer, as well as a Broker;
- Base work in each area on a local area assessment, highlighting current digital inclusion activity and analysing any gaps;

- Provide support for the area teams from a range of all-Wales staff (all employed by the Wales Co-operative Centre) including a new post, an All Wales Digital Inclusion Field Officer.

At the time of our fieldwork, these changes had been agreed but had not yet been implemented, so it is impossible to comment as yet on their effect. However, it was clear that they generally commanded support not just from the Digital Inclusion Unit and the delivery partners at management level, but also from the fieldworkers, who were generally enthusiastic about them, even where this would involve a significant change to their role.

Moreover, it is clear that, in theory at least, these changes do respond to some of the potentially difficult issues identified in our first report, notably the concerns about the evenness of the 'offer', the proliferation of different roles and the potential lack of coherence between the partners, the risk of the social enterprise strand becoming detached and the risk of dilution of the Brokers' role. Indeed, one stakeholder argued that what had emerged from the review in terms of the regional and area-based approach not only commanded wide support but also was in line with the original model, before it had (as they saw it) got blown off course by the procurement process.

The fieldwork also suggested that some of the other concerns flagged up in our earlier report are being addressed. In particular, agreement has been reached on the approach to enterprises: support will be provided only to SMEs with a clear social purpose, although this will stop short of restricting assistance to organisations with a specific legal form.

This leaves two issues: the first concerns spatial targeting. In general terms, despite the merger of the two strands in terms of delivery, the distinction remains between assistance to social enterprises, which can be provided across the whole Convergence area and assistance to voluntary and community organisations, which is restricted to those based within or serving the most deprived 30% of LSOAs. However, at a local level in Pembrokeshire, PAVS have successfully accessed Rural Development Plan funding to extend

similar support to organisations based outside the 30% most deprived LSOAs, while, in line with one of the objectives of the Digital Inclusion Framework, Welsh Government resources are being sought to extend Communities Two Point Zero to additional areas (Flintshire, Wrexham and Powys) from April 2012.

Generally, fewer interviewees than in our first round of fieldwork argued explicitly for the spatial restriction on support to voluntary and community organisations to be revisited, and it is notable that the recently published Digital Inclusion: Analysis Package argues that 'as digital exclusion reflects existing social exclusion, **the targeting of deprived areas is a key issue'.**[32]

However, a number of both staff and other stakeholders argued that the restriction made it more difficult to work with potential digital initiatives (larger scale projects, which represent a 'cascade effect' whereby funded organisations themselves work with digitally excluded individuals that they have contact with), particularly ones from national organisations. Several interviewees pointed out that a recent pilot with Care and Repair, which was perceived as very successful, and which was likely to be rolled out with some funding from Communities Two Point Zero, would be taken forward as part of the social enterprise strand in order to ensure national coverage,, even though there was a strong focus on promoting the digital inclusion of the clients with whom the organisation worked, as well as achieving social enterprise improvement goals for Care and Repair itself.

By contrast, in several of the social enterprise projects we visited, we found that fairly obvious opportunities to extend support beyond assistance for the organisation to activities which would have engaged digitally excluded volunteers or clients, were not taken because they were seen as outside the scope of the strand (with any beneficiaries not being eligible to be included against the programme targets). This was acknowledged by several interviewees, though one argued that in future it was essential that the

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[32] Digital Inclusion: Analysis Package p. 44.

Programme should use the 'foot in the door' with support provided to press social enterprises to engage with digital inclusion activities, even if these could not be counted towards programme targets.

This leads to the second, perhaps unresolved issue in terms of programme design, that is the possible tension between the broader drive to get excluded individuals on line and the focus of the Programme also on providing ICT support to *organisations* (whether social enterprises or voluntary and community organisations) to meet their organisational goals. Most of those who were most closely involved with setting the strategic direction of the Programme, argued strongly that there was an increasing focus on ensuring that the potential for using every organisation as a way of promoting digital inclusion was considered. Thus one argued that for each organisation assisted there should be three steps:

- firstly to do a technology audit to see what the organisation really needed and to help them put in place the building blocks;
- secondly to use the organisation to access their workers, volunteers, clients or members so as to offer digital inclusion activities such as training or taster sessions to them; and
- thirdly to try to generate volunteers who were able to sustain activities.

However, as we shall see (Section 3.5), it was less obvious from our fieldwork with organisations that this follow-through was happening consistently outside of the digital initiatives, though this in part may be a factor of timing, with the assisted organisations often having been supported in the earlier stages of the Programme.

At the same time, stakeholders working within the Programme suggested that there had been a degree of reassurance from the Welsh Government through the review process that the recognition of the scale of the challenge of digital exclusion (in terms of the use of the figure of 785,000 digitally excluded people in Wales) was not intended to place greater pressure on the Programme in terms of its delivery targets. It was clear that there was less

nervousness about this than at the time of our early fieldwork. Even so, some interviewees argued that the dimensions of the problem nevertheless highlighted the need for the Programme to find different ways of working, focusing more on enabling others (not necessarily within the third sector) to take on a degree of responsibility for promoting digital inclusion as an integrated part of their interaction with those most likely to be digitally excluded. Digital initiatives were seen as a key development in this process, though some argued that this approach could be taken further, increasingly working with national, not just local, partners.

3.2 Programme Delivery Processes and Arrangements

3.2.1 Introduction

In our first report, we noted that there had been significant problems in the early part of the Programme's life, but that by the time of our fieldwork in late 2010 these had seemed to have abated. In particular, we noted that:

- Relations between the Welsh Government and WEFO had generally been smooth, although the slow start to the project had led to a (relatively uncontroversial) re-profiling of both financial projections and Programme targets;
- Relations between the Welsh Government and the Wales Co-operative Centre as lead partner had been difficult in the first six months, but were seen to have improved with the appointment of a Programme Director;
- The Management (or Advisory) Board had only met three times and was seen as a 'work in progress';
- There had been some tensions between the delivery partners, reflecting in part their very different organisational cultures, and concerns from some that a strongly target-driven approach might encourage interventions which were too light-touch. There were also concerns about the monitoring system and issues around the differences in terms and conditions between front-line staff, not least in terms of access to technology;

- Relations between the Brokers and other fieldworkers were generally very positive, though there were multiple entry points into the Programme, thanks to delivery partners using their own networks: there was some doubt as to the extent to which all organisations who were being assisted by the Programme were getting the same 'diagnostic' and message about what support they could be given;
- By contrast, the social enterprise workers were working by and large as a discrete element of the Programme, with most referrals coming through prior contacts/clients of the Wales Co-operative Centre.

3.2.2 Relations between WEFO, the Welsh Government and the Programme
Without exception, those stakeholders who were able to comment reported that key relations between the Programme and the Welsh Government were now strong and well managed. The relationships between the Digital Inclusion Unit and key Programme managers were very close and these had been reinforced by joint working, for example a series of events arranged in individual local authorities which involved both Welsh Government and Programme staff. Key stakeholders on both sides of the relationship suggested that there was now a clear sense that, though a procured service, the Programme acted effectively as almost an executive arm of the Digital Inclusion Unit.

Even so, it was occasionally possible to detect different emphases from Programme staff than from the Welsh Government: for example, as to whether the e-government agenda could or should be a focus for specific activities to engage with digitally excluded people. Programme staff said that they were wary of encouraging initiatives focused on the delivery of Government services:

> 'if we wanted to run a campaign, with winter coming up, to try out a gritter Twitter so people could let their Council know easily about problems, I don't think that would be particularly popular with DIU'

By contrast, Welsh Government staff were keen to stress that they were open to any initiative which could generate interest in using digital technology by those who were excluded.

From within the Programme, there was a strong appreciation that the Welsh Government played a key role in ensuring that staff were alert to, and could respond to, developing policy not just within the Welsh Government itself but also at a European and UK level and in brokering useful relationships, such as an emerging discussion with the Welsh Joint Education Committee (WJEC) about involving Welsh Baccalaureate students (who have to undertake volunteering as part of the qualification) in delivering digital inclusion activities to older people.

Though relatively few were able to comment on this, the role of the Digital Inclusion Board, which involved key external organisations such as BBC Wales and CyMal (Museums, Archives and Libraries Wales), was also seen as critical to ensuring that the Programme was able to build connections with other organisations already engaged in digital inclusion work.

In terms of relationships with WEFO, these were generally seen to be good, though there was some frustration at the time of the fieldwork that a second re-profiling exercise was taking rather longer than had been hoped to agree. From WEFO's viewpoint the main concerns were with the cross-cutting theme of equal opportunities, where there was a feeling that more needed to be done, while, more generally, there was a view that while performance against WEFO's targets was not a cause for concern, the frontline delivery was more focused on the digital inclusion targets (set by the Welsh Government) rather than on those agreed with WEFO. We understand, however, that work has been underway to develop an equal opportunities diagnostic 'app' for use in the field while both cross-cutting themes have been a focus of the Enterprise Days which have been held.

3.2.3 Programme Management

Though not a major focus of this round of fieldwork, stakeholders who were able to comment generally viewed programme management processes as having settled down well. In particular, the Steering Group and the Assessment Panel were seen as functioning smoothly, with the latter generally viewed as providing a robust method of scrutinising applications for packages of support and, indeed, generating new ideas and adding value to proposals. This was confirmed by our own observation of a Panel meeting in early 2011.

Only a handful of interviewees referred to the Advisory Board. It was generally seen as playing a positive role, in particular in placing the Programme in a broader context, though one interviewee suggested that the rather low number of members who were external to the Programme was perhaps a limitation (though this has recently been strengthened with the agreement of Disability Wales to join the Board).

3.2.4 Relations between the Delivery Partners

In terms of relations between the delivery partners, interviewees almost unanimously felt that these had improved significantly over the last 12 months. In part this was attributed to the fact that activity on the ground had now started to lead through to the achievement of outputs: with key targets now looking less challenging, there was less pressure on partners and hence less of a temptation to blame each other for poor performance:

> 'people are feeling less tense'.

However, interviewees also generally felt that the strategic review, which potentially had been very destabilising, in that it questioned the rationale for inclusion in the Programme of some of the partners, had been handled in such a way that it had drawn the partners together rather than pitted them against one another. Thus, one of the delivery partners commenting on the new approach of area teams argued that 'everyone's behind it', while another said that the process had really helped build consensus and reassure each

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organisation about its role. A third interviewee argued that the process of reflection had really seen organisations leave their organisational baggage outside the door and concentrate on the core issues of what they collectively were trying to achieve:

> 'the process was really useful in really building relationships… it was transformational'.

The close working relationships between partners were widely seen as being fostered not only by the Steering Group and the regular meetings of fieldworkers - which were generally seen as having become increasingly useful - but also by some other cross-partner initiatives, such as the Technology Innovation Group, a forum open to all staff and focusing on stimulating understanding and discussion of new technologies. Partners in South West Wales were also meeting regularly to discuss common issues. The integration of partners' work through the new area teams was expected to increase still further the close working relationships between the five delivery partners.

Stakeholders generally felt that there was a much greater degree of joint ownership of the overall Programme objectives and targets, though one or two core staff employed by the Wales Co-operative Centre still felt that there was scope for greater delegation of responsibility for achieving specific targets.[33]

At the front line, it was clear that there was already both greater clarity of roles and integration of services. Brokers were now seen much more clearly as the main 'entry point' into the Programme, with greater cross-referral from them to other partners: this was reflected in the fact that some of our case-study sample had been assisted by two or more partners. In the focus groups, frontline workers were generally much more positive about the extent of joint

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[33] We understand that this should be achieved through the new delivery arrangements from April 2012.

working, and, as already noted, very enthusiastic about the new area-based approach, a view echoed by another internal stakeholder:

> 'area teams will make a big difference… it's been a challenge to have five organisations working across the same area… and it'll help that they'll be based in the same office… there'll be less waste of time'.

Some stakeholders however emphasised that, apart from the referrals from Brokers, there were still fairly limited referrals between other delivery partners. Certainly, the two contracted providers suggested that this was extremely rare.

The concerns about 'kit' had also been overcome, largely as a result of changes to the approach to marketing and public engagement, which had seen resources allocated to purchase demonstration equipment, particularly iPhones and iPads which could be used flexibly by staff in digital inclusion activities. These new technological developments – particularly the introduction of iPads – were seen more generally as a new and important way of capturing the interest of individuals who found PCs intimidating.

Within this picture of relationships 'bedding down' successfully, one slight anomaly appears to be the role of the two contracted providers of Circuit Rider support, Annog and PC Care. Working relationships with the Brokers and other key staff in the areas where they are retained appeared to be good: indeed, one of the providers was concerned that the prevalence of joint working meant that the contracted organisation could not claim the outputs where both core staff and they had been involved, thus contributing to difficulties in reaching agreed targets. But more generally, there was a strong impression that the staff working for these organisations were 'semi-detached', for example, perceiving that they were not routinely being asked to the front-line workers meetings and, when they were, finding it difficult to justify attending given the time commitment involved. There was also limited engagement with the Circuit Rider Network, for example, whereas partner staff are required to undertake circuit rider training. Tellingly, one interviewee

commented that 'there's relatively little communication with Cardiff', despite the fact that contract management was undertaken by a member of staff working out of Carmarthen.

3.3 Performance to Date

3.3.1 Introduction

In our first report, we outlined the monitoring systems and considered the evidence of progress against targets set and in terms of financial outturns compared to budget. In particular we noted that:

- Seven of the ten key targets (or 'objectives' as they are referred to) formed part of the funding agreement with WEFO, while three, including the target for individual 'beneficiaries', were set by the Welsh Government[34];

- Monitoring processes and systems were fit for purpose, thorough and comprehensive, though regarded as somewhat onerous by some interviewees: the customer management system was in the course of being upgraded;

- The quarterly return for December 2010 showed that the Programme was performing either in line or ahead of its target across three key objectives but was under-performing against the remaining seven objectives;

- Given that around 20% of the project's funding had been spent to date, and given the inevitable time lag involved in setting up a project of this nature, the under-performance in some targets did not give grounds for significant concern, although there was a clear need to increase the rate of assisting new individuals significantly if the Programme was to achieve its targets of assisting 20,000 individuals. The Programme appeared dependent on the digital initiatives already approved delivering according to target and on further digital initiatives coming forward, alongside direct delivery to individuals by Programme staff;

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[34] For detailed information about the definition of the targets, see Initial Process and Scoping Report pp. 64–68.

- The targets set for supporting organisations and enterprises appeared more realistic, though reaching the target for jobs created was widely seen as very challenging in the light of the economic climate and the requirement from WEFO for jobs to be permanent and full-time equivalents;
- There were significant variations in terms of spatial distribution of activity;
- There was a relatively small underspend (around 5%) compared to the reprofiled budget. Some partners had significantly larger underspends, largely due to difficulties over recruitment, but there was an agreement that underspends would be recycled through to front-line provision, which reduced the impact of this.

3.3.2 Progress against Targets

Since our last report, there has been one change, with the revision downward of the target for the number of initiatives supported from six to five. This was the result of the decision to drop the original proposal to establish a 'Social Enterprise Virtual Market Place', since a parallel idea had been implemented independently by the Wales Council for Voluntary Action (WCVA).

Stakeholders were generally much more confident than they had been during our initial fieldwork about the prospects for meeting or exceeding most of the targets, with many commenting that Programme outputs had now come into line with expectations. In particular, many interviewees commented that the target for individual beneficiaries now looked well within reach:

'There was a sense that we put the ground work in early on and now we are beginning to reap the rewards i.e. we are seeing more beneficiaries and we are seeing those beneficiaries making progress within their ICT issues'.

The exceptions here remained the challenge of creating new social enterprises ('it's really tough out there') and creating jobs to meet WEFO's definition, with one stakeholder noting that:

> 'To get permanent full-time jobs these days is really, really challenging…it's going to be really hard'.

As reported in our first report, the Programme was continuing to record all jobs created, including temporary ones, in order to demonstrate the wider benefits of the Programme.

One or two stakeholders also suggested that there was some feeling in some areas that the interest from social enterprises was drying up, possibly because the Programme had effectively mined the Wales Co-operative Centre's extensive contact base early on in the Programme's life.

As Table 3.1 (over) reveals, the latest quarterly return for September 2011(quarter ten) provides support for the generally positive views, showing that the project is performing either in line or ahead of its target across five key objectives. The programme continues to under-perform against the remaining five objectives (albeit that for two of these objectives, the gap is relatively modest)[35].

It is particularly encouraging to observe a marked increase in the outputs reported against Objective 9 (to benefit 20,000 individuals over the lifetime of the project) and for the first time in the project's delivery it has now exceeded its target to date by over 300 beneficiaries. Indeed around half of the 5,018 individuals supported by the Programme to date (i.e. 1,015 during quarter nine and 1,620 during quarter ten) have received support during the last two reporting quarters (April-September 2011) which suggests that the project is now on track to meet this challenging target. This momentum now needs to be maintained, albeit not at quite the high rate seen during quarter ten of

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[35] Since the fieldwork was undertaken, a re-profile of targets has been agreed with WEFO to reflect experience to date and plans to address under-performing targets.

delivery, at around 1,070 per quarter in order to achieve the remaining 14,982 project beneficiaries required.

Table 3.1 Communities Two Point Zero Achievements against Targets (September 2011)

Objective	Description	Project Target	Target to Date	Achieved to Date
Objective 1	To assist 360 community groups and voluntary sector organisations in adopting and/or exploiting ICT.	360	131	141
Objective 2	Assist 120 existing Enterprises in adopting and/or exploiting ICT.	120	48	103
Objective 3	To financially support 120 existing Enterprises to adopt and/or exploit ICT	120	47	36
Objective 4	To assist in establishing 50 new Enterprises around the exploitation of ICT to enhance their performance internally and externally.	50	17	9
Objective 5	Deliver 5 initiatives to address barriers to ICT[36].	5	5	5
Objective 6	To assist 200 individuals to improve their business skills especially around adopting or exploiting ICT.	200	60	77
Objective 7	To support 120 Enterprises, assisted by this project, to adopt or improve their equality strategies (including equality monitoring systems).	120	43	4
Objective 8	To signpost 48 Enterprises adopting or improving Environmental Management Systems.	48	14	4
Objective 9	To benefit 20,000 individuals over the lifetime of the project.	20,000	4,686	5,018
Objective 10	To create 100 gross new jobs.	100	19	14

It is also encouraging to see that during the tenth quarter the project has for the first time reported outputs against the seventh and eighth objectives (relating to cross-cutting themes). Whilst still very significantly behind profile, these figures indicate that activity is at least now underway to start achieving these objectives. However, the project would need to increase the rate of its delivery of equal opportunities support (reporting some eight new Enterprises per quarter being assisted) whilst maintaining its current level of environmental management outputs (around four per quarter) in order to reach these targets.

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[36] Revised down from six initiatives.

Of particular concern at this stage would be the Programme's under-performance against Objective 4 (to assist in establishing 50 new Enterprises) and it is notable that no consistent pattern is emerging in terms of achieving this target. For example six of the current nine outputs reported against this target were achieved during quarter six (July-September 2010) and only two outputs have been reported since.

The project continues to be well ahead of profile for meeting its target for supporting Enterprises (Objective 2) and is also exceeding its target for assisting community and voluntary groups (Objective 1).

When looking at the achievements of the project over the 30 month period, some general observations are worth making at this stage:

- There continues to be positive ramp up across some of the outputs being reported to the Welsh Government/WEFO on a quarterly basis – with a particular increase in the outputs being recorded against Objective 9, Objective 6, Objective 2 and Objective 1 over the last nine months of activity;

- As Table 3.2 (over) shows, there continues to be a marked difference in the outputs being reported for assisted community groups at local authority level, although improvements have been made in this respect recently – a greater geographical coverage of groups assisted by the project has been achieved over the last nine month period. However some counties continue to dominate the pattern – for example, 16% of all the groups/organisations supported to date against Objective 1 are based within Pembrokeshire (despite the fact that only a small part of the County is eligible) and a further 16% in Neath Port Talbot, whilst only 15% of all Objective 1 outputs are based in the four North Wales counties of Anglesey, Gwynedd, Conwy and Denbighshire;

Table 3.2: Geographical profile of organisations, enterprises and individuals assisted by Communities Two Point Zero (up to September 2011)

	Objective 1 Organisations assisted	Objective 2 Enterprises assisted	Objective 9 Individuals assisted
Anglesey	6	11	207
Blaenau Gwent	6	6	131
Bridgend	8	8	213
Caerphilly	10	6	361
Carmarthenshire	13	4	943
Ceredigion	2	3	196
Conwy	2	5	38
Denbighshire	8	4	57
Gwynedd	6	11	76
Merthyr Tydfil	6	4	606
Neath Port Talbot	22	5	554
Pembrokeshire	23	13	210
Swansea	10	15	487
Rhondda Cynon Taf	17	5	667
Torfaen	2	3	56
Non-eligible counties	0	0	216
Total	141	103	5,018

- A better geographical coverage has been achieved by the project for the Enterprises assisted target – for example, at its highest 15% of all Enterprises reported by the project to date are based in one county (Rhondda Cynon Taf) and a further 13% in Pembrokeshire, whilst 30% of all Objective 2 outputs are based in North Wales. Outputs in West Wales are disappointing, however, as the two counties of Ceredigion and Carmarthenshire together only achieved a 7% share of the 103 outputs reported to date;

- In term of individuals assisted, several counties report more than 300 individuals assisted. However, some (particularly Conwy, Denbighshire, Torfaen and Gwynedd) report lower individuals assisted

figures (as low as 38 in Conwy for example). Carmarthenshire accounts for almost 20% of all individuals assisted, reflecting the strong focus of Carmarthenshire County Council as a delivery partner on direct delivery of taster sessions and training courses;

- Most of the Enterprises supported by the project are small in terms of employee numbers. Indeed, 102 of the 103 Enterprises reported against the Objective 2 target employed between two and nine employees and only one employed more than this (between ten and 49 employees). However, the profile of Enterprises receiving financial support was slightly different in that 30 of the 36 reported at the end of Quarter ten against Objective 3, employed between two and nine employees and the remaining six employed between 50 and 249 employees;

- As to the end of September 2011, information on project beneficiaries reveal that:

  o The gender split continues to be fairly healthy, though with take up amongst women higher than men - of 5,018 beneficiaries 40% (1,991) were male and 60% (3,027) were female;

  o Some 12% of project beneficiaries (600) stated that they were disabled people;

  o 11% of project beneficiaries (548) stated that they were Welsh speakers;

  o Just over half (57% or 2,879) stated that their ethnicity was British (either English, Northern Irish, Scottish or Welsh). Some 3% (130 beneficiaries) stated that their ethnicity was Black or Asian or British Black/Asian[37]. However, some 2,092 beneficiaries (42%) did not disclose their ethnicity or had not completed the necessary paperwork;

  o 15% of project beneficiaries (755) were employed, 14% (690) were unemployed and 25% (1,268) were retired when they came into contact with the project. A large number of beneficiaries (2,305 or 46%) either refused to disclose their

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[37] Some people select more than one option thus the percentage equates to 102%.

employment status or did not complete the necessary paperwork;

o The age profile of beneficiaries continues to be well distributed, as shown in Table 3.3.

Table 3.3: Age of Communities 2.0 Project Beneficiaries (up to September 2011)

	Number	Percentage
11 to 14	44	1
15 to 24	504	10
25 to 54	1597	32
55 to 64	774	15
65 plus	1573	31
Not stated	526	10
Total	5018	100[38]

3.3.3 Financial Performance

Table 3.4 (over) shows financial performance to date compared to the profile agreed in September 2010. This suggests extremely tight budget management with an underspend to date of around 5%. This is partly accounted for by the practice of 'mopping up' underspends from the staff and administrative costs of the core partners and deploying them into frontline assistance to community groups via packages of support, which is consequently around 30% ahead of the original budget. By comparison, however, spend on packages of support for social enterprises is at only 80% of the original budget.

Interestingly, also, given some of the concerns over awareness voiced by some stakeholders, spending on public engagement activities is also some 22% below the original profile.

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[38] Figures do not sum to 100 because of rounding.

Table 3.4 Financial Spend to Date

	Actual 09/10	Actual Apr - Jun	Actual Jul - Sept	Actual Oct - Dec	Actual Jan - Mar	Actual Apr - Jun	Actual Jul - Sept	Actual To date	Approved 24 Sept 10	Diff
			2010/11							
Wales Co-operative Staff Costs	730,929	201,229	240,347	228,759	236,056	258,793	248,302	2,144,414	2,167,017	-22,602
Travel	28,307	8,958	11,127	11,927	8,835	11,121	12,120	92,394	78,806	13,588
Overheads	119,735	22,492	31,807	30,368	29,261	24,164	33,614	291,440	331,707	-40,267
WALES CO-OP CENTRE COSTS	**878,970**	**232,679**	**283,280**	**271,054**	**274,151**	**294,078**	**294,036**	**2,528,248**	**2,577,530**	**-49,282**
Carmarthenshire CC	33,554	19,218	27,045	25,835	31,964	29,028	23,361	190,006	220,110	-30,104
GEECS	163,688	21,790	33,578	34,156	34,937	31,837	34,503	354,491	410,496	-56,005
Novas Scarman (People Can)	129,971	29,196	30,291	36,228	36,503	31,839	35,064	329,092	330,805	-1,713
PAVS	144,798	9,381	33,728	38,077	35,280	34,008	34,164	329,436	369,325	-39,889
PARTNERS COSTS	**472,011**	**79,585**	**124,644**	**134,296**	**138,683**	**126,712**	**127,093**	**1,203,025**	**1,330,736**	**-127,712**
Website (Software, Development & Management)	8,529	860	24,902	24,816	24,237	1,334	0	84,679	89,389	-4,711
CENTRE OF EXCELLENCE - WEBSITE	**8,529**	**860**	**24,902**	**24,816**	**24,237**	**1,334**	**0**	**84,679**	**89,389**	**-4,711**
Public Engagement	40,990	3,268	12,652	4,249	12,718	5,871	17,386	97,133	118,633	-21,499
Conference & DI Awards	0			15,410	3,833	154		19,397	30,000	-10,604
PUBLIC ENGAGEMENT COSTS	**40,990**	**3,268**	**12,652**	**19,658**	**16,551**	**6,025**	**17,386**	**116,530**	**148,633**	**-32,103**
Digital Inclusion - Legacy Projects	119,830	4,291	469					124,590	124,590	0
Digital Inclusion - Community Groups	0	0	45,332	55,496	42,585	164,991	163,205	471,610	363,923	107,687
Digital Inclusion - Enterprises	0	0	40,876	24,750	33,638	16,511	42,907	158,682	195,273	-36,591
Digital Inclusion - Procured Support	24,960	0	0	2,300	575	1,000	0	28,835	126,960	-98,125
Circuit Riders	0		25,660	19,245	19,245	12,830	25,660	102,640	100,499	2,141
OTHER COSTS	**144,790**	**4,291**	**112,338**	**101,791**	**96,043**	**195,332**	**231,772**	**886,357**	**911,246**	**-24,888**
TOTAL (excluding VAT)	**1,545,291**	**320,682**	**557,815**	**551,615**	**549,666**	**623,482**	**670,287**	**4,818,838**	**5,057,534**	**-238,695**
VAT	245,328	56,119	97,618	96,533	109,933	124,696	134,057	864,285	907,934	-43,649
TOTAL (including VAT)	**1,790,619**	**376,801**	**655,432**	**648,148**	**659,600**	**748,178**	**804,345**	**5,683,123**	**5,965,277**	**-282,154**

3.4 Awareness and Perceptions

3.4.1 Introduction

In our first report we noted that:

- Some stakeholders felt that the transition from Communities@One had not been straightforward and that it had taken quite some time to get across, particularly to organisations which had been supported by Communities@One, that Communities Two Point Zero was a very different animal and would not simply be able to continue providing the sort of financial support which had been forthcoming previously;

- Some interviewees felt that the Programme did not have a particularly high profile and thought that many of the organisations who were working with the Programme came from established relationships with one or other of the delivery partners;

- Our telephone survey of supported organisations suggested that a quarter attributed involvement with the Programme to previous relationships with the provider in question while half reported that an initial contact had come from the provider: only a very small proportion had sought out the support as a result of publicity or marketing and those who had been approached directly by the provider generally said that had it not been for that contact, it would have been highly unlikely that they would have heard about the Programme;

- Supported organisations suggested a range of ways by which the Programme could be better promoted including greater promotion via organisations such as WCVA, Communities First, Local Authorities and CVCs; greater use of media (including local newspapers); and greater use of existing websites and digital community notice boards and direct marketing e.g. by e-mail to voluntary organisations;

- Stakeholders suggested that there was scope to improve the working relationships with key intermediaries, including local authorities and CVCs, though steps were in hand to raise the profile with the former. Communities First Partnerships and Housing Associations were

however seen as a key way in to local communities, though it was felt the degree of interest was very variable across different areas.

3.4.2 Awareness of the Programme

Our recent fieldwork suggested that while progress against the targets is generally good, there remain some question marks over the profile and awareness of the Programme amongst the potential audience of third sector organisations.

Our fieldwork with the 20 supported organisations echoed the findings of the earlier survey that the majority of these organisations had pre-existing links with the delivery partners: in all, six of the 20 had received support from Communities@One and a further five had had prior relationships with PAVS (of which three were in Pembrokeshire and two were elsewhere in West Wales). Of the others, three had been engaged in the Programme via activities arranged with other CVCs, three had been referred from Communities First Partnerships and two had been contacted by a Wales Co-operative Centre Broker (one of whom was already personally known to the Broker). Only one appeared to have contacted the Programme as a result of external publicity or promotion.

Moreover, three of the 20 organisations were not aware that the support they had received was provided under the banner of Communties Two Point Zero (this included one which had received more than 300 hours of support), while a number of other organisations we contacted to participate in the research (again including one which had received 30 hours of support, albeit more than a year ago) denied all knowledge of having received assistance, probably as a result of not associating the name of the Programme or the delivery organisation with the support received.

Interviewees within the 20 organisations generally thought that Communities Two Point Zero had a low profile. One for example said that she had never heard of the Programme prior to being told about it by Communities First staff. She said that she had since told people running other social enterprises about

the Programme and that 'none of them had ever heard about it either'. However, since getting involved with the Programme, she had 'seen leaflets around the place' and she wondered whether she needed to be aware of Communities Two Point Zero in the first place to actually notice them – 'they might have been there before, but …'

Others showed little awareness of the 'brand' and it appeared that only a few had ever consulted the website. One for example recalled skimming the website at some point in the past but could not comment on its content.

This does suggest that opportunities may be being missed, in terms of identifying groups which might benefit from the Programme and contribute to nurturing digital inclusion.

Interestingly, in this context, while the staff of partner organisations generally felt that the flow of enquiries was adequate or better, the two contracted providers were both below target for the number of organisations supported and were disappointed at the lack of referrals from Brokers:

> 'the most difficult thing is getting clients. It would make it a lot easier if people just came through the door'.

It needs to be recognised, of course, that cultivating a high profile for Communities Two Point Zero may not be necessary to effective working: indeed, while many stakeholders suggested that much more effort was needed to stimulate awareness of the Programme, with some arguing for a high profile public awareness campaign, several others pointed out that such a campaign could be counter-productive given the spatial targeting of the Programme (which would mean interest would be generated from organisations which could not be supported) and argued that working via intermediary organisations, such as local authorities and CVCs was likely to be more effective.

Interviewees from within the partner organisations also pointed out that there had been a relatively recent move away from an approach focused on marketing to one focused on public engagement, with Communities Two Point Zero taking part in a number of large-scale events (such as 'Big Click Caerphilly', and an event focused on older people at Pontypridd, organised with the Local Health Board), organising training sessions with CVCs, arranging a series of Enterprise Development Days targeted at social enterprises, developing case-studies and distributing these through a variety of means, including experimenting with 'digital post cards' containing a Quick Response (QR) code which played a video clip. The website had also continued to be improved and updated.

3.4.3. Relations with, and Perceptions of, External Stakeholders
Stakeholders both inside and outside the Programme reported that considerable efforts were being invested in working with both local authorities and CVCs. A series of events had been arranged with individual local authorities, which were generally perceived as a success.

In parallel to this, PAVS had actively championed the Programme with other CVCs (through the regular meetings of the Welsh Association of CVCs) and this had led to a number of CVCs such as SCVS, BAVO and GAVO[39], organising events or training (which as we have seen had generated links with at least three of the 20 organisations we interviewed).

In addition, connections were reported with key national organisations, such as:

- Housing Associations, with a strong relationship having been developed with the United Welsh Housing Association;
- Care and Repair, where a successful pilot involving Care and Repair workers who supported elderly residents in their homes both using iPads to file reports and demonstrating their use to the clients was to be rolled out;

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[39] Swansea Council for Voluntary Services, Bridgend Association of Voluntary Organisations, Gwent Association of Voluntary Organisations.

- BBC Wales, where there was co-operation on the First Click campaign (though the role of Communities Two Point Zero was seen by the BBC as more related to filling gaps which could not be filled by organisations with national reach);
- The WJEC, where, as we have seen, discussions were underway on using Welsh Baccalaureate students as volunteers to promote digital inclusion.

However, local stakeholders (from local authorities, CVCs, and Communities First Partnerships) consulted through the web survey also suggested that engagement with Communities Two Point Zero was perhaps lower than might have been expected.

While the relatively modest response rate of 19% might in itself reflect somewhat limited awareness, 40% of those that did respond said that they had not been particularly involved or not involved at all over the last two years (Figure 3.1).

Figure 3.1: Surveyed stakeholders involvement with C2.0 Programme
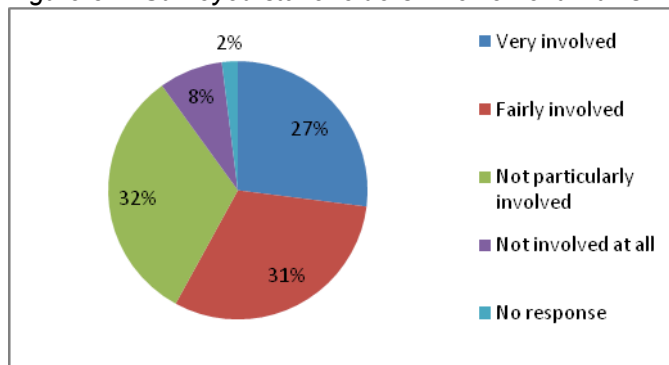
Source: Web survey of 62 stakeholders

This in itself is a very important finding which suggests a fairly low level of awareness and involvement of the Programme on a pan-Wales basis – while needing to be seen alongside a picture of generally positive views about the work being done by the Programme (see below and Section 3.5.3).

In common with the 20 supported organisations in our sample, the web survey suggested relatively limited engagement by these local stakeholders with the

Programme website. Only a third (32% or 20 respondents) thought it was either very or fairly effective whilst another third (29% or 18 respondents) thought it was not effective. The largest proportion (37% or 23 respondents) did not know[40] which suggests a low awareness of the website amongst stakeholders generally.

When asked how the web presence of the Programme could be improved a small number of surveyed local stakeholders suggested the following methods:

- Greater publicity for the website itself - 'unknown sites do not get accessed';
- Better linkages with associated websites, in particular Communities First web pages;
- Better promotion via social media methods;
- Recognition that the Programme website is not intended for the digitally excluded, but for stakeholders and intermediary organisations.

Almost half of surveyed stakeholders (28 respondents or 45%) could not comment about the case study materials produced by the Programme to date – suggesting a low awareness of these resources in general. Of those that could comment on the case study materials most found them to be either very or fairly useful (39% or 24 respondents) and only a small number (15% or nine respondents) found them not particularly useful. Having said this only one surveyed stakeholder stated that they had found a specific Programme case study to be of use to their own organisation.

Despite these results, surveyed local stakeholders generally believed that Communities Two Point Zero played an important role in generating awareness of digital inclusion as an issue, reporting that public sector organisations tended to hear about the digital inclusion agenda from two main sources – directly from the Programme (cited by 34 respondents or 55%) and

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[40] One respondent did not respond.

from other public sector organisations (cited by 33 respondents or 53%). Media related sources and other Digital Inclusion Initiatives were also considered important sources for this audience (and cited by just over a third of surveyed stakeholders in each case[41]), as shown in Figure 3.2 below:

Figure 3.2: Surveyed stakeholders' views on how public sector organisations come to hear about digital inclusion agenda
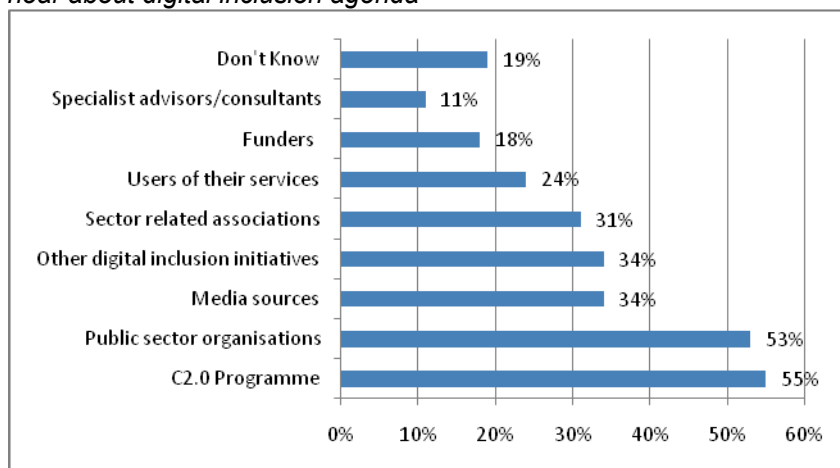
Source: Web survey of 62 stakeholders

Similarly local stakeholders thought that Communities Two Point Zero was also a key source of information about digital inclusion for the voluntary and community groups/social enterprises coming to hear about the digital inclusion agenda, cited by 57% or 35 respondents[42] and second only to other organisations in their sector, cited by 61% of those surveyed or 38 respondents (see Figure 3.3 over). Other important sources were also identified – most notably public sector organisations and media sources.

Local stakeholders responding to the survey also thought that the Programme had been successful in using intermediary organisations (such as Local Authorities, CVCs and Communities First teams etc) to reach community groups and social enterprises. 18% (or 11 respondents) thought that the Programme had been very successful whilst 44% (27 respondents) thought it had been fairly successful in doing so compared with 5% (three respondents) who thought it had not been successful and 3% (two respondents) who

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[41] Respondents could select more than one option.
[42] Surveyed respondents could select more than one option.

thought it had not been at all successful. Several successful examples of the Programme using intermediary organisations were given, including:

Figure 3.3: Surveyed stakeholders' views on how voluntary and community groups/social enterprises come to hear about digital inclusion agenda
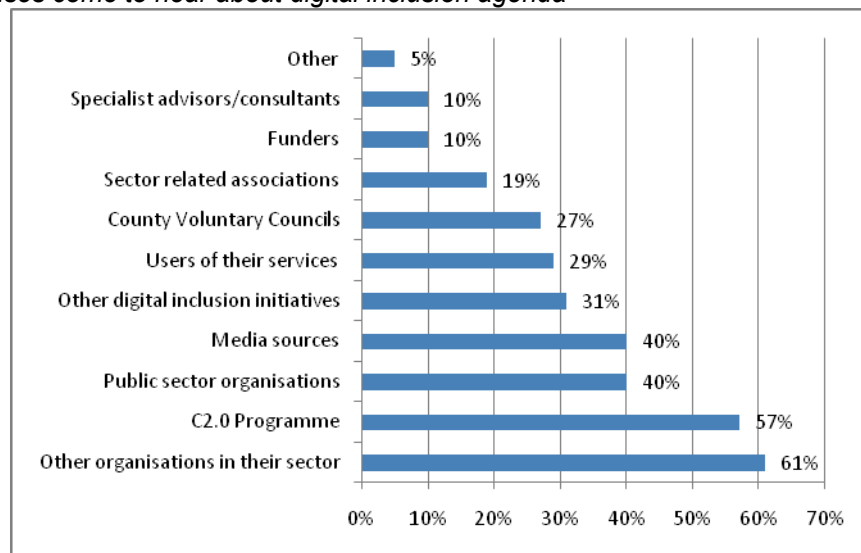
Source: Web survey of 62 stakeholders

- Working with Communities First teams - 'Communities First teams have access to many voluntary groups within the community where we can explain the benefits of Digital Inclusion';
- Working with Local Authority Libraries 'Has proved very successful in our libraries';
- Working with Local Authorities 'We offer facilities for Communities Two Point Zero to deliver BBC First Click courses to senior citizens'.

Two surveyed stakeholders summed up many other comments made:

'A 'frontline' service is required to act as a broker, especially in harder to reach communities as there is suspicion and mistrust in organisation's who make a 'cold call' type of approach. Once links are established it is easier for work to be done. This approach also ensures credible work is undertaken and a direct approach is made to the right people in a community'.

'The Programme has engaged with numerous groups in the community through effective partnership working'.

Similarly a majority of local stakeholders thought that the Programme had been successful in using community groups or social enterprises to reach digitally excluded people, with 16% (ten respondents) saying that it had been very successful and 42% (26 respondents) saying that it had been fairly successful (a further quarter or 16 respondents said they did not know).

When probed about what methods had worked well or not so well in reaching digitally excluded people it was suggested that:

- One-to-one tuition and tailored support around the interests of the participants tend to be more effective than large class-based activities or workshops. One respondent commented 'chalk and talk to large groups does not work – one-to-one sessions do work';
- Personal contacts via local meetings and partnership working were more effective than electronic methods (including website promotion) and 'generic' promotional activity and materials;
- Previous attempts under the Communities@One project to reach digitally excluded participants had possibly proved more successful as people had a better awareness of the brand in comparison with Communities Two Point Zero;
- The Communities Two Point Zero Programme has been restricted to work across Convergence funded areas and not able to reach digitally excluded people in non-Convergence-funded areas.
- The Programme has focused upon specific target audiences (e.g. older people) at the expense of others who are also digitally excluded (e.g. young people).

3.5 Support Provided and Satisfaction

3.5.1 Introduction

In our first report we noted that:

- Although many of the stakeholders interviewed did not have (and would not expect to have) a great deal of insight into the way in which the Programme was working 'at the sharp end', those with some knowledge suggested that there was a clear contrast between applications for social enterprise support, which were often internally focused on the applicant organisation and those for community and voluntary organisations which more often involved the appointment of digital inclusion workers to work with specific client groups;

- However, most of the organisations (whether social enterprises or voluntary and community organisations) responding to our telephone survey of assisted organisations were hoping to achieve one or both of two main objectives – either to set up or improve their organisation's website and the second was to improve the ICT skills of staff and volunteers involved with the organisation;

- There were generally high levels of satisfaction with the support received, and respondents almost without exception, thought it was relevant to their needs, with organisations also reporting that the focus of this support was on website development and ICT skills of staff and volunteers;

- There was little evidence of support relating to setting up or improving trading activities;

- Interviewees who were familiar with the financial support application process, were generally complementary about the process and the timescale for decisions;

- There were mixed views from organisations with experience of both Communities Two Point Zero and Communities@One about the relative merits of the two Programmes.

3.5.2 Nature of Support Provided to Organisations

In terms of the support being provided to organisations – whether social enterprises or voluntary and community organisations – the evidence from our fieldwork appears to point in different directions, with the fieldwork with supported organisations suggesting a narrower, more functional type of

support generally being provided than would have been expected from the evidence from stakeholders. It is possible that this either reflects a timing issue (with organisations on the database naturally including those assisted early in the life of the Programme before clear priorities were established) or a tendency on the part of key stakeholders to focus on the larger (but not necessarily representative) projects, particularly the digital initiatives.

More senior stakeholders within the Programme generally suggested that the evidence from our first report reflected the early stages of the Programme's delivery, and that there was now a much stronger focus – in terms of the work with voluntary and community organisations – on both addressing organisational needs and issues with ICT and using them as stepping stones to wider digital inclusion initiatives targeting volunteers, clients and, in some circumstances, the general public.

In particular, these stakeholders highlighted the key importance of the development work being done to bring forward digital initiatives, which effectively 'cascaded' the Programme's approach through willing partner organisations: at the time of our fieldwork, some 25 of these initiatives had been approved by the Appraisal Panel, with at least one in every local authority area within the Convergence area.

One dissenting voice, however, suggested that community groups had not been a particularly fruitful means of reaching digitally excluded people, primarily because groups had their own agendas and priorities and tackling digital exclusion rarely features amongst those.

Frontline workers generally echoed the view that there was a stronger emphasis on using voluntary and community organisations as a bridge to engaging excluded individuals, highlighting the greater focus on digital inclusion in general and the digital initiatives in particular (though some argued there was scope for greater joint working with the initiatives). However, they (and particularly circuit riders both within partner organisations and the contracted delivery providers), also suggested that a significant

proportion of the assistance to organisations continued to be quite functional and related to organisational goals, for example, developing websites, providing advice on establishing a social media presence, resolving difficulties with PCs or laptops and networks, advising on equipment.

> 'A lot of it is responding to specific initiatives identified by various groups. You react to what they want - what they want out of the support. Only that way do you get their buy-in'.

> 'We are trying to teach them how to maintain and manage their systems, but I don't really mind if we do help them just getting their systems up and running'.

Despite this last comment, however, one very clear message from these interviewees was that there was a strong focus on building the capacity of organisations to manage their own equipment better and, where website development was involved, to enable groups to maintain the websites which had been developed with the assistance of the Programme. At the same time, some commented that while the aim was always to try to train up a range of individuals within organisations on these matters, it was often quite difficult to get beyond one or two key individuals:

> 'it's normally just a small number of the top people who get involved. Sometimes it's because others are purely volunteers and have jobs in the day, though we've also tried evening sessions for some groups'.

This meant that the organisations were vulnerable to staff or key volunteers moving on, but also, of course, restricted the relevance of the assistance from the perspective of promoting the digital inclusion of excluded groups.

Underpinning the support, fieldworkers emphasised the importance of undertaking an ICT review of the organisation to ensure that its own perceptions of its needs were appropriate. There were, however, different views of the appropriateness of the revised review tool – with some

interviewees thinking it was insufficiently detailed and others believing that it was unnecessarily bureaucratic.

Our fieldwork with the 20 assisted organisations certainly provided evidence of the commitment of the Programme to developing the capacity of assisted organisations to manage their own ICT needs. Many of the groups assisted noted that the support from the Programme had provided them with the skills needed, for example, to update and manage their websites.

However, the pattern of support provided to the organisations was more narrowly focused on resolving what might be termed functional or operational issues, with relatively little evidence – with the exception of two digital initiatives which corresponded quite closely with the description given by stakeholders, but which were both in the quite early stages of delivery – of the progression from providing this form of practical assistance to digital inclusion activities focused on individuals. This is shown in Table 3.5 which attempts to summarise the support accessed by the different organisations: for each type of support, the first column shows how many of the 20 organisations received this form of assistance as part of a package of support, while the second column shows how many organisations *only* received this type of support.

Table 3.5: Types of Support Provided to Organisations

Type of Support	No. of Orgs. Supported	No of Orgs. benefiting only from form of support
Website Development and associated training	9	6
Resolving problems with PCs/laptops/networks or networking PCs	7	1
Funding Packages	7	-
Training or taster sessions with general public	5	-
Training or taster sessions with members or clients	4	
Training of key staff	2	1
Advice on purchasing ICT equipment	2	
Training in digital storytelling	2	1
Funding for digital inclusion workers/digital initiatives	2	
Developing volunteers to promote digital inclusion	2	
Training or taster sessions with volunteers	1	
Developing social media presence	1	
EPOS and electronic tills	1	
No concrete support provided as yet – in development	3	

As will be seen, for many of the organisations the focus was on developing websites and resolving problems with fairly conventional ICT equipment – and it needs to be remembered that this reflects the experience of the sample after excluding the seven organisations who declined to take part in the fieldwork, mostly on the basis that the involvement with Communities Two Point Zero was too slight. In six cases, the support consisted solely of developing or updating a website.

This is not to say the support was not appropriate. While it was not always explicit that the ICT review had taken place, in most cases it was clear that the Communities Two Point Zero workers had undertaken a diagnostic, based on examining the needs of the organisation.

Nor, while many of the interventions were relatively modest in scale, would it be true to say that such operational support was necessarily 'light touch'. In one voluntary and community organisation, for example, the Programme had:

- Undertaken an ICT review and provided advice on PC maintenance on housekeeping;
- Advised on setting up new computers;
- Set up and trained staff members in utilising a remote storage system for shared documents;
- Provided trouble-shooting advice on problems around connectivity, virus attacks and VPN connections;
- Provided advice to the organisation when it moved to new offices on installing a new network and on equipment prices and telecom packages.

Similarly, in the case of a social enterprise (a nursery) the support provided had included:

- Identifying and addressing security issues with the IT system;
- Setting up a website;
- Setting up a Facebook page;
- Sourcing funding for purchasing hardware and software:

'[Broker] went for funding from the Welsh Assembly Government … they awarded us £2,000 … we got a new computer, a new laptop, legal copies of Microsoft and a projector'

- Referring staff to website development and maintenance training;
- Referring staff to basic IT training;
- Sage payroll package training (though this had not yet taken place).

However, the fieldwork with the 20 organisations provided relatively little evidence of using the contacts with organisations to move forward the digital inclusion agenda. In practice, Table 3.5 also exaggerates the involvement with training or taster sessions: only seven of the organisations in total (including the digital initiatives) had any element of offering or providing such sessions to members, clients or the general public.

Of these seven, two had been unsuccessful: in one, the trainer was said to have had 'the wrong brief and gave a course on managing files in Word, which was totally inappropriate' instead of training on PC maintenance which was what the organisation had expected. While in another, only one person in total had come to two sessions which had been organised.

In a third, the sessions were still in the planning stage at the time of our fieldwork, thus leaving only two organisations, outside of the digital initiatives, where there had been a successful digital inclusion element.

In one case, this involved the delivery of two digital photography courses which proved extremely popular and in another a one day taster event which 14 individuals attended. However, in the former case, the interviewee thought an opportunity had been missed to include a 'train the trainer' element within the provision, so that it could have been more sustainable, saying that some of those involved 'weren't that keen, but they would have done it … but they're not disappointed that they haven't done it'. In the latter, the organisation was uncertain whether a one-off event such as this would make a critical difference to attendees' confidence in using technology.

Moreover, only three of the other supported organisations identified the potential for their organisation to act as a springboard for digital inclusion activities: in other cases, this was seen as inappropriate (for example, an outdoor centre which saw its mission as getting children and young people away from what was seen as an unhealthy obsession with technology), irrelevant (for example, a cultural group where the interviewee believed that the members already had opportunities to access such training) or impractical ('We are very much a signposting organisation and wouldn't have the capacity internally to train volunteers').

More generally, there was surprisingly little difference between the support provided to voluntary and community organisations and social enterprises (a point also made by some of the social enterprise workers during our focus groups) – with the exception that, in the former case websites were developed for organisations by Brokers or Circuit Riders, whereas in the latter, funding was provided via packages of support to buy in commercial website development (albeit with support from Communities Two Point Zero to ensure the service was appropriate and included capacity building to enable the group to manage the website).

The support to the two digital initiatives, by contrast, involved funding posts to respectively, co-ordinate the delivery of a wide range of formal and informal ICT learning and to directly deliver digital inclusion support to individuals within Communities First areas and in both cases seemed likely to deliver support to a considerable number of currently excluded individuals.

In the first case, besides assistance with developing the funding application and providing the funding for the post, Communities Two Point Zero had also provided a digital storytelling course and was organising training in website development, while the local Broker also sat on the Steering Group for the initiative and the Communities Two Point Zero central staff had also provided 'invaluable' assistance on marketing.

In the second case, besides the direct development of support to individuals (e.g. in sheltered housing schemes and through workshops with unemployed individuals), the project also involved offering a website development service to local voluntary and community organisations, with a view to establishing a social enterprise: however, the organisation delivering the initiative was sceptical that this was feasible within the 14 month timescale of the project.

In both these cases, the organisations supported were also committed to targets for developing volunteers with the skills themselves to enthuse and support digitally excluded individuals. However, while one of the organisations was generally comfortable with this and had already recruited twelve volunteers - a mix of retired people prepared to share existing skills and learn new ones and unemployed people wanting to learn new skills to add to their CV - who begin by shadowing a tutor and then 'graduate' to delivering support sessions themselves, the other was nervous about whether this was practical: as yet only one volunteer had been signed up against a target of 20.

Outside these two organisations, at the Programme level, stakeholders generally stressed the importance of developing a cadre of individuals prepared to work voluntarily with others to advocate and support the acquisition of ICT skills and capabilities, with this being seen as a critical challenge for the second phase of the project. Two of the delivery partners – PAVS and Carmarthenshire County Council – were also already training a relatively modest number of volunteers to work with paid staff to provide services to organisations and individuals.

There were, however, differences of perspective here, with a small number of key stakeholders arguing that what was needed was to secure the commitment of *existing* volunteers (or staff) in other organisations (which did not have digital inclusion as their core mission) to champion digital inclusion alongside their existing role, while others appeared to envisage more direct recruitment and management of volunteers by the Programme itself (through the new area teams). This was a source of nervousness for some of the staff:

'There's a risk of us becoming full time volunteer managers…It's a very good way of increasing critical mass but you have to be very careful not to go overboard'

Finally, it is worth noting that while there was a strong focus on websites in terms of the assistance provided, a small number of the organisations supported felt that, valued though this support was, it was less relevant as social media became increasingly important. Thus one interviewee noted that her organisation generated more interest via Facebook, which, as an avid Facebooker she had developed herself, than from its (Communities Two Point Zero developed) website, commenting that 'that's how everyone is communicating these days, isn't it?'.

Although fieldworkers emphasised the increasing role of social media in their support for organisations, as Table 3.5 illustrates, this appeared to be quite limited in the case of our sample.

3.5.3 Nature of Support Provided to Individuals

While the focus of Communities Two Point Zero operationally is largely on support for organisations as a route to engaging with digitally excluded individuals, and enabling others to engage with the digital inclusion agenda, the fieldwork with frontline staff in particular highlighted the continued role of the Programme in providing direct support to individuals. This included:

- Taster sessions, delivered directly to groups of individuals e.g. older people, usually based around the BBC First Click materials;
- Providing drop-in sessions, for example in connection with the BBC 'Get Online' week;
- More in-depth informal learning sessions, delivered over a number of weeks;
- Digital storytelling training, delivered over one or two days;
- Digital photography courses, delivered over four half-day sessions;
- Animation and film-making training.

There continued to be some concerns from some of these staff that the pursuit of targets meant that individual beneficiaries were given insufficient support to make a real difference – though this seemed to vary between delivery partners.

Our telephone survey of individual beneficiaries provided more insight into the individuals targeted and the types of support provided.

The majority of surveyed respondents (64% or 116 respondents) stated that they or their household had access to the internet at home prior to getting involved with the Programme. Most of the remaining third (34% or 62 respondents) did not have access to the internet at home. Two (1%) did not know. The proportions with access to the internet at home prior to getting involved with the Programme dropped with age (from 92% of those aged 15 to 24 compared with only 52% of those aged 65 and over)[43]. Surveyed respondents who were either self-employed, working, or in education were more likely than others (such as the unemployed, retired or those on long-term sick or disabled) to have internet access at home.

Overall, a slightly lower proportion (57% or 102 respondents) personally used the internet at home, work or elsewhere before getting involved with the Programme whilst 43% (78 respondents) did not. Again use of the internet at home, work or elsewhere was at its highest amongst the younger cohorts (with proportions dropping accordingly with age as can be seen in Figure 3.4) as well as being highest amongst those who were self-employed, working or in education.

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[43] In presenting data by age group here and in the sections which follow it is important to note that the sample was heavily weighted towards older people. Thus only 7% of surveyed beneficiaries (13 respondents) were aged 15-24; 24% (44 respondents) were aged 25 to 54; 15% (27 respondents) were aged 55 to 64 and 53% (96 respondents) were aged 65 or over. See Annex 2.

Figure 3.4: Surveyed beneficiaries' use of the internet at home, work or elsewhere before getting involved with C2.0 programme
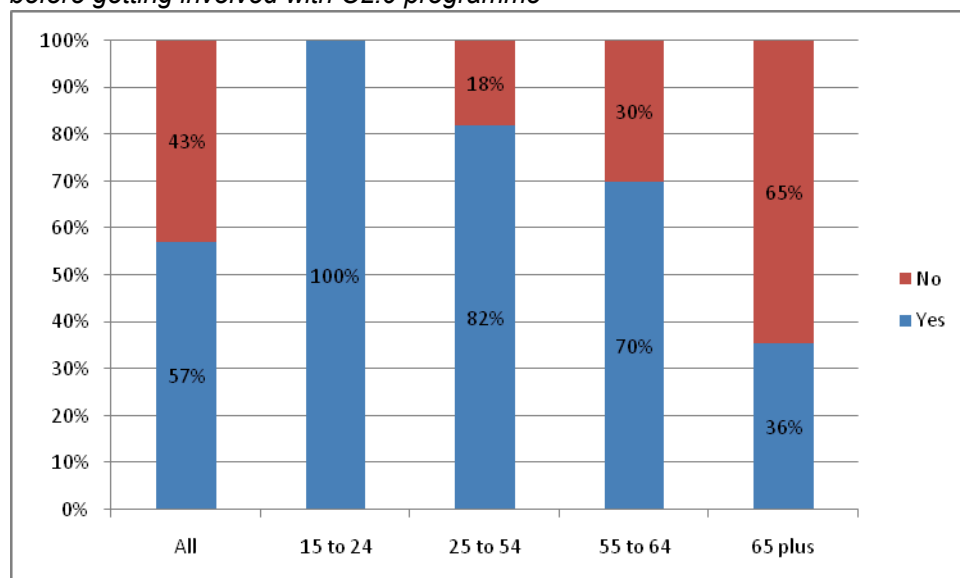
Source: Telephone survey of 180 programme beneficiaries

Of those that did make use of the internet at home (102 respondents) just under half (46% or 47 respondents) used the internet on most days, a third (35% or 36 respondents) used the internet at least once a week and the remaining 18% (18 respondents) used the internet less often than once a week. One did not respond to this question.

Of those that did not personally use the internet at home (78 respondents) only a small proportion (13% or ten respondents) had made use of the internet *anywhere* in the past before getting involved with the Programme whilst the majority (86% or 67 respondents) had not ever used the internet[44]. In essence therefore just over a third of the surveyed beneficiaries (37% or 67 respondents) had never made use of internet before getting involved with the Programme. The vast majority of these were aged 65 and over (87% or 58 of the 67 respondents) and/or retired (94% or 63 of the 67 respondents).

While in many ways these findings are in line with the broad pattern which emerged from the National Survey of Wales, they do suggest that the profile of those engaging with the Programme is somewhat *more* internet savvy than the general population living in the 30% most deprived LSOAs of the

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[44] One respondent did not respond to this question.

Convergence areas (Figure 3.5). In all, 44% of respondents living in the 30% most deprived LSOAs in the Convergence area who were surveyed as part of the National Survey for Wales 2010 did not use the internet, with the proportion rising to 79% of those of pensionable age[45].

Figure 3.5: Comparison of surveyed beneficiaries' use of the internet with data for West Wales and the Valleys National Survey for Wales 2010
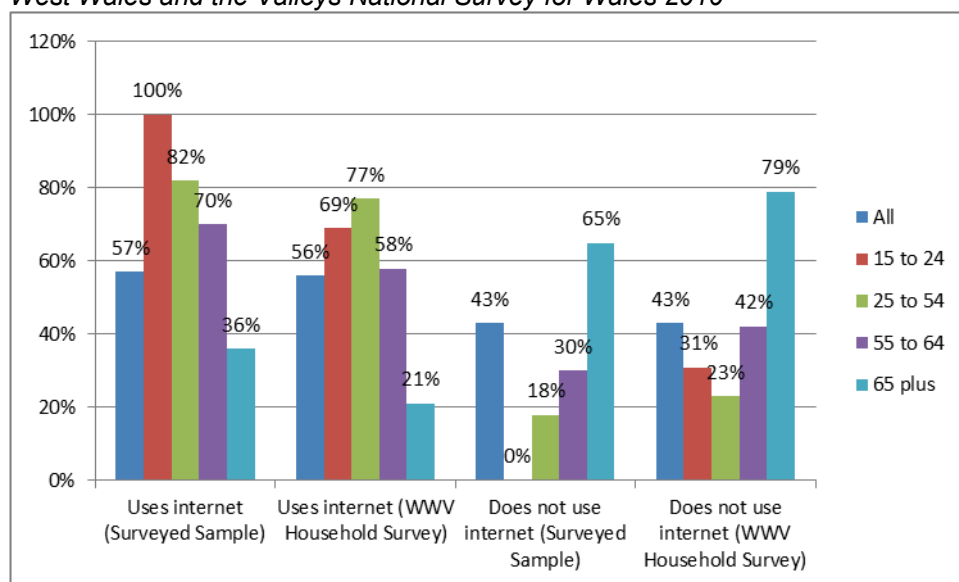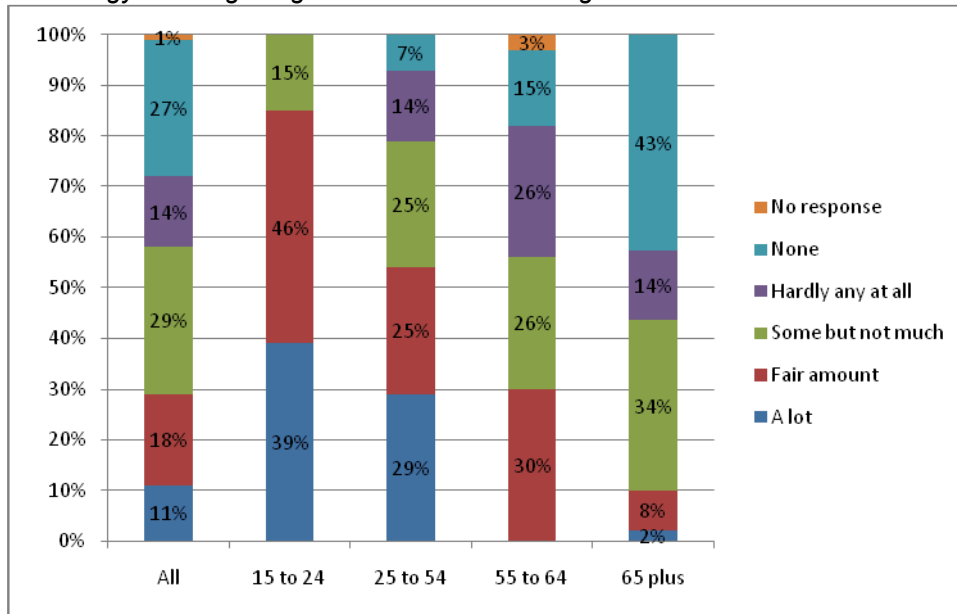

Sources: (a) Telephone survey of 180 programme beneficiaries and (b) National Survey for Wales 2010 data

The survey of beneficiaries also revealed a large variation in the levels of experience respondents had in computers and information technology more generally before getting involved with the Programme. Figure 3.6 shows that only a quarter of surveyed beneficiaries (27% or 48 respondents) had no previous experience of ICT whilst just under a third (29% or 77 respondents) had either a fair amount or a lot of previous experience. As would have been expected, younger cohorts were much more likely to have had previous experience of computers and information technology (with 85% or 11 of the 13 surveyed respondents aged between 15 and 24 claiming to have a fair amount or a lot of previous ICT experience) and experience tended to reduce with age. Only 11% (ten respondents) aged 65 and over had either a fair amount or a lot of ICT experience beforehand.

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[45] Though it must be emphasised that comparisons between the two data sources can only be tentative rather than conclusive.

Figure 3.6: Surveyed beneficiaries' experience of computers and information technology before getting involved with C2.0 Programme

Source: Telephone survey of 180 programme beneficiaries

Surveyed respondents' use of computers before getting involved with the Programme tended broadly to mirror the pattern of previous experience of ICT. (Figure 3.7) Again, younger cohorts were much more likely to have been using computers and information technology than older groups prior to getting involved with the Programme.

Figure 3.7: Surveyed beneficiaries' use of computers and information technology before getting involved with C2.0 Programme
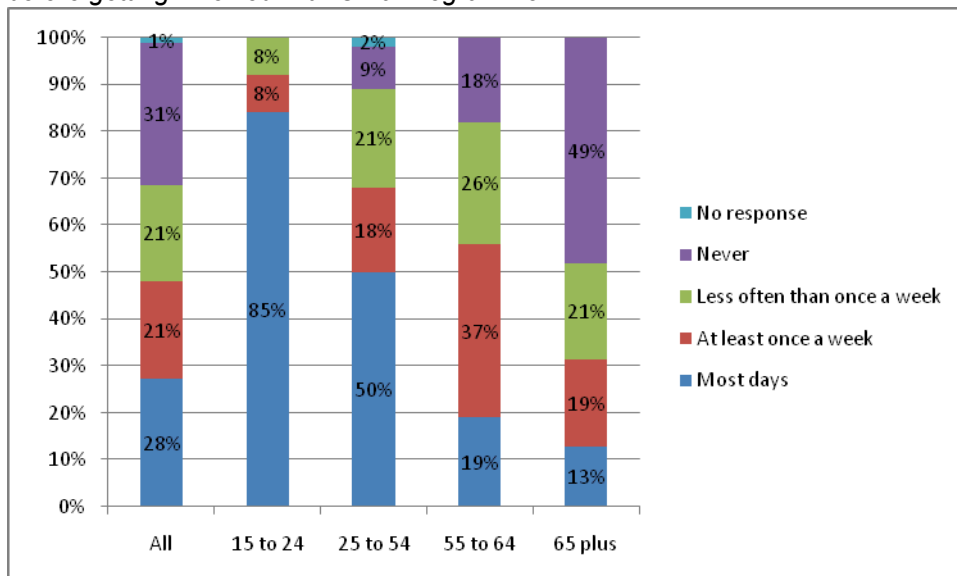
Source: Telephone survey of 180 programme beneficiaries

In terms of the types of support accessed from the Programme (Figure 3.8), the most common type of intervention was basic computer courses, which was cited by 84% (or 152 respondents). This was followed in second place by digital photography courses (but this was cited by only 7% or 13 respondents) and digital storytelling courses (cited by 7% or 12 respondents).[46] Other types of courses such as Skype or Social Media were much less popular. Young people aged 15-24 were much less likely to have attended basic computer courses and more likely to have attended digital storytelling courses or other courses (including website design and maintenance as well as radio digital inclusion workshops).

Figure 3.8: Type of course/workshop attended by surveyed beneficiaries
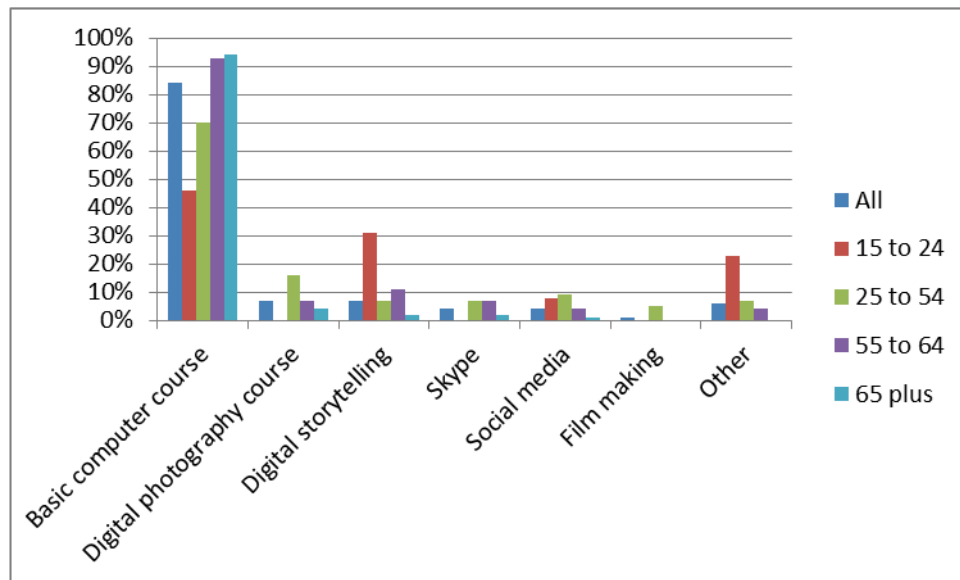
Source: Telephone survey of 180 programme beneficiaries

3.5.4 Satisfaction of 'Customers'

In terms of the view of 'customers', whether individuals or organisations, on the support provided, the fieldwork pointed generally to high levels of satisfaction.

In terms of the 20 organisations we visited, 13 of them were very satisfied with the support and interaction with the Programme, with each of the delivery partners receiving plaudits from those who had come into contact with them.

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[46] Respondents could select more than one option.

These interviewees tended to highlight the flexibility of the support provided (including follow up support delivered remotely), the fact that there was close attention to the specific needs of the organisation, and the fact that the support involved an element of capacity building or training to enable the organisation to manage its website or other IT itself: five of the 13 specifically singled out capacity building as a key reason for their satisfaction, with one particularly praising the fact that a package of support had paid a volunteer with the organisation for time to install new systems. Typical comments from these interviewees were:

> 'They fitted in with us… [they] were not working to fixed outcomes or defined limits' [Voluntary Organisation].

> 'I'd give them 10 out of 10 on all counts. They provide a phenomenal service' [Social Enterprise,].

> 'Tick all the boxes, they were superb' [Social Enterprise].

> 'they helped with a lot more than I thought they could….they looked at our service as a whole and brought ideas….[we] needed a lot more than I thought … I don't think you realise until someone from outside comes in and points things out to you. It all worked very well … they told me step by step what to do … what I needed … constantly asked for my input…they were always there and helpful … whenever I phoned them or needed anything changing, they were there' [Social enterprise]

> 'I can pick up the phone to [Broker] whenever I've got a problem' [Digital initiative]

> 'The quality was great…it all made sense… he made it really understandable' [Voluntary organisation]

Two organisations which had attended training courses were particularly enthusiastic, with one saying a digital storytelling course was:

'the best course I've ever been on. They were so knowledgeable; it was informal but you knew they knew what they were doing.'

And the second listing a series of positive aspects of the training including
- The use of the latest computers, equipment and applications to demonstrate (e.g. the use of Skype and introduction to the iPad);
- Good delivery - 'easy to follow and understand';
- A broad coverage of subjects which facilitated broad learning experience;
- A take away pack of materials that provided more details and also acted as a useful reminder of some of the topics covered;
- The use of question and answers approach which allowed trainees to bring specific problems/issues which could be addressed on the day;
- Appropriate timescales and set-up – 'you needed two full days because there was a lot to get through' with a small group of trainees;
- The course offering a good opportunity to network.

Interviewees who had been involved with making funding applications were also generally very satisfied with the support they received from Brokers and the timescales of decision-making, with one social enterprise commenting:

'It certainly wasn't a nightmare process by any means. It wasn't over-burdensome. This is a key strength of the programme and they should make sure they carry on with that. [Broker]'s input was also really good'.

Of the remaining seven organisations, in three cases, it was too early to give a definitive answer since the support was in relatively early stages, and three were generally satisfied but with some issues over the speed with which

issues were dealt with or the thoroughness with which matters were followed through.

Interestingly, however, one of the organisations now delivering a digital initiative and very positive about the support from the Programme (and which had previously been engaged with Communities@One) had had a false start and commented that there had been a transformation between the early stages of the Programme when 'the Brokers seemed to be making it up as they went along' and the present.

Only one organisation was dissatisfied. In this case, this was attributed to poor communications with the Broker, and apparent misunderstanding of the organisation's requirement (arranging an inappropriate training session); and a failure to follow through on promises (including to arrange a digital storytelling course) or respond to queries in a timely fashion.

The fieldwork did not generally provide evidence, at least in terms of support to organisations, to substantiate the concerns voiced in our first report that assistance might be terminated prematurely, once the minimum level of support to quality as an output had been reached. Only three of the organisations felt that additional support might have been useful, with one saying:

> 'It would be really good if they [the Broker] could pop back in, just maybe once a year to say – "look this is the latest new technology. This could help you" '.

and another commenting that the circuit rider who had helped develop the website did not really have the time to show her properly, partly because 'he was running about here and there trying to do websites for a load of people'.

At the other end of the spectrum, one voluntary organisation had received more than 300 hours of support, which might arguably be thought excessive for a Programme intended to develop capacity.
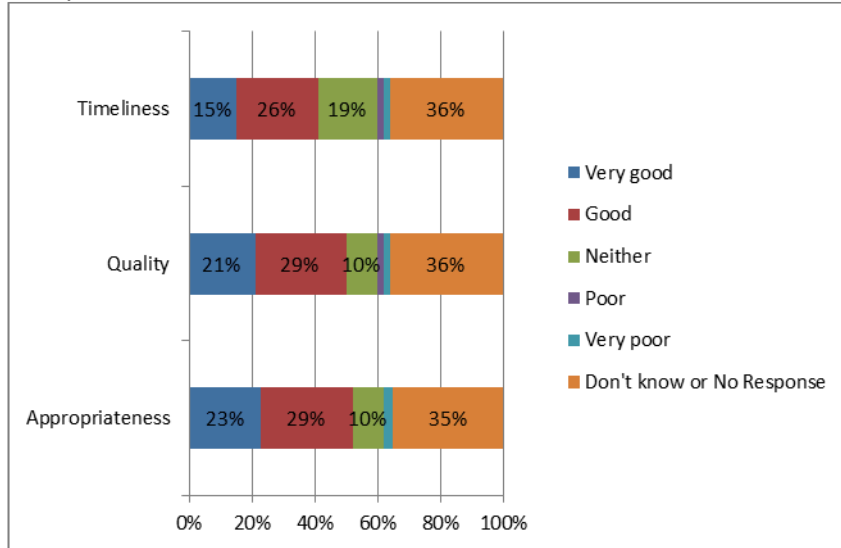
In terms of individuals, our telephone survey did not ask specifically about satisfaction with the provision. The focus was on impact on the use of the internet and other technologies and as it was anticipated that the support provided would be very diverse. However, the perceived usefulness of the provision can be inferred from the generally positive views of respondents on the difference which it had made to them (see Section 3.6.3). A high proportion of surveyed beneficiaries (84% or 151 respondents) also said that they would either definitely (54%) or possibly (30%) be more likely to take part in courses to develop their computer or IT-related skills further as a result of the support they had received. Some 14% (25 respondents) did not think that this would be the case and the remaining 2% (four respondents) did not know. When analysed by age there did not appear to be any pattern but men were slightly more likely to agree that they would be more likely to take part in further IT-related courses (at 88% compared with 82% of women who stated that they would either definitely or possibly be more likely to do so). Retired surveyed beneficiaries were also much less likely than other groups to agree that they would pursue other IT-related courses as a result of the provision, perhaps indicating that a relative basic level of knowledge was what they felt was required.

Turning from the direct experience of organisations and individuals involved in the Programme to indirect evidence, the web-survey of local stakeholders corroborated the perception of generally good levels of satisfaction with the provision offered by Communities Two Point Zero, though this does need to be qualified by the rather low number of responses and the fact that a significant number of respondents felt unable to comment on these issues.

Thus, half of the surveyed local stakeholders thought that the support made available by the Programme to voluntary groups and social enterprises in terms of quality and appropriateness had been either very good or good, as shown in Figure 3.9 albeit that this proportion dropped to some 40% (25 respondents) when rating the timeliness of the provision: the majority of other respondents were unable to comment, with only a very small number

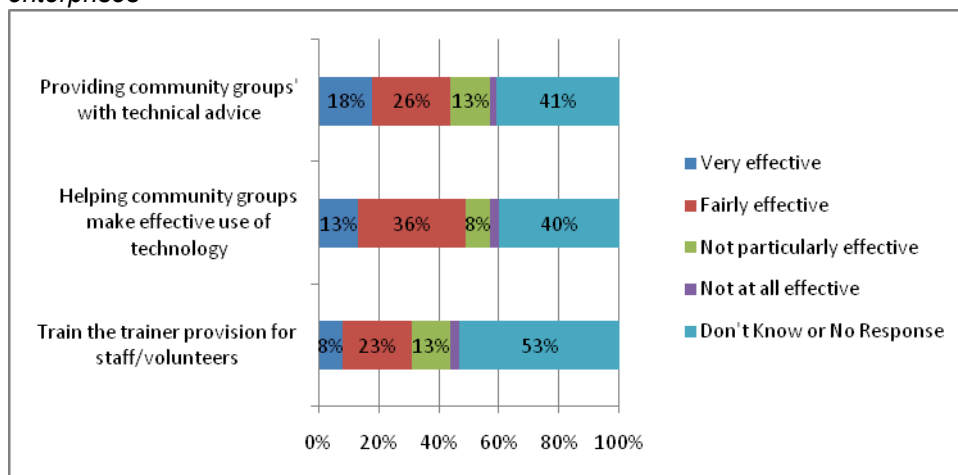believing the provision to have been either poor or very poor across any of these three areas.

Figure 3.9: Surveyed stakeholders' views on support to voluntary groups and social enterprises

Similarly, as shown in Figure 3.10 a large majority of those able to give a view rated the various services to voluntary groups or social enterprises as very or fairly effective, with only a handful (no more than ten respondents or 16% in each case) reporting that the Programme had not been particularly effective or not at all effective.

Figure 3.10: Surveyed stakeholders' views on services to voluntary groups and social enterprises

Most of the surveyed stakeholders who were in a position to comment, felt that the support made available by the Programme to voluntary groups and

social enterprises had been at the right level of intensity.[47] However, about two-thirds took the view that the support was being withdrawn too early.[48]

Surveyed stakeholders also conveyed a mixed view in response to a question on the Programme's emphasis on building capacity within voluntary groups and social enterprises. Just over a third (37% or 23 respondents) thought that the emphasis upon building capacity had been about right, a fifth (21% or 13 respondents) thought it had been too little and only a small proportion (3% or two respondents) thought it too much. The remaining third (39% or 24 respondents) did not know or did not respond to this question.

Some 18 of the surveyed stakeholders offered suggestions for improving the support to community groups and social enterprises. Comments made (though in each case, these were made by no more than three respondents) included:

- Ensuring the long term continuation of the Programme;
- Extending the programme into non-Convergence funded areas;
- Providing financial support to update and renew equipment as was available via Communities@One;
- Employing a greater number of locally employed advisors;
- Greater and more effective promotion of the Programme;
- Direct delivery of training over a longer period to ensure that engagement is increased;
- Addressing inconsistency across delivery partners in terms of approach and quality of service;
- Making more strategic use of Geecs and Circuit Riders staff;
- Increasing the emphasis on training organisations to manage their own IT in the future;

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[47] 40% (25 respondents) agreed and 18% (11 respondents) disagreed. The remaining 42% (26 respondents) did not know or did not respond to this question.
[48] 34% (or 21 respondents) thought that it was *possibly* being withdrawn too early and 27% (or 17 respondents) thought that it was *definitely* being withdrawn too early. Only one respondent thought that the support was not being withdrawn too early. Again the remaining third (39% or 24 respondents) did not know or did not respond to this question.

- Exploring alternative and more cost-effective ways of providing quick fix support to community groups e.g. dealing with problem-related phone calls.

Surveyed local stakeholders were also generally positive in their response to questions relating to Programme services for beneficiaries (Figure 3.11). Over half (55% or 34 respondents) thought that the taster sessions or workshops for beneficiaries had been either very or fairly effective and only 5% (three respondents) thought that they had not been effective. A slightly lower proportion, 39% or 24 respondents, thought that the in-depth ICT-related training for beneficiaries had been effective compared with 11% (seven respondents) who thought it had not been effective. Again as with previous questions a large proportion (nearly a half in the case of the in-depth ICT-related training for beneficiaries) of surveyed stakeholders could not comment or respond to these questions.

Figure 3.11: Surveyed stakeholders' views on C2.0 Programme services to beneficiaries
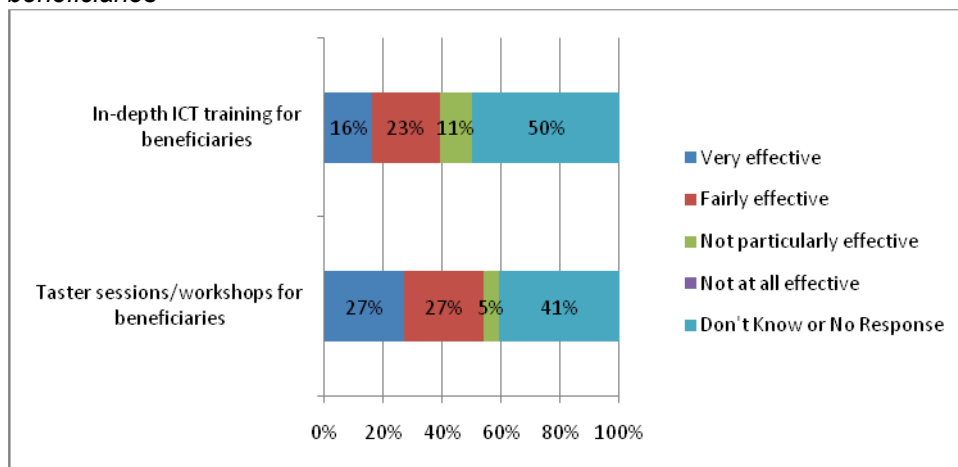
Source: Web survey of 62 stakeholders

3.6 Emerging Evidence on Outcomes and Impact

3.6.1 Introduction

In our first report we noted that it was very early in the lifetime of the Programme to make even an interim judgement on outcomes and impact and that we had no evidence at that stage on the impact on individuals. However

we reported that our initial telephone fieldwork with assisted organisations suggested that:

- The Programme was making a significant positive difference to organisations' ability to implement new ICT development and the ICT skills of staff and volunteers;

- There was little evidence of impact on organisations' trading or financial performance;

- Organisations generally suggested a relatively high level of additionality, with just over half saying they could not have accessed similar support from elsewhere, but with a significant minority suggesting that they might have sourced the support from the private sector;

- For these organisations, the reason for accessing Communities Two Point Zero rather than alternative private provision was overwhelmingly that support was cheaper or free.

While the recent round of fieldwork has enabled us to examine in greater depth some of these findings, and to gain a first snapshot of the effects of participation on individuals, it is important to stress that our methodology relies on the use of longitudinal data to draw firmer conclusions on impact.

In this section, therefore, we seek to draw out the evidence on outcomes for organisations and individuals and the extent to which those outcomes might have been achieved even without the intervention of the Programme (i.e. testing deadweight). Before doing so, however, we consider the evidence relating to the impact of Communities Two Point Zero on generating awareness of digital inclusion.

3.6.1 Impact on Awareness of Digital Inclusion

As has already been noted both in our Initial Process and Scoping Report and earlier in this report, key stakeholders have suggested that Communities Two Point Zero has a key role to play not just in direct delivery of activities but in encouraging and enabling other organisations to promote digital inclusion.

Despite the reservations around the wider awareness of the Programme, stakeholders generally believed that it was playing an increasingly important role in leveraging this engagement. Examples that were cited include the pilot project with Care and Repair, work with Housing Associations, which had led to a number of digital initiatives, work with JobCentre Plus, and the development of linkages with the financial inclusion agenda (which had led to the funding of the new National Field Officer within the team with responsibility for this issue *inter alia* and the development of a Communities Two Point Zero project in North Wales), as well as the awareness-raising with local authorities (including a successful session with Older People's Fora Co-ordinators) and CVCs. While it had been decided that direct approaches to local authorities from the Programme were needed, rather than relying on Carmarthenshire to act as an advocate for the issue with its peers, Carmarthenshire was reported to have made great strides in terms of the e-government agenda, with this being attributed to the impetus being given by participation in the Programme.

References were also made by several interviewees to the discussions with the WJEC about using Welsh Baccalaureate students to gain volunteering credits by undertaking digital inclusion activities with older people (thus, also contributing to better inter-generational understanding).

While there is little doubt that the Programme is playing the role of advocate and lobbyist for the digital inclusion agenda, this last example does highlight how it is relatively difficult from an evaluation perspective to isolate the specific contribution of Communities Two Point Zero to the increased profile of digital inclusion, not least given the Welsh Government policy focus on the agenda as part of the broader Digital Wales initiative. For example, it is clear that Welsh Government officials (both those funded from the Programme and those who are not) work extremely closely with the delivery partners and are widely recognised as having played a hugely important part in driving up awareness of the agenda, for example, in brokering the contacts between the WJEC and the Programme while other organisations also play an important role: in parallel with the discussions with Communities Two Point Zero, BBC

Wales was reported to have worked with the WJEC to develop links with 20 schools who were about to contribute to the latest digital inclusion campaign, 'Give an Hour', by using Welsh Baccalaureate students to host First Click sessions with older people. To the extent that this exciting idea takes off, it will be difficult therefore to be sure how far it can be attributed to Communities Two Point Zero.

Some stakeholders also suggested that there was scope for greater and more consistent engagement with Communities First partnerships, though one felt that this had not been helped by the omission of any references to digital inclusion in the consultation on the future of Communities First.

Turning to the views of local stakeholders captured by our web survey, this provided some evidence that the Programme has generated increased awareness of the digital inclusion agenda in both the third sector and amongst statutory organisations. We have already seen (Section 3.4.3) that respondents generally felt that the Programme was one of the two most important methods for both public sector organisations and voluntary and community organisations to hear about digital inclusion. Respondents also thought that it was contributing to an increasing awareness of that agenda.

Thus, although awareness of the digital inclusion agenda amongst voluntary and community groups/social enterprises was not deemed to be particularly high (Figure 3.12), most of the surveyed stakeholders thought that awareness of the digital inclusion agenda within the voluntary and community/social enterprise sector had improved over the last two years: a large proportion (60% or 37 respondents) thought that there had been some increase and a small proportion (11% or seven respondents) thought that there had been a significant increase in awareness levels. Only seven respondents (11%) thought that there had been no change in awareness.[49]

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[49] 11 did not know or did not respond to this question.

Importantly, 70% (or 43 respondents) thought that the Programme had made a contribution to the current level of digital inclusion awareness amongst the voluntary and community/social enterprise sector in Wales.[50]

Figure 3.12: Surveyed stakeholders' views on awareness of digital inclusion agenda amongst voluntary and community groups/social enterprises
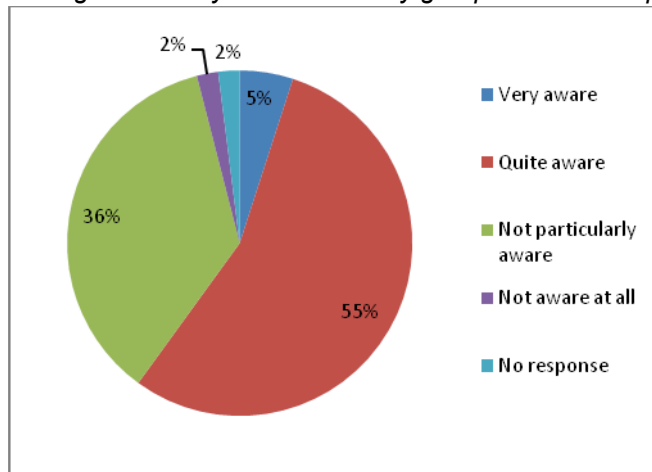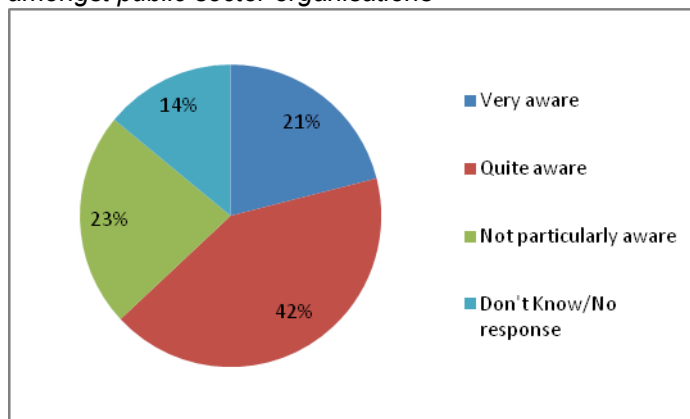

Source: Web survey of 62 stakeholders

Similarly, 58% (36 respondents) of the local stakeholders thought that the Programme had made a definite contribution towards the current level of digital inclusion awareness amongst public sector organisations.[51]

However, perhaps unsurprisingly as the majority of those surveyed were working within the public sector, respondents generally thought that awareness of the digital inclusion agenda amongst public sector organisations was good, and higher than that of community groups/social enterprises (Figure 3.13). Only just under a third (14 respondents or 23%) thought that public sector organisations were not particularly aware of this agenda.

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[50] 16 respondents did not know or did not respond to this question. Only three respondents thought it had not made a contribution.
[51] 13% (eight respondents) thought it had made no particular contribution and the remaining 29% (18 respondents) did not know.

Source: Web survey of 62 stakeholders

When asked about any changes made to their own organisations' on-line service delivery arrangements over the last year or so, over half of the surveyed stakeholders (53% or 33 respondents) reported positive developments in this respect. About a third (31% or 19 respondents) claimed that their employing organisation had not made any such changes and a small proportion (16% or ten respondents) did not know or did not respond.

The on-line service delivery changes implemented by the surveyed organisations included:

- Increased use of social media and social networking sites (such as Facebook and Twitter) which was cited by some 20 respondents in all and was by far the most common change;

- Introduction or expansion of new communication methods such as Skype;

- Increased e-service provision particularly on-line payment methods and on-line ordering of services and goods;

- Improved websites offering a more interactive service to users;

- More electronic mailings to users and members;

- Greater range of on-line services including TV red button services;

- Introduction of new services such as audio book downloads and e-book loan service.

It would appear that Communities Two Point Zero had been able to make some contribution towards these on-line service delivery arrangement

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changes. Of the 33 surveyed stakeholders who reported positive developments 15% (five respondents) thought that the Programme had made a significant contribution towards the development whilst 27% (nine respondents) thought it had made some contribution in this respect. Just under half (49% or 16 respondents) thought that the Programme had made no contribution and the remaining 9% (three respondents) did not know.

At a more general level, surveyed stakeholders had mixed views about the extent to which the Programme had been able to support the development of e-government at a local level. Just over a third thought it had done so – with 5% (or three respondents) of the view that the Programme had made a significant contribution and 31% (or 19 respondents) that it had made some contribution. Some 18% thought that the Programme had not been able to contribute to the development of e-government at a local level. Again a large proportion (47% or 29 respondents) did not know.

3.6.2 Organisational Outcomes

Turning to the evidence on outcomes for organisations, our fieldwork with 20 organisations largely endorsed the findings of the earlier telephone survey, with organisations reporting considerable positive outcomes in terms of organisational and administrative efficiency and effectiveness, but identifying little in the way of 'bottom-line' benefits to financial well-being and or impact on employment.

Turning first to the voluntary and community organisations assisted (though some of these might also, in fact, have been defined as social enterprises), where economic impacts might have been expected to be less visible, interviewees identified a number of positive outcomes from the support. These included:

- Boosting administrative efficiency and saving time and resources which would otherwise have been wasted. Thus one organisation (which had received intensive help) said that improvements to the IT system (including its client management system) had led to the organisation providing a better service both to clients and funders and ensuring that

each member of staff had their own working PC (adding to operational efficiency), while another said simply:

'It made loads of difference, saving loads of time and frustration and reducing stress levels'.

- Avoiding inappropriate investments: one interviewee had found a much better solution to her database requirements thanks to being steered away from an inappropriate solution as a result of training received:

 'It seems strange to say this but actually what was good was that it was explained to me why the idea I had before I went there could not be done in either the timeframe or within reasonable costs. So what I most got out of the training was the fact that I had to rein in my ambitions, and that was fine'.

- The ability to generate better information, present a more professional image and thus generate greater interest and potentially funding for the organisation. Thus, several organisations commented that new websites were leading to increased interest from volunteers and funders (though less commonly clients), for example:

'We get a lot more enquiries by e-mail now and we've even had some volunteers come to us via the website'.

Another based in a community centre, said that it had generated additional room bookings, as a result of hirers being able to see the rooms 'virtually' (thus adding in a very modest way to the income of the organisation) while yet another organisation had been able to use its digital storytelling expertise acquired through the Programme to generate greater attention from funders:

'We had a Ministerial visit last week to [area]. The purpose was for the Minister to meet with volunteers. Before meeting one volunteer, the Minister watched the volunteer's 'digital story'. When the Minister met with the volunteer it had a real impact, we think, because he knew about the progress this volunteer had made'.

In the case of the two digital initiatives, which were clearly significantly different in terms of both their relationship with the Programme and the scale of their activity, the funding from Communities Two Point Zero was seen to be playing a critical role in extending the ambitions and 'reach' of the organisations in terms of digital inclusion activities.

In one, the Programme's support was seen as being particularly important in supporting and stimulating the development of a cadre of volunteers, some of whom were motivated by the prospect of enhancing their employability. Unemployed people were said to have come into the Centre for help with their CVs and to have seized the opportunity offered to up-skill, as a way of adding tutoring/ training skills to their CV.

In the other, while the development of a social enterprise capable of generating income from providing IT support to smaller organisations in the private and third sectors was part of the Business Plan, no concrete steps had yet been taken to realise this.

In terms of the social enterprises assisted, positive outcomes identified were again largely around organisational efficiency and generating awareness:

'The purpose of the web presence is it offers a first point of information. People can find out who we are, what we do, before they make contact. Obviously there are contact details on there as well'.

In one case, the introduction of an IT network, including Electronic Point of Sale (EPOS) technology to a visitor attraction and shop had resulted in a drastic reduction in errors in handling cash ('the shop is much more accurate

now') and had also increased efficient use of staff resources by enabling employees and volunteers to share information much more quickly.

There was some evidence in two of the social enterprises of the support having led to increased income-generation. In one - another visitor attraction with a wedding license - enquiries about weddings had increased as had ticket sales. A slight increase in visitor numbers was considered very positive in view of the current economic climate. In the second - a nursery - the website and Facebook presence, along with other assistance given had led to a range of positive outcomes including:

- Generating an increasing number of potential clients: 'a lot of future parents seem to be looking at it… whereas we used to have to advertise in newspapers, which was fairly expensive'. Around 20% of enquiries were now being generated from the website and the organisation had cut down on advertising, saving in the region of '£90 a month';
- Easier communication with parents, using group e-mails instead of newsletters;
- General simplification of work in the office, because all staff had both IT skills and access to a PC rather than relying on the manager to input information: this in turn freed up the manager for more strategic work;
- Staff using the internet to plan more varied activities and find new resources for the children;
- The capacity to use new equipment to cascade training received to staff.

In terms of employment, one organisation reported the creation of one job related to the intervention, since a young person originally recruited through the Future Jobs Fund had been taken on full-time in large part because there was a role there for maintaining the website which had been developed by the Programme.

None of the social enterprises had been assisted to start-up by the Programme.

In terms of additionality, 14 of the 20 organisations assisted reported that the developments would either not have taken place, or would have happened in a significantly more limited way, without the intervention from Communities Two Point Zero: in two cases, the organisation concerned would probably have found an alternative commercial supplier, which would have adversely impacted on its finances, but which would have led to the same outcomes; and in four it was too early to discuss outcomes in any detail.

For the most part, the reason for this was said to be simply lack of funding or resources, time or expertise:

> 'I haven't got the time… I could possibly have done one [a website], but I haven't got the time… we did have one in place, but the previous manager we had here disappeared and nobody had the code… so [Broker] came in and said that he'd do a new one'.

A number of other interviewees suggested that developing a web-site in-house might have been an alternative but that in that case the end result would have been far inferior:

> 'It's not rocket science, but for instance the software they [the Programme contractors] had was many times better than the basic website design software that we would have used'.

Moreover, a consistent message from interviewees (with only one exception – where the interviewee in part blamed herself for being insufficiently engaged with the training offered) was about the importance of the capacity building which had come with the support from Communities Two Point Zero and which meant that the organisations had the tools with which to maintain their own systems going forward. This was seen as being a critical difference from support which might have been sourced from the private sector.

Stakeholders interviewed generally said that they believed support to organisations should be providing real benefits in terms of increasing efficiency and the confidence to use ICT effectively:

'I would say in six or seven in every 10 groups we see there is a visible impact on the way they act or how they go about doing things. We see evidence all over the place… What we do is give them an idea, make them aware of how they might use ICT. Then we give them some skills to use ICT. Not much – usually something basic: could even be something as basic as being confident in using a mouse! But through all this it's the confidence that we give them that is the glue'.

In terms of employment, a number referred to the monitoring data showing the creation of a number of jobs but only one specific example was cited, the Swansea Tennis Centre (which was not one of our sample).

In terms of the evidence from the web-survey, around half of local stakeholders thought that voluntary groups and social enterprises had increased their use of ICT in the three specific ways identified (Figure 3.14).

Figure 3.14: Surveyed stakeholders' views on increase in ICT use amongst voluntary groups and social enterprises over the last year
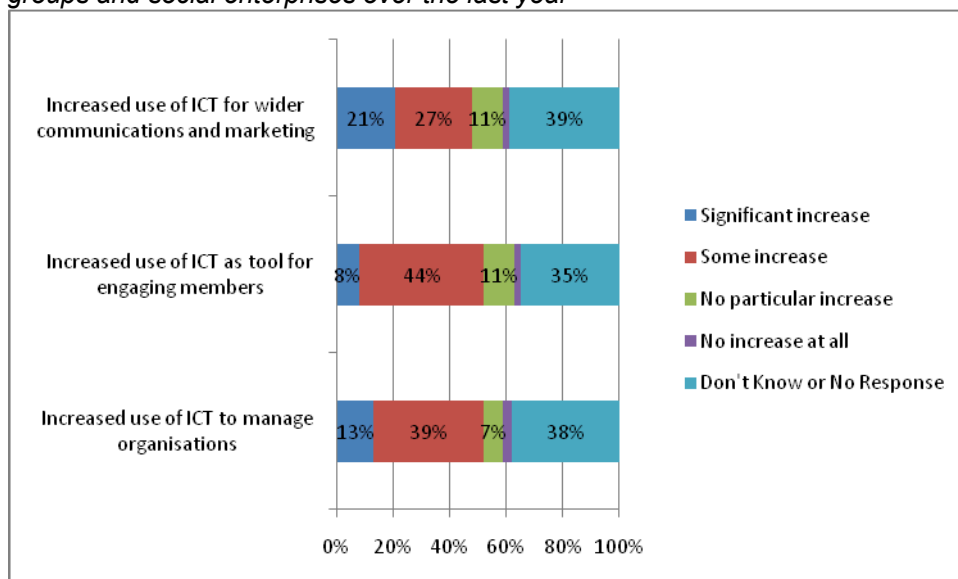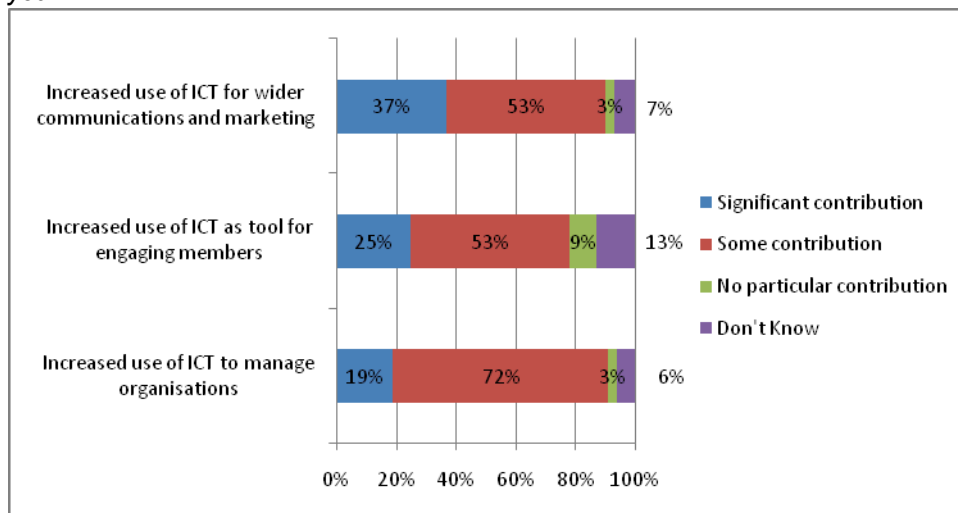

Source: Web survey of 62 stakeholders

Most of the remaining surveyed stakeholders either did not know or did not respond to the question, with only small proportions (no more than 13% or eight respondents in each case) saying that there had been no increase in the use of ICT.

Surveyed stakeholders were then asked what contribution, if any, they thought that the Programme had made towards any increases in use of ICT amongst voluntary groups and social enterprises (Figure 3.15). The findings present a very positive picture with the large majority of surveyed stakeholders of the view that the Programme had made either a significant or some contribution across the three areas which were asked about.

Figure 3.15: Surveyed stakeholders' views on contribution made by C2.0 Programme to increases in ICT use amongst voluntary groups an social enterprises over the last year

Source: Web survey of 62 stakeholders

As some of the respondents were themselves eligible for support from the Programme (CVCs, Communities First Partnerships) surveyed stakeholders were also asked to provide a specific example of how the Programme had changed the way their organisation was working. Some 24 comments were made in this respect and some interesting examples are cited below:

- The Programme has led to some developments taking place quicker than would have been the case otherwise: 'It has helped speed up the development of our online activities. Whilst they haven't practically helped us, the work around awareness raising by Communities Two

Point Zero has meant we have moved faster with this work than originally planned';

- The support has led to increased expertise within some organisations – in one case the organisation had received support to update their website: 'We would not have updated this provision without the support and guidance from Communities Two Point Zero as we do not have technical experts in the team. Following this support we are now able to update the site ourselves';

- The support has led to new activities within some organisations: 'Communities Two Point Zero came and delivered training sessions on eBay, Facebook and the internet. The greatest take up has been Facebook as this is now used instead of websites as it is easy to update by the users. Also some of our groups and community members are using eBay to purchase goods and equipment. This may have happen[ed] at a later date however with the training that was received I believe this happen[ed] much quicker';

- Some surveyed stakeholders, particularly Communities First respondents, noted that the provision available via the Programme has allowed them to 'gain access to better resources and skills/knowledge' for the benefit of their community members;

- Two surveyed stakeholders noted that they had employed a member of staff as a result of Communities Two Point Zero funding to deliver ICT training and awareness raising activities within the community that they served;

- Two surveyed stakeholders noted that they had been able to increase their ICT provision locally (either via their own staff who have received training or by drawing in Programme staff to deliver courses directly).

3.6.3 Outcomes for Individuals

Our telephone survey of individuals supported via the Communities Two Point Zero Programme suggested that they identified a range of benefits related to their understanding, confidence and use of ICT arising from participation (Figure 3.16 over). In particular, respondents suggested that the Programme

had made a significant difference to their perception of how useful IT can be with 76% (or 136 respondents) rating the effect of the course/workshop as a four or five on a one-to-five scale (with five being 'made a significant difference') and to their confidence to use IT (with 71% or 127 respondents rating the course/workshop as a four or five).

Figure 3.16: Difference made by Programme training or support to surveyed beneficiaries
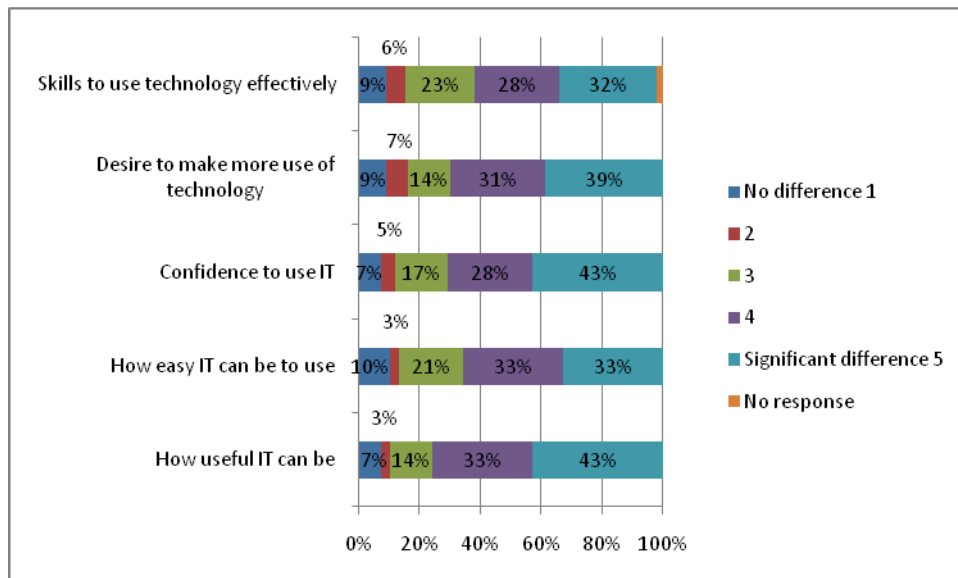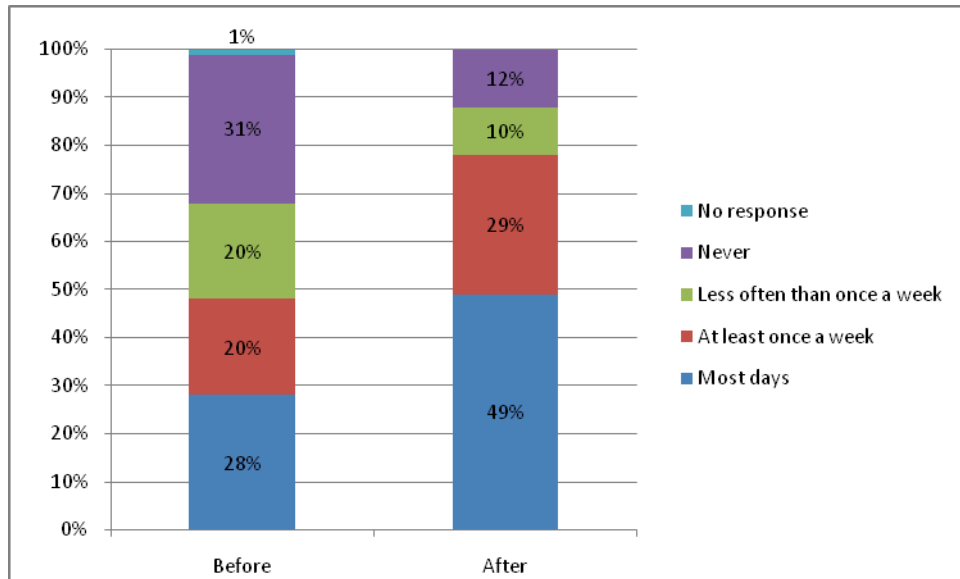

Source: Telephone survey of 180 programme beneficiaries

The Programme appears to have had an impact on slightly fewer of the respondents in terms of their skills to use technology effectively, albeit a good proportion of surveyed respondents (61% or 109 respondents) scored this with a four or five. This is perhaps not surprising given the Programme's focus upon the delivery of short, taster sessions that might not lead to a tangible change in levels of IT skills amongst beneficiaries. Surveyed respondents aged between 55 and 64 were the most likely to state that the course/training had made a 'significant difference' to each of the areas.

When looking at the use being made of computers by surveyed respondents since the intervention it is clear that there has been good increase in usage, particularly amongst those who use computers on a daily basis, as shown in Figure 3.17.

Figure 3.17: Use of computers amongst surveyed beneficiaries before and after intervention

Source: Telephone survey of 180 programme beneficiaries

The increase in those using computers on most days has mostly been experienced by those aged 55-64 and those aged 65 and over where a three-fold increase has been experienced in the proportions using computers on a daily basis (from 19% to 52% amongst the 55-64 year olds and from 12% to 36% amongst the 65 and over group), as shown in Figure 3.18 below:

Figure 3.18: Use of computers amongst surveyed beneficiaries aged 65 and over before and after intervention
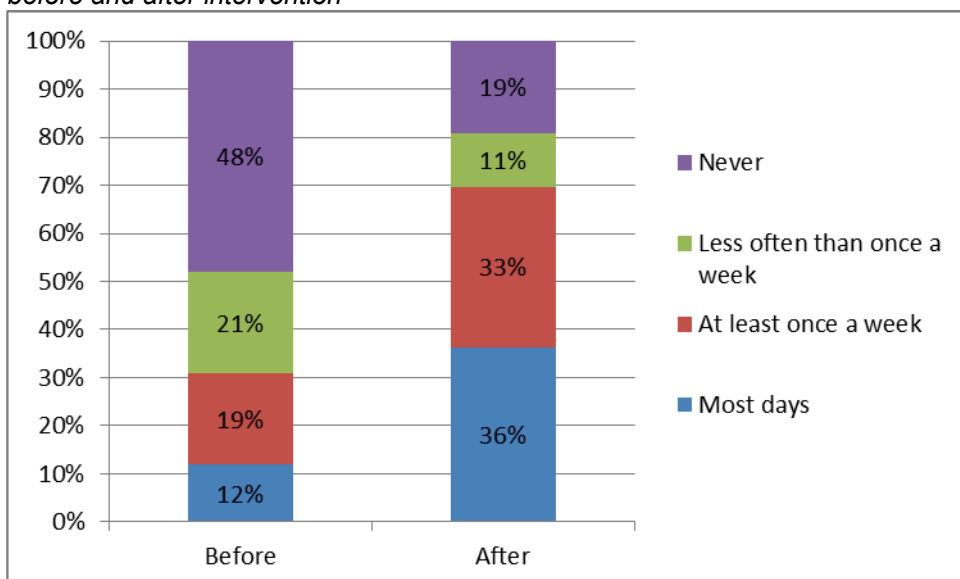
Source: Telephone survey of 96 programme beneficiaries aged 65 and over

At the same time, there has been a marked drop in the proportion of surveyed beneficiaries never using a computer - from 31% (55 respondents) to 12% (22 respondents) and this change has been most notable amongst the over 65s who experienced a drop from 48% (46 respondents) not previously using a computer to a current proportion of 19% (18 respondents).

This suggests a positive and sustained impact of participation in terms both of making inroads into the population of the 'digitally excluded' and of increasing the intensity of use of IT by those who had some familiarity before becoming engaged with the Programme.

The most common places to use a computer in the three months prior to us carrying out the survey were deemed to be:
- At home (cited by 81% or 145 respondents)
- In another public place (cited by 16% or 28 respondents)
- At place of work (cited by 14% or 25 respondents)
- At another person's home (cited by 9% or 17 respondents)
- At place of education (cited by 6% or 11 respondents)
- At another location (cited by one respondent who noted that they accessed a computer at sheltered accommodation).

Similarly, there has been a good increase in the proportion of surveyed beneficiaries who stated that their household now has access to the internet at home - from 64% (116 respondents) prior to being involved to a current level of 81% (145 respondents)[52]. The 'profile' of respondents who currently have access to the internet at home remains similar to the previous profile in that they are still more likely to be young people and in employment and less likely to be unemployed or retired.

Likewise, there has been a very good increase in the proportion of surveyed beneficiaries who personally use the internet at home, work or elsewhere –

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[52] Only two respondents noted that they used to have access to the internet at home but did not do so anymore.

from 57% (102 respondents) prior to being involved to a current level of 84% (151 respondents)[53]. This is impressive when compared to a figure of 56% for the population in the 30% most deprived LSOAs within the Convergence area, particularly when the age profile of our respondents (which is heavily biased towards older people compared to the general population) is taken into account.

Interestingly the proportion of surveyed beneficiaries who claim to be internet users is greater than the proportion of those who have access to the internet at home. 16% (29 respondents) noted that they did not use the internet at home, work or elsewhere and of these 26 respondents (14% of the overall sample) said that they had never used the internet anywhere since completing the course or activity.

In essence therefore, the proportion of surveyed beneficiaries who had never used the internet (apart from any exposure during the intervention) has more than halved from the previous rate of 37% to the current rate of 14%, while the proportion saying that they do not use the internet has fallen even more sharply from 43% to 16%.

Reasons given by the 26 respondents who did not currently use the internet were:
- Lack of skills (eight respondents);
- Not wanting to use the internet (five respondents);
- Health problems making using the internet difficult (five respondents);
- Equipment costs too high (four respondents);
- No need to use the internet (three respondents);
- No access to computer (three respondents);
- Other reasons (four respondents) which tended to be personal circumstances.

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[53] Only three respondents noted that they used to personally use the internet but did not do so anymore.

There was also a positive increase in the proportion of surveyed beneficiaries who made regular use of the internet – with, for example, those using the internet on a daily basis almost doubling from 26% (47 respondents) to 48% (87 respondents) as shown in Figure 3.19.

Figure 3.19: Use of internet amongst surveyed beneficiaries before and after intervention[54]
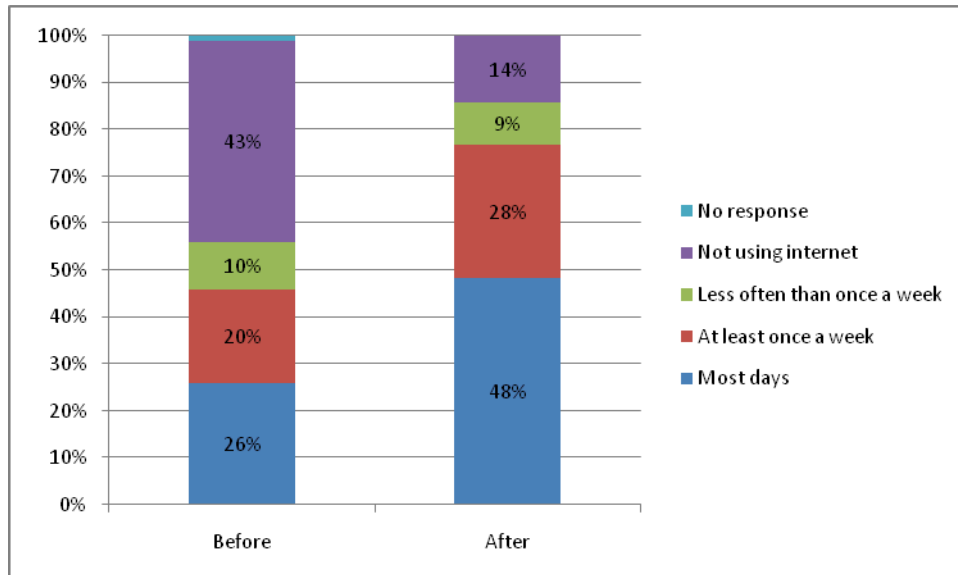
Source: Telephone survey of 180 programme beneficiaries

This pattern was also true for those aged 65 and over (Figure 3.20 over) – where the proportion using the internet on a daily basis had tripled from 10% (ten respondents) to 31% (30 respondents), with a drop of more than 40% in those saying that they never used the internet.

Again, this data suggests a sustained impact in terms of the level and intensity of internet use on the part of those participating in the Programme.

The most common places to access the internet in the three months prior to us carrying out the survey were the same as those used by surveyed respondents to access their computer. They were:

- At home (cited by 80% or 139 respondents)
- In another public place (cited by 17% or 29 respondents)

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[54] The proportion of beneficiaries presented for 'after' intervention do not equate to 100% as percentages have been rounded.

- At place of work (cited by 13% or 26 respondents)

- At another person's home (cited by 10% or 18 respondents)

- At place of education (cited by 7% or 12 respondents).

Figure 3.20: Use of internet amongst surveyed beneficiaries aged 65 and over before and after intervention
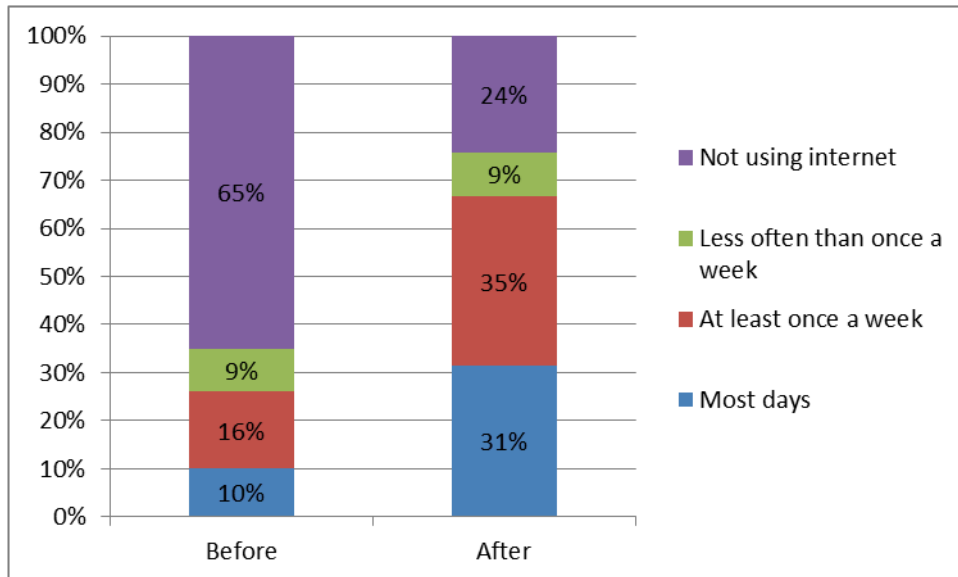
Source: Telephone survey of 96 programme beneficiaries aged 65 and over

The two most popular devices used to access the internet were laptop at home or work (cited by 57% or 88 respondents) followed by desktop computer (cited by 49% or 88 respondents). Other devices were much less common, as shown in Figure 3.21 below.

Figure 3.21: Devices used to access internet by surveyed beneficiaries
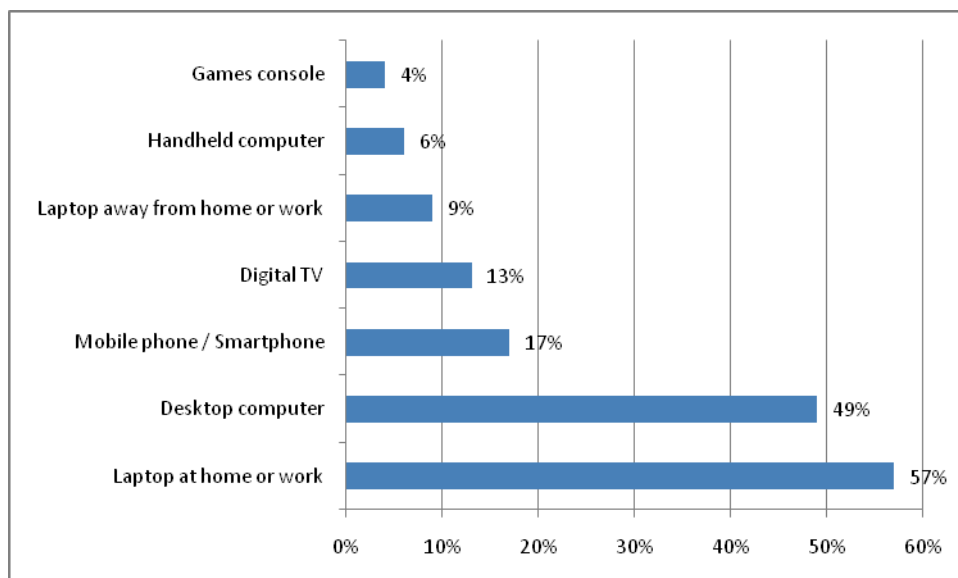
Source: Telephone survey of 180 programme beneficiaries

General browsing and e-mail activity were the two most popular internet activities carried out by surveyed beneficiaries (Figure 3.22). However, some 57% also reported using the internet to find information about health, government and public services - which suggests the relevance of the Programme's activities to the e-government agenda - somewhat more than reported accessing other information on goods and services (54%) or buying or ordering goods or services on-line (41%). Use of the internet for purposes such as video conferencing, playing or downloading music, games or software and looking for jobs or work were much less common. As may have been expected use of chat rooms and social networking was much higher amongst the younger cohorts, and decreased with age whilst a higher proportion of employed and unemployed respondents used the internet for job searching activities.

*Figure 3.22: Internet activity carried out by surveyed beneficiaries*
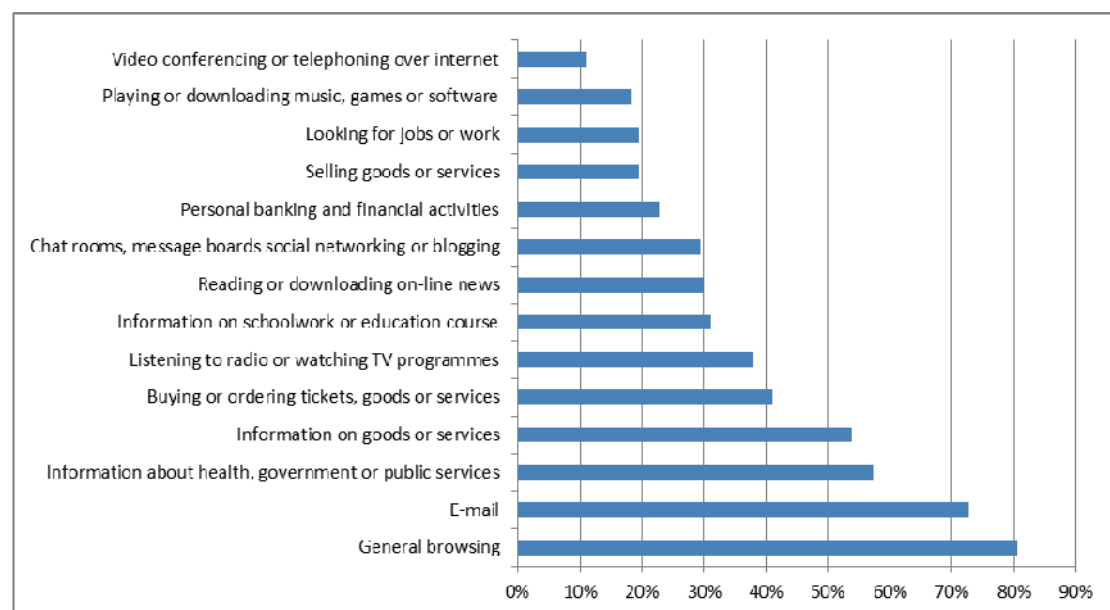
Source: Telephone survey of 180 programme beneficiaries

Just under a third of surveyed respondents (30% or 54 respondents) had used the internet to get information about public sector organisations (other than the Welsh Government) whilst a lower proportion, 17% (or 31 respondents) had used the internet to get information about the Welsh

Government. Surveyed respondents within the 25 to 54 age bands were the most likely to make use of both of these websites, as shown in Figure 3.23.

Figure 3.23: Proportion of surveyed beneficiaries using internet for accessing information about Government services
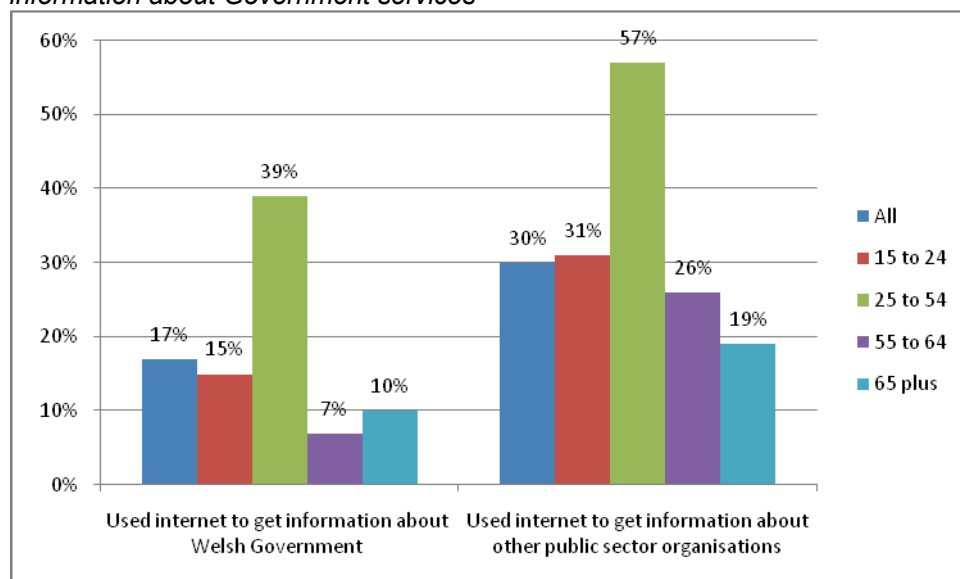
Source: Telephone survey of 180 programme beneficiaries

While the survey provides fairly strong evidence of the impact of the provision on the use of ICT and the internet, the link to the broader economic (and more particularly the employment) agenda would appear to be more limited - though to a large extent this is attributable to the strong representation of the retired amongst the beneficiaries (and, to an even greater extent, our sample).

When asked how they thought that doing the course or activity had affected their job prospects:

- 7% (13 respondents) thought that it had made them much more employable;
- 11% (19 respondents) thought that it had made them a bit more employable;
- 12% (21 respondents) thought that it had made no difference to their employability;
- 68% (122 respondents) stated that it was not relevant to their situation as they were either retired or not looking for work;
- 3% (five respondents) did not know.

Men were more likely to agree that the course or activity had made them more employable as did both those currently in employment and the unemployed (albeit that the unemployed cohort tended to emphasise that the support had made them 'a bit' more employable as opposed to 'much more' employable).

In all, a little under half of surveyed beneficiaries (44% or 79 respondents) thought that the provision had made it more likely that they would to do some volunteering or unpaid work to help others in the community. A third (34% or 62 respondents) did not think that the intervention had had any impact in this area and the remaining 22% (39 respondents) did not know.

Our fieldwork with organisations did, however, point to the relevance of some of the Programme's activities, particularly those of the digital initiatives to the employment and employability agenda. Both of these projects were providing support to the unemployed. In one of them, the main focus of the organisation was on delivering IT-related and other work skills training to their clients, including 'Back to Work' courses twice a week for 10-12 people per session as well as carrying out training in Job Centres and tutoring in local libraries. While Communities Two Point Zero funding was buttressing rather than initiating this work (by funding a project development officer), thus raising the issue of additionality, it was clearly relevant to the outcomes being generated.

In the other digital initiative, the Programme funding had allowed the organisation to initiate relations with JobCentre Plus and to deliver drop in sessions on CV writing, internet job search and application.

3.7 The Programme Going Forward

3.7.1 Introduction

In this brief section, we consider the views on the future of the Programme. Questions on this were not asked of the individual beneficiaries.

3.7.2 Assisted Organisations

Perhaps unsurprisingly, most of the organisations consulted argued that the sort of support provided by Communities Two Point Zero continued to be needed by the third sector in general, even where they themselves had for the moment had their needs met. Several pointed to the difficult economic and funding climate as having increased the need for this sort of support.

The two digital initiatives argued for the extension (both spatially and in terms of timescale) of Communities Two Point Zero. One, where a Communities First Partnership had been involved in digital inclusion on a sporadic basis over a number of years, drew attention to the considerable down-sides of short-term funding regimes (which had resulted in their own case on several occasions losing key staff and having to start from scratch) and argued that it was essential that not only should the Programme continue, but that the funding for the digital initiatives should be rolled forward beyond the current time horizons without a further application process (in their own case, the project was only funded for 14 months).

In the case of the other digital initiative, the organisation wished to extend its work to neighbouring wards, with a stronger focus on working with the unemployed and inactive, but could not do so because of the current spatial targeting of the Programme. This organisation also believed that there was a need for the Programme to commission more research into the different ways of stimulating or incentivising digitally excluded people to take an interest in IT, arguing that there had to be a portfolio of different approaches to switch the sceptical on to technology, such as highlighting the cost-savings of using Skype to keep in touch with family and friends, the money-saving opportunities possible by using price comparison sites, useful information on D.I.Y sites or tasty recipes on-line[55].

Interestingly, however, interviewees from a small number of the other organisations which had been assisted, doubted whether support to voluntary

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[55] Although it is important to note that this organisation may not have been aware of all the research which already exists on this issue.

and community organisations was the best way of stimulating digital inclusion for the wider population, pointing to practical difficulties in using their own locations (even when reasonably well equipped) for such activities and the need to attract those who were disengaged not just from technology but socially.

Around a quarter of the 20 organisations visited argued that there was a need for far greater promotion of the Programme, so that new organisations could benefit from its support.

3.7.2 Local stakeholders

The local stakeholders responding to the web survey made a range of suggestions for the Programme going forward. These included:

- Improvements to marketing activities and raising the profile of the Programme generally;
- Increasing the profile of the digital inclusion agenda in Wales;
- Reviewing the geographical boundaries – including provision outside of the Convergence areas and non LSOA areas in future so as to ensure 'a more equitable distribution of resources and support for digital inclusion across Wales';
- Provision of ongoing support to community groups and community members;
- Provision of additional ICT funding, resources and software (as was available via the Communities@One programme);
- More delivery of open and free basic training to those without any knowledge of computers and ICT and sessions geared towards smaller groups of participants;
- Greater partnership working with Communities First and CVCs;
- Review of target groups being supported and exploring the possibility of including children and young people as an additional group.

3.7.3 Other Stakeholders

Other Programme stakeholders generally assumed that the Programme would and should be continued until 2015 and broadly favoured the

continuation of current approaches (in particular the implementation of the new area teams), albeit with a stronger emphasis on working with partner organisations, who could integrate digital inclusion with their existing work, to 'cascade' digital inclusion activities and a stronger focus on developing volunteers (though as we have seen views on this were mixed):

> 'real digital inclusion will only happen… if we have thousands of digital ambassadors around… it's the question of the trusted friend'

Fieldworkers tended to argue that the targets needed to be revisited because they led to a focus on generating outputs rather than ensuring the quality of the support provided: the minimum level of seven hours of support for an individual beneficiary was widely thought to be too low to make much difference.

> 'it's just a one day hit … we are not having as great an impact as we might do, because of the way the Programme is structured'.

A small number of other stakeholders argued also that there was a risk that focusing on targets which were originally based on direct delivery by the Programme team could distract attention from the more important emerging agenda of working with and through other organisations, where it might be impossible meaningfully to track the assistance to end beneficiaries.

Other suggestions made by internal stakeholders included:
- Generating more referrals by raising awareness of the Programme, including considering a national media campaign (a suggestion made by a considerable number of interviewees), a Wales-wide week-long event, or even a 'Communities Two Point Zero technology bus';
- Revisiting the spatial targeting of the support to voluntary and community organisations;
- Considering the idea of a central telephone helpline for organisations to access support;

- Ensuring that infrastructure needs continue to be addressed (e.g. broadband speeds in Heads of the Valleys communities);

- Ensuring that referral routes are in place for further learning, through the ongoing work on area profiles: this was seen as challenging given cuts in public expenditure reducing formal training providers capacity ('there's no one else to pick them up after we've done the first step');

- Continuing to strengthen relations with JobCentre Plus and with Communities First Partnerships, which are seen as good sources of referrals for individuals;

- Continuing to engage with local authorities and making a stronger effort to give them a sense of ownership over the Programme;

- Focusing increasingly on different platforms for accessing the internet, rather than continuing to focus on PCs and laptops;

- Stepping up engagement with the digital initiatives to ensure they made full use of the services which the delivery partners had to offer.

4.0   Conclusions and Recommendations

4.1   Conclusions

After a somewhat difficult start, Communities Two Point Zero now appears to be firmly on track both in terms of its financial profile (where it is clear the Programme is being tightly managed) and in terms of delivering against the headline targets agreed for it, though two of the more hard-edged economic targets – for jobs created and for new social enterprises started – are proving challenging. This would appear to be in large part due to the economic climate, but also, perhaps reflects the rather ambitious approach in the Business Plan to 'growing' social enterprises from community and voluntary organisations' activities as well as the fact that the WEFO targets in particular do not really capture the key ambition of the Programme – and indeed the Convergence Programme itself – to 'address… social and other barriers to ICT uptake by firms, citizens and communities'[56]. There would also appear to be a need to focus more attention on how to achieve the targets set for the cross-cutting themes: it is not entirely clear that the delivery partners have yet put in place a coherent approach to doing so.

Feedback from both the organisations assisted and the individuals who are being supported by the Programme suggests high levels of satisfaction, while the (admittedly limited) evidence from local stakeholders also suggests that the Programme is delivering reasonably well. Having said this, a common theme seems to be that the Programme still does not have a particularly high profile: while it is probably true that *public* awareness is not a pre-requisite for success, without a good level of awareness of the Programme amongst organisations who can benefit from assistance or help deliver digital inclusion activities, opportunities will be missed. The efforts to engage CVCs and local authorities more fully is of importance here and needs to be continued.

The fact that support for voluntary and community organisations is spatially targeted on the 30% most deprived LSOAs and support for social enterprises,

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[56] ERDF Convergence Operational Programme p. 95.

does not necessarily help in terms of generating awareness of the Programme, particularly as in practice there appears relatively little difference between the support provided to each, with the exception that any follow-on work with staff, volunteers, customers or clients of social enterprises has generally not been mooted because it would not contribute to the digital inclusion targets.

More generally, it seems clear - at least from our fieldwork with assisted organisations - that there remains a discontinuity between the work with organisations (whether under the digital inclusion or the social enterprise strand) and the broader effort to support individuals to engage with ICT for the first time - though the digital initiatives are clearly a move in the right direction in terms of engaging the third sector (and indeed other organisations) in delivering digital inclusion.

Much of the support being provided to organisations appears to be functional or operational, with a strong focus on information tools (particularly websites, though frontline staff report an increasing interest in social media) and on resolving hardware and software problems. With the exception of the two digital initiatives in our sample, few organisations had been engaged with developing the broader skills or involvement with ICT, of those outside a few key individuals (staff or volunteers). The response to our approaches to participate in the fieldwork also suggested that in some cases the intervention was also quite 'light touch'.

Crucially, however, this assistance to organisations is not just delivering direct support but **is** building capacity to manage ICT more efficiently and effectively and this is perceived as a key strength – and differentiator – from other support that might be available commercially. Moreover, any limitations to the support are generally not the result of frontline staff trying to artificially curtail support so as to move on to the next 'output', but rather, in most cases, reflect the requirements and the aspirations of those who are being supported.

Indeed, the limited amount of cross-over from organisational support to broader digital inclusion activities to a large extent, reflects the limited opportunities which voluntary and community groups perceive for this, rather than a lack of effort on the part of Communities Two Point Zero staff, though it is possible that frontline workers may be overly focused on responding to the immediate ICT requirements of organisations (highlighted via the diagnostic process), rather than exploring ways of working in partnership to promote digital inclusion as a quid pro quo for the direct support they are receiving.

It is still early days to give anything like a definitive view of the impact of the Programme but it does seem clear that, in terms of individuals, participation is playing a key role in enabling beneficiaries to start using ICT and more particularly the internet for the first time (with between 25% and 30% of beneficiaries apparently moving from being non-users to being users) and in increasing the range and frequency of use across all beneficiaries. While it is impossible to be sure that this can be wholly attributed to Communities Two Point Zero, those participating in the Programme – who admittedly were marginally more likely to be engaged with ICT than the population of the 30% most deprived LSOAs before involvement – show far higher levels of digital inclusion after participation than the population in these areas as a whole.

The evidence of positive impact in terms of the organisational support is, perhaps, more limited, particularly as far as economic impacts are concerned. In reality, while the support is generally perceived as contributing significantly to operational efficiency, voluntary and community organisations generally did not identify 'bottom line' or employment benefits: the six social enterprises in our sample also struggled to identify quantifiable benefits in terms of financial performance and only one job was identified as having been created largely with the assistance. But these findings do need to be put in the context of a sector which is struggling more generally given the economic and funding environment.

Indeed, the view of most of the assisted organisations that, in the absence of the Programme, they would either have muddled through without upgrading

their ICT or doing so in a more limited way, without the focus on building their own capacity to manage and troubleshoot in future, rings true given what were their generally precarious economic and financial circumstances. From this point of view, our fieldwork allayed fears from the survey carried out for our first report that there might be significant displacement of the private sector – though it might still be the case that, in the case of individual social enterprises (for example, the nursery or the two visitor attractions), these organisations might themselves be placed at an advantage by comparison with private sector competitors.

As well as the direct impacts on individuals and organisations, it does seem clear that the Programme is also playing an important part in raising awareness of, and inspiring others to engage with, the digital inclusion agenda.

Assessing value for money is extremely complex for an initiative of this kind, which is unique, which seeks to alter behaviours, which involves several different sorts of potential and actual impacts, and which has a strong focus on adding value to initiatives and activity which are already underway.

Moreover, it is clear that much of what has happened to date (e.g. the effort invested in working with organisations to develop digital initiatives) is effectively up-front investment which is only starting to generate results.

Even so, it might be thought that the overall costs to date at just over £5 million are quite high when compared to the headline results of just under 250 organisations assisted (many of which have been provided with fairly operational support) and 5,000 individual beneficiaries supported, around 1,500 of whom have probably gained the confidence and skills to use the internet for the first time.

Nevertheless, it is clear that in terms of the relationship between costs and outputs, then the Programme is performing reasonably well, and is in line with what was deemed acceptable at the time the Business Plan was approved.

Deadweight appears to be relatively low, moreover, and the evidence in terms of the individual beneficiaries supported suggests the Programme is having at least as positive an impact in terms of changing behaviours as could have been anticipated at the outset.

Moreover, the Programme has clearly made progress in terms of putting the building blocks in place for more extensive future delivery – both through the digital initiatives (though it is important that these, like the Programme, are given time to build momentum) and through less formal relationships with other partners. From our perspective, key elements of good practice appear to include:

- The development of the digital initiatives themselves, empowering organisations to integrate digital inclusion into their other inter-actions with target groups: from this perspective the Care and Repair pilot and the work with United Welsh Housing seem particularly interesting, but work with Communities First partnerships is also important here;
- The enabling role of the Brokers (highlighted also in our evaluation of Communities@One), explicitly tasked with helping organisations to work up the case for packages of support and the generally unbureaucratic, but still rigorous, funding regime;
- The strong focus of organisational support on building capacity and confidence to manage ICT going forward;
- The capacity to reflect and act on emerging evidence – not least in terms of our Initial Process and Scoping Report – to make changes to the Programme.

On this last point, it is clear that the delivery partners have taken seriously the need to improve integration and team-working between them. The new structures agreed as part of the recent review have not yet been implemented and it is therefore too soon to evaluate their success, but the approach now adopted generally seems much more in line with the original conception of the Business Plan, while there is already evidence of a much stronger *espirit de corps.*

It is clear that, more generally, Communities Two Point Zero remains very relevant in terms of the broader policy agenda: indeed, the importance of digital inclusion has increasingly come into focus not only as a component of social justice but as a critical element of delivering effective public services in a time of sharp downward pressure on public expenditure. While the Programme has perhaps so far been wary of focusing too greatly on access to public services as a 'hook' to engage with the digitally excluded, ensuring greater access to, confidence in, and use of ICT on the part of those most in need of accessing public services is of vital importance. In this context, it is interesting that more than 50% of the individuals having been supported by the Programme to date, are now using the internet to access information about public services.

4.2 Recommendations

Overall Programme strategy

Recommendation 1: Given the evidence that the Programme has sound financial management, is delivering much in line with the key targets set for it, and is operating within relatively low levels of deadweight, there is a strong case for continuing to fund the Programme until 2015, as originally envisaged. This will enable the solid foundations now established to be built upon, including enhancing awareness of the Programme.

Recommendation 2: There is a strong case for making increasing efforts to 'translate' support for organisations into digital inclusion activities, while recognising that not all voluntary and community organisations will have the capacity or interest to move in this direction. Frontline staff need to be encouraged to pro-actively explore the potential with all organisations assisted and also to make clear that engaging more than one or two key personnel in each organisation assisted should be a prerequisite of providing assistance, in order to ensure that capacity is built which can survive staff/volunteer changes.

Recommendation 3: The focus on digital initiatives is appropriate and efforts should be made both to continue to develop new initiatives and to ensure close working between the delivery partners and the existing initiatives (recognising that the initiatives are unlikely to have the full range of skills and techniques needed to provide equivalent support). Many of the current generation of digital initiatives have been approved for relatively short timescales (partly reflecting the uncertainty over the second phase of the Programme). While, when approved, they were required to identify sustainable exit strategies, it is likely that some, at least, will struggle to realise these over such short timescales. Assuming that the Programme continues, we would recommend a case-by-case review of already operational digital initiatives with a view to considering an extension of those which appear to be delivering according to target but which are unlikely to be mainstreamed in the short-term, without requiring them to develop a new application for funding support.

Recommendation 4: Spatial targeting remains a complex issue. The data from the National Survey for Wales suggests there is a strong case for focusing attention on the 30% most deprived LSOAs in the Convergence as areas where digitally excluded groups are strongly concentrated and diluting the current level of spatial targeting may make it more difficult to monitor the Programme's effectiveness. Against this, particularly with the integration of the social enterprise and digital inclusion strands, there is the risk that opportunities for deploying digital inclusion activities which could reach deprived *individuals* within the target groups will be missed. Rigid spatial targeting also risks undermining greater efforts to get over a coherent national message about the Programme and to engage with national organisations. On balance, we recommend continuing to focus efforts in terms of proactive work on digital inclusion on the 30% most deprived LSOAs, but not to exclude work with voluntary and community organisations elsewhere, where these actively seek to engage. We believe outputs for such organisations and individuals assisted should be recorded against targets from across the Convergence area, but with monitoring continuing to identify those from within the 30% most deprived LSOAs. This change needs to be introduced without

undermining the successful efforts to access funds from elsewhere (e.g. the Rural Development Programme) to offer similar support in other parts of the Convergence area.

Recommendation 5: While it is still relatively early days in terms of the change of emphasis from marketing to public engagement, there does seem a need to continue efforts to raise the profile of the Programme within the third sector (though not necessarily to the general public). The continuation of the Programme to 2015 enables a concerted effort to increase still further 'brand recognition'. We believe CVCs (and the WCVA), and Communities First Partnerships, have a key role here, as do the case studies which are potentially powerful ways of stimulating interest

Recommendation 6: In this context, it is important that those who are supported by the Programme – particularly in the case of organisations within the third sector – are clear about the origin of the support (including the role of ERDF). It is essential that delivery organisations (whether the partners or contracted organisations) make stronger efforts to explain the role of the Programme and to ensure that its name and logo are used wherever possible when working with organisations.

Recommendation 7: Our survey with individuals suggested that there is considerable use of the internet to access information about government services on-line, while our fieldwork with stakeholders highlighted what is perhaps a misunderstanding about the acceptability of using access to public services as a 'selling point' for stimulating digital engagement. We recommend that, where access to public services can be seen as a way of stimulating interest from particular groups, it should be used in the same way as other subjects (e.g. on-line purchasing of goods and services, cheap access to telecoms via Skype).

Targets

Recommendation 8: We do not recommend any change to the targets agreed with WEFO, though we believe that it is important to recognise that

these targets do not adequately capture the essence of the project and that the target for new enterprises is challenging. We do believe there is scope for revising upwards the target for individuals assisted (particularly if a more relaxed approach to spatial targeting is taken), but recognise that as the focus moves increasingly onto enabling actions, then it may become more difficult to get reliable data for individuals assisted at the end of a longer 'supply chain'.

Recommendation 9: There is a need for continued close attention to the cross-cutting themes of equal opportunities and environmental sustainability, in order to ensure the targets for these are reached.

Programme Delivery

Recommendation 10: While we support the restructuring of the delivery structure to integrate social enterprise and digital inclusion strands, it will be important to continue to work very closely with the rest of the Wales Co-operative Centre and the broader enterprise support network to ensure that opportunities for supporting new, ICT-based social enterprises are identified and supported.

Recommendation 11: There needs to be a stronger focus on North Wales and other areas where there appears to be relatively low rates of activity compared to the eligible population (for example, some of the Valleys areas such as Blaenau Gwent and Torfaen) in terms of digital inclusion activities: while the rather low proportion of overall activity taking place in North Wales partly stems from the limited coverage of target LSOAs in the region (which the easing of spatial targeting restrictions recommended above would help), it also reflects the fact that none of the delivery partners (apart from the Wales Co-operative Centre) has a presence there. Ensuring that the skills and services offered by the other delivery partners are also available in North Wales (without incurring the diseconomies which would flow from trying to offer the service by South or West Wales based staff) needs to be prioritised.

Recommendation 12: Decisions on whether or not to use contracted provision for frontline services is one for Programme managers but insofar as

contracted organisations are used to deliver frontline services in future, it is important to ensure that frontline workers employed by these organisations are (and are perceived to be) fully integrated with the staff of the core delivery partners..

Recommendation 13: There is a need for greater clarity over the role of volunteers, and the extent to which the Programme itself (through its area teams) are expected to recruit and manage volunteers directly.

Recommendation 14: It is important to build on the local area assessments to map onward referral routes for those wanting to build on the initial support provided by Communities Two Point Zero directly or via the digital initiatives.

ANNEXES

Annex 1: Stakeholders Interviewed

Vera Brinkworth, Care and Repair

Alun Burge, Digital Inclusion Unit, Welsh Government

Chris Burton, Carmarthenshire County Council

Claudia Davies, Wales Co-operative Centre

Marc Davies, Wales Co-operative Centre

Layton Emery, PC Care

Carys Guile and Adam Williams, Annog Cyf.

Josh Hoole, Pembrokeshire Association of the Voluntary Service

Phil Jarrold, Welsh Council for Voluntary Action

Karen Lewis, George Ewart Evans Centre for Storytelling, University of Glamorgan

Cathryn Marcus, Wales Co-operative Centre

Terry Price, Novas Scarman (now People Can)

Bethan Stacey, Welsh European Funding Office, Welsh Government

Ian Tweedale, BBC Wales

Nia Wright, Wales Co-operative Centre

Annex 2: Respondents to the Telephone Survey

A database of supported beneficiaries who had agreed for their details to be made available for research and evaluation purposes was supplied by the Wales Co-operative Centre to Old Bell 3 in August 2011.

A total of 1,790 contact names were supplied to us from a total of 3,398 beneficiaries who had been reported as assisted beneficiaries by the project to WEFO as at the end of Quarter 9.

Of the 1,790 contact names supplied 1,003 had a contact telephone number (either landline, mobile or both) and this database was utilised to undertake a telephone-based survey between 15 September and 7 October 2011.

The target of undertaking 175 interviews was slightly exceeded and in the event 180 interviews were completed over this time period – representing just over 5% of the overall beneficiary database as at August 2011.

In terms of the respondents:

- 72% of surveyed beneficiaries (129 respondents) were women and 28% were men (51 respondents). Women were over-represented in the surveyed sample given that the gender project profile was 59% women and 41% men.
- The age profile of surveyed beneficiaries was reasonably close to that of the project as a whole albeit that older cohorts were over represented: 7% of surveyed beneficiaries (13 respondents) were aged 15 to 24; 24% (44 respondents) were aged 25 to 54; 15% (27 respondents) were aged 55 to 64 and 53% (96 respondents) were aged 65 or over. This compares to a project profile of less than 1% aged 11 to 14; 12% aged 15 to 24; 32% aged 25 to 54; 15% aged 55 to 64 and 32% aged 65 or over. However, some 9% of the project's beneficiaries did not disclose their age details: anecdotal evidence suggests many of these would have been older people.

- 65% of surveyed beneficiaries (117 respondents) were retired, 13% were in paid employment (23 respondents), 3% were self-employed (five respondents) and 8% were unemployed (15 respondents). In addition 4% were students (eight respondents), 3% were on long-term sick or disabled (five respondents) and 2% (four respondents) were looking after a family or home. One respondent stated that they were on maternity leave and two respondents stated that they were doing something else such as volunteering. Comparisons with the employment characteristics of all beneficiaries recorded by the project are complicated by the fact that no data is recorded for 35% of the beneficiaries, but, as might be expected from the age profile, the retired were somewhat over-represented in our sample, since, of those providing information, 31% were classified as employed, 23% as unemployed or inactive and 54% were retired.

- The geographical distribution of surveyed beneficiaries (and presented in Figure A2.1 below) is very well aligned with the geographical distribution of beneficiary outputs reported by the project:

Figure A2.1: County distribution of surveyed beneficiaries against programme level beneficiaries

County	Number of Surveyed Beneficiaries	As Proportion of Surveyed Sample	Project Beneficiary Outputs (Aug 11)
Blaenau Gwent	3	1.7%	3.50%
Bridgend	7	3.9%	5.24%
Caerphilly	18	10%	8.24%
Carmarthenshire	42	23.3%	20.66%
Ceredigion	4	2.2%	1.77%
Conwy	0	0.0%	0.59%
Denbighshire	2	1.1%	0.97%
Gwynedd	0	0.0%	1.65%
Isle of Anglesey	8	4.4%	5.94%
Merthyr Tydfil	18	10.0%	10.21%
Neath Port Talbot	21	11.7%	11.74%
Pembrokeshire	14	7.8%	5.41%
Rhondda Cynon Taf	24	13.3%	12.01%
Swansea	14	7.8%	8.83%
Torfaen	3	1.7%	1.12%
Non-eligible Counties	2	1.1%	2.12%

- The qualifications held by surveyed respondents were as follows[57]:
    - 11% (20 respondents) had professional qualifications
    - 4% (8 respondents) had NVQ Level 4-5, HNC, HND, RSA Higher Diploma or BTEC Higher Level qualifications
    - 7% (12 respondents) had a Degree or Higher Degree
    - 4% (8 respondents) had an NVQ Level 3 or equivalent
    - 4% (7 respondents) had 2 or more A-levels or equivalent
    - 5% (nine respondents) had an NVQ Level 2 or equivalent
    - 14% (26 respondents) had five or more O-Levels (passes)/CSEs (grade i)/GSCEs (grades A* to C), School Certificate 1 A-Level/2-3 AS levels/VCEs, Welsh Baccalaureate Intermediate Diploma
    - 3% (five respondents) had NVQ Level 1, Foundation GNVQ or Basic Skills qualifications
    - 13% (24 respondents) had 1-4 O Levels/CSEs /GSCEs (any grades), Entry Level, Foundation Diploma
    - 18% had other vocational or work-related qualifications
    - A third (36% or 65 respondents) had no qualifications at all.

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[57] Respondents were asked to select all options that applied to them in order to compare the profile with that of the National Survey of Wales.

Annex 3: Respondents to the Web Survey

A database of 320 working e-mails was put together. The database included details made available to us via the following sources:

- WCVA: contact details for Chief Executives of Voluntary Councils;
- Welsh Government: contact details for Communities First Co-ordinators;
- SCL (Wales): contact details for Welsh Chief Librarians;
- WLGA: Local Authority Economic Regeneration Officers;
- WLGA: Local Authority Heads of Corporate Policy Officers.

A web survey was developed and deployed between 13 and 30 of September and 62 responses were received. This represents a reasonable response rate of 19%.

The profile of respondents was as follows:

- The majority (74% or 46 respondents) were employed by a local authority with smaller numbers working for other types of organisations (seven or 11% in a third sector organisation, five or 8% in a County Voluntary Council, one or 2% in a private sector organisation and two or 3% in other types of organisation[58]).
- 44% (27 respondents) were working in operational roles whilst 42% (or 26 respondents) were working in strategic or senior management roles. The remaining few were either based in policy making roles (3% or 2 respondents) or in other roles (7% or 4 respondents) such as administrative work.

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[58] Identified as a co-operative and a Communities First project.