Evaluation of the Skills Development Fund

GHK

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1 EXECUTIVE SUMMARY

1.1 Introduction

GHK were commissioned by the Department for Education and Skills (DfES) in January 2002 to undertake an evaluation of the Skills Development Fund (SDF). The aim of the evaluation was to assess the impact of the SDF to date, in terms of the types of activities supported, the outcomes achieved and the extent to which SDF projects were responding to employer needs and contributing to regional economic development. The evaluation also aimed to identify examples of good practice in both the management of the Fund and the projects supported by it.

The SDF was launched in 1999 to help Regional Development Agencies (RDAs) raise the regional skill base, by supporting the development of priority skills to contribute towards regional economic development. The specific objectives of the SDF included:

- improving the identification of skills gaps and future skills needs through more systematic collection, analysis and use of labour market information;

- enabling improvements to be made to the education and training infrastructure which address regional and local skills priorities and/or where appropriate, lead towards achievement of the National Learning Targets;

- promoting increased employer involvement in funding and developing education and training provision which meets local and regional skill needs.

The SDF is a single RDA budget block, totalling £49m in 2001/02 and £49m in 2000/01. Importantly, it is the only DfES initiative delivered by RDAs, representing between one quarter and a third of non-mainstream skills development funding under their direct control.

A project database was developed, the analysis of which showed the average funding per project across all regions and years to be £165,000. The FE and HE sectors were the most common lead partners, followed by other organisations and the voluntary sector, charities or trusts. Projects undertook a variety of activities between regions, with foci commonly including basic skills, engineering and lifelong learning. Many projects focused on the SME sector as a whole, with other sectors represented including engineering, the creative industries and hospitality and tourism.

The study consisted of a combination of both desk-based and field research, including:

- The review of each RDA's Skills Action Plan (SAP), Regional Economic Strategy (RES) and other relevant documents.

- Interviews, mostly on a face-to-face basis, were held with RDA representatives - including the Heads of Skills and individuals responsible for the day-to-day management of the Fund.

- 20 projects case studies, each identified by the RDAs as good practice exemplars.

Originally, the study team had planned to provide a cumulative assessment of the impact of the SDF, based on quantitative monitoring data provided on a regional basis. However, there was no national project performance monitoring system to provide uniform information to allow cross-project or cross–regional performance comparisons.

1.2   Determining priorities

RDAs had developed a clear focus on their objectives and priorities through the development of the RES, the SAPs and, in some cases, further revisions and new strategies. These were developed through extensive consultation exercises, and underpinned by research and labour market information (LMI). This work helped target the priorities of the SDF by identifying preferred sectors and skills areas.

Some SAPs had evolved into focused documents identifying the RDA's role regarding key learning and skills issues, in relation to other key players. In some cases, RDA's have identified specific actions, baselines, milestones, dedicated resources and measures of achievement. Furthermore, some have developed mechanisms of consultation and information gathering that keep the SAPs 'alive' and able to respond to crises, such as the foot and mouth crisis.

Two new developments were discussed with the RDAs – Frameworks for Regional and Employment Skills Actions (FRESAs) and the new single pot funding arrangements operating from April 2002. As the FRESA guidance had just been received by the RDAs very few had begun development work. However, respondents felt they would be developed in a similar way as the SAPs, namely featuring extensive partner consultation, research and LMI.

The single pot arrangements, where all funding the RDAs receive from separate Departments goes into one generic budget, were felt to be good news for the funding of learning and skills. RDA respondents felt that the new regime would increase funding for learning and skills and lead to more targeted funding. Key issues remaining outstanding were how the bidding processes and cross-departmental work would develop.

1.3   Delivering the SDF

An extensive and well developed bidding process was followed in the regions, with some RDAs opting for more strategic or targeted guidance, for example specifying particular themes or sectors, whilst others tended towards more open competition. Advantages and disadvantages were identified for both approaches. By Round 3, in 2001/2, more RDAs had moved towards a more targeted approach. The SDF also benefited from having close links with the objectives and priorities identified in the SAPs and the RESs.

The RDAs invested considerable time and effort in publicising the SDF and in supporting potential bidders through the process. The assessment process was open and transparent and often involved people from outside the RDAs, although some felt the assessment process was too involved and resource intensive. However, the effort was considered to be worthwhile in terms of the quality of the successful bids. There was also a lot of work both pre-bid and pre-contract with projects, for example in encouraging new partnership development. However, there was less support to projects once they got up and running, mainly due to staff resource issues.

A key issue for both projects and RDA staff was the timing and timetabling of the SDF, particularly the incompatibility of financial and education years, and delays in the approval of contracts which meant valuable implementation time could be lost. Other important issues were the strength of some partnerships, the quality of project management, project capacity, evaluation and monitoring, and project planning.

1.4 The case study projects and impacts

The case study projects were identified as good practice exemplars in their regions, and as such were therefore not representative of all projects supported under the Fund. They did, however, reflect the range of project types and foci identified nationally, and featured sectors ranging from pig farming to digital interactive media, large capital investment projects to supporting research and LMI.

In each case clear links could be drawn between the projects and the regional skill priorities set out in their respective SAPs. The majority used research and other economic information to underpin their bids, and worked with a range of partners in a variety of different partnership structures.

Generally, the projects were content with the application and bidding process, although two areas that could be improved were timing and contracting. The issue of timing, particularly the incompatibility between financial and academic years, is a perennial problem yet to be adequately addressed. One RDA had developed a rolling funding programme in an attempt to address this and other timing issues. The projects were happy with the support they received from the RDAs, and generally preferred the 'hands-off' approach they followed.

The projects achieved a diverse range of impacts and outcomes, ranging from more tangible outputs (number of learners, qualifications achieved etc.) to more intangible results (e.g. cultural change, increased awareness, improved capacity etc.). The SDF also enhanced the learning infrastructure, and networking between existing and new partners. A range of process-related impacts, such as new partnership development/enhancement, were also identified.

Most projects expected that their work would continue after SDF monies ended, either through mainstreaming or attracting other funding. The nature of the impacts and outcomes (e.g. development of learning materials, investment in capital equipment etc.) should mean that a legacy of some kind should remain.

1.5 Conclusions

Although small in scale (representing between one quarter and one third of non-mainstream skills funding under RDA control), the SDF was widely considered to have had an **influence above its absolute size**.

It had supported a range of **innovative approaches** amongst the case study projects reviewed, notably in comparison to other programmes. However, the extent to which innovation was stimulated across the entire Fund is unclear.

The wide range of project type and focus supported was reflected in the **impacts** resulting (or expected to result) from them. These were both quantitative and qualitative, and the Fund was also seen to be contributing to the RDAs' wider objectives through links with regional skills and economic development priorities/strategies. While a number of caveats were applied to conclusions on the overall 'success' of the Fund, it was widely considered to have "batted above its

weight" in terms of influence and impact. Importantly, many projects were still operating, and by nature were likely to have down-stream impacts, so the full impact of the Fund remains to be realised.

An important contributor to the Fund's overall impact resulted from the **processes followed to deliver it** - in setting regional skills priorities through the SAPs and developing shared understandings around skills priorities. While the extent to which these benefits were realised varied considerably, the process component was felt to have contributed to broad 'strategic strengthening'. In a number of others the Fund was felt to have helped establish RDAs as partners in the regional skills agenda.

A number of **key success factors** were identified at the project and programme levels, including:

- **Programme level:**

  - Strategic focus – through the requirement for linkage with the regional skills agendas set out in the SAPs.

  - Flexibility – contributing to the range of both projects supported and promoters involved.

  - Bidding and selection processes - the requirement for the demonstration of need, employer involvement and effective partnerships underpinned successful projects.

  - Quality of implementation and contract management – key factors included project management, staffing, support and administrative systems.

- **Project level:**

  - Project management and staffing – the importance of which goes without saying, but cannot be stressed enough.

  - Client focus – in terms of the needs identification and ensuring these needs are met.

  - Partnership working – with benefits of effective partnerships including direct and ongoing inputs at key stages.

A number of important programme and project development issues, many common to other Government funded programmes, were identified. In particular:

- Monitoring and evaluation

- Greater support for projects

- Timing and timetable.

1.6   Recommendations

Our recommendations focus on practical issues which are of relevance to a range of competitively-funded skills development projects, as well as the current skills agendas of the RDAs. They include:

- **Training and support for project management** – given the key role of the project manager, the provision of specific project management training and support should be considered. Specific topics could include promotion and

marketing, monitoring and evaluation, and contracting with suppliers, as well as more generic skills such as planning and time management. A combined approach featuring networking, training, workshops and the development of learning materials would be most effective.

- **Innovation and risk** – the risk-averse nature of RDAs is understandable given the need to be accountable for funding, although this may stifle innovation given its inherent risk of failure. Given also that investments offering step changes in regional development will also carry risk, steps should be taken to stimulate innovation and make RDAs feel more comfortable in taking calculated risks in search of greater reward. The development of ring fenced 'demonstration' budgets within the single pot funds, as well as specific reference in the Regional Planning Guidance, should be considered. The development of guidance on good practice in risk management must accompany any developments in this regard.

- Recommendations to address a number of **common practical considerations** also feature, in the areas of monitoring and evaluation, project support and addressing the issues of mismatch between financial and academic years.

- **Disseminating lessons and further research** – perhaps most importantly, we recommend that further research is undertaken in the many lessons emerging from the SDF and that they be disseminated nationally, rather than solely on an intra-regional basis. A range of media and messages are described, importantly combining 'passive' (through the dissemination of documents) with more 'active' (through conferences, events, networks etc) approaches. Potential messages/themes include:

  - Good practice in project management

  - Partnership development

  - Creating shared regional understandings, priorities and strategic targets, and new approaches to funding allocation and targeting

  - Developing Single Pot arrangements

  - FRESA development

  - Innovation and risk management

2   INTRODUCTION

GHK were commissioned by the Department for Education and Skills (DfES) in January 2002 to undertake an evaluation of the Skills Development Fund (SDF). The project was to be completed to a tight timescale, and this report presents its key findings.

2.1   Study Aim

The aim of the evaluation was to assess the impact of the SDF to date, in terms of the types of activities supported; the outcomes achieved; and the extent to which SDF funded projects were responding to the needs of employers and contributing to regional economic development.

The evaluation focused on identifying examples of good practice, not only in terms of the projects it supported but also in the way in which individual Regional Development Agencies (RDAs) managed the allocation and distribution of SDF monies in their regions. A key area of interest was the extent to which links could be identified between individual projects, the skills priorities set out in the regional Skills Action Plans (SAPs), and their contribution to regional skills and economic development.

2.2   Policy Context

The SDF was launched in 1999 to help RDAs raise the regional skill base, by supporting the development of priority skills that will contribute to the regional economic development. It brought together new resources with those previously provided through the Further Education Collaboration Fund (FECF) and the Higher Education Regional Development Fund. The specific objectives of the SDF were to:

- improve the identification of skills gaps and future skills needs through more systematic collection, analysis and use of labour market information;

- enable improvements to be made to the education and training infrastructure which address regional and local skills priorities and/or where appropriate, lead towards achievement of the National Learning Targets;

- improve the employability of students leaving the education system by ensuring they have the key skills and knowledge employers need;

- enable greater collaboration between providers of post-16 education and training in order to address local and regional skills priorities/shortages;

- promote increased employer involvement in funding and developing education and training provision which meets local and regional skill needs.

The Fund is a single RDA budget block, totalling over £49m nationally in 2001/2, an increase on the £39m total envisaged for three years from 1999/2000. The programme costs element of the Fund are subject to a virement arrangement, which allows RDAs to increase or decrease the amount of the SDF by up to 10% in any financial year by switching between the SDF and other RDA budgets.

Table 1 shows the SDF allocation by region for 2000/01 and 2001/02 (Rounds 2 and 3). Between the two rounds there was an overall increase of almost 20% with the

additional money being spread evenly across the regions. In 2001/02, the largest recipient was London (15.3% of the national allocation), followed by the South East (13.9%), the North West (13.7%) and the West Midlands (12.0%). The North East (6.0%) received the smallest allocation.

Table 1 SDF allocation 2000/1-2001/2

	2000/01	**2001/02**
East Midlands (EMDA)	£3,622,504	£4,433,614
East of England (EEDA)	£4,242,315	£5,311,538
London Development Agency (LDA)	£6,576,284	£7,580,505
ONE North East (ONE-NE)	£2,304,959	£2,953,055
North West (NWDA)	£6,027,049	£6,774,480
South East (SEEDA)	£5,929,286	£6,853,483
South West (SWDA)	£3,678,723	£4,533,592
Advantage West Midlands (AWM)	£4,969,170	£5,949,586
Yorkshire Forward (YF)	£4,399,710	£5,060,147
England	£41,750,000	£49,450,000

Source: DfES

Importantly, the SDF is the only DfES initiative delivered by RDAs, although it is by no means the only funding available to them for skills development activities. Interviews with the RDAs suggested that SDF funding represents between one quarter and one third of non-mainstream skills development funding directly under their control, with the remainder coming from a range of non-mainstream sources such as the Single Regeneration Budget. The SDF of course represents a far smaller share of the overall mainstream funding for skills in the regions, although as our findings suggest it has had an influence above its absolute scale.

The allocation of SDF monies within each region was intended to be guided by the priority skill needs set out in RDAs' SAPs, in order to ensure that skills training matches the needs of the specific labour market. The SAPs in turn are set within the broader context of RDAs' Regional Economic Strategies.

While the RDAs were able to set their own criteria when considering bids for funding, they were instructed to also consider the following:

- value for money and likely effectiveness in meeting the needs identified, based on previous experience;

- the need to complement, rather than substitute, contributions made to skills development activities by education and training institutions under other funding programmes;

- the need to achieve a reasonable spread of activity across all the main sectors of post-16 education and training;

- the need to ensure the sustainability of projects in the period after funding support has ended.

The concept of partnership was central to the SDF, with the Fund being seen as one element in a 'funding cocktail' to support individual projects. RDAs are responsible for levering in additional funding to support projects, in particular in the form of contributions from employers, as well as considering the range of potential bidders to reflect the local provider base.

Two key developments in terms of the Skills Development Fund will be central to the evaluation, with progress towards them and their anticipated impacts examined as part of the study:

- **The move to 'Single Pot' funding** - from April 2002, the funding that the RDAs receive from a variety of government departments to support their work on regeneration and business development will form a single pot budget, covering all programme and administration costs. The move to a single pot budget will enable RDAs to be more flexible in the use of their budgets, as well as offering increased opportunities for assessing their performance on a number of measures, including investment in skills activities. The study included discussions with RDA staff on the development of their plans for the implementation of single pot funding.

- **The development of Frameworks for Regional Employment and Skills Action (FRESAs)** - in August 2001, the Secretaries of State for Trade and Industry, Work and Pensions, and Education and Skills invited RDA chairs to co-ordinate regional partners in the production of Frameworks for Employment and Skills Action (FRESAs). The aim is for regions to integrate their strategies in a single FRESA which places skills at the core of economic development. The main purpose of the FRESAs is to promote the integration and rationalisation of the various strategies and plans covering the employment and skills agenda. This is intended to ensure that a full range of sustainable job opportunities exist, that every individual has the opportunity and skills to find employment, and that employers get the recruits they need and the full range of skills they require. The FRESAs are expected to be in place by October 2002, and again the study allowed progress to date in their establishment to be assessed.

2.3 Project Focus

As part of the study, information on the range and nature of projects funded under the SDF was collected. Details of some 658 projects supported by the Fund were identified in its three years of operation, accounting for a total of £60.8 million.

The analysis of the information provided showed that:

- The **number of projects** funded more than doubled between 1999/2000 and 2000/1, but halved again by 2001/2. The East of England funded the largest number of projects (106 over three years), with London and the South West funding the fewest.

- The average level of **funding** per project was £165,000, ranging from £155,000 in 2000/1 to £220,000 in 1999/2000. The highest average spend per project was in the South West (just under £280,000), with the lowest in the East of England (£73,000).

- Projects involved a range of **partners** in their development and delivery. The most common lead partners were FE or HE colleges (18% and 12% of projects respectively), followed by the voluntary sector (9%), LSCs/TECs/CCTEs (7%)

and NTOs (6%). Just 5% of projects were private sector led, and 3% by an employer federation – although employer representation was described on 61% of project partnerships. An average of seven partners were involved in each project, ranging from four in the East of England to 10 in London.

- Projects varied widely in terms of **sector and skill focus**, following different regional emphases. In terms of sector, the main targets were engineering, manufacturing, the creative industries, hospitality and tourism, and ICT. More specific examples included a focus in the West Midlands on the automotive sector, and in the East of England on agriculture. In terms of skills targeted, basic skill provision was the most common, followed by employability, higher level, key, management and ICT skills. SMEs were a popular focus, both as a 'sector' in itself and within more specific sectors.

2.4   Impacts and Benefits

The wide range of project types and foci was reflected in the variety of impacts achieved and benefits resulting to date. While an overall assessment of the impact of the Fund was impossible at the time of study, a wide range of tangible (such as learner numbers and qualifications achieved) and less tangible (such as cultural change, raised awareness and improved capacity and capability) impacts were identified. These are described in more detail in Section 6, and include:

- Providing a range of quantitative outputs – including providing advice and guidance, a range of learner outcomes, and encouraging new/progressing existing learners.

- New and enhanced capacity – in terms of improving the learning and skills infrastructure through new training facilities, new learning materials, and regional capacity in terms of labour market intelligence.

- Partnership impacts – such as the formation of new regional and sub-regional partnerships, the expansion/enhancement of existing ones, and employer involvement as partners as well as clients.

- Strategic impacts – such as helping develop shared understandings around regional skills issues, and creating new models/approaches to address them.

In addition, the projects commonly believed that the benefits realised to date would be continued and built on in the future. Overall, levels of sustainability were high, with three quarters of projects interviewed believing they would continue after the SDF monies had ceased. In addition the new collaborative, sponsorship and network-based relationships established as a result of SDF monies were frequently expected to continue around a range of themes and issues.

2.5   Study Methodology

The study comprised both desk-based and field research, with initial stages including the review of the SAPs, Regional Economic Strategy (RES) and other relevant documents for each region. This was followed by the following activities:

- **RDA interviews** – key staff involved in the allocation, appraisal and implementation of SDF projects in each RDA were interviewed, the majority on a face-to-face basis. A total of 28 individuals were interviewed, commonly including Heads of Skills and individuals responsible for the day-to-day management of the Fund. Other individuals interviewed included research and

LMI experts, and RDA project managers with a specific role in the implementation of SDF projects. In some cases, however, staffing changes meant that a range of individuals were contacted to provide a longitudinal picture of the delivery of the programme.

- **Project case studies** – a series of case study interviews took place with 20 SDF projects, 12 on a face-to-face basis and 8 by telephone. Each face-to-face case study included key partners in each of the projects, and other relevant stakeholders (such as LSCs, other RDA staff, etc). In all cases appropriate documentation, such as funding applications and evaluation reports, were reviewed as part of the case studies.

In addition, Richard Lloyd (the study Director) and Dr Nicholas Miles (the Chairman of GHK) attended a Windsor Event, held on 20 and 21 February, with a specific focus on regional skills issues and plans for the implementation of Single Pot Funding arrangements and the development of the FRESAs.

Originally, the study team had hoped to be able to provide a cumulative assessment of the impact of the SDF based on quantitative monitoring data provided on a regional basis. However, in the absence of a centralised monitoring requirement, different RDAs followed different monitoring approaches. This, in addition to the fact that many of the projects were still operating, meant that an assessment of the overall impact of the Fund in quantitative terms was impossible.

2.6   Report Structure

The rest of the report is structured as follows:

- Section 3 – reports on the ways in which RDAs determined their skills priorities.

- Section 4 – reports on how the RDAs delivered the SDF.

- Section 5 – details the projects experiences of delivering the SDF.

- Section 6 – describes the main outputs, outcomes and impacts of the SDF.

- Section 7 – provides the conclusions and recommendations.

3   DETERMINING SKILLS PRIORITIES

3.1   Introduction

This section focuses on how the RDAs determined their skills priorities and how these relate to the wider regional economic priorities identified in the Regional Economic Strategies (RES). It also looks at the development of the Frameworks for Regional Employment and Skills Actions (FRESAs), and the single pot funding arrangements.

3.2   Identifying regional skills priorities

The starting point for identifying the SDF priorities, and for other learning and skills programmes, were the Skills Action Plans (SAPs) that RDAs were instructed to develop. The SAPs were used by RDAs to identify the key learning and skills issues and priorities throughout the region, what other organisations' and agencies' roles were in addressing them, and thereby what priorities the RDA itself would be best served in targeting. Overall, a strong link was identified between the priorities set out in the regional SAPs and the focus of the projects examined.

3.2.1   Consultation and LMI

Developing the SAPs usually involved extensive consultation exercises undertaken and managed by the RDAs. The types of organisations that were formally involved as partners included: NTOs; the UfI; LSCs/TECs; employers groups (e.g. the CBI); schools; FE and HE institutions; LEAs, the TUC, the VCS, and Government Offices.

The format of consultation varied but normally involved canvassing opinion through written responses to a pro forma or, in some cases, face-to-face meetings. These responses were collated to produce a draft document which was presented at workshops, conferences, panel sessions, or pre-existing partnership working groups. For example, the NWDA received 200 written responses from across the region, further input from 30 industry sector groups (on which employers were present), and held panel sessions specifically examining learning and skills issues. EEDA's consultation process was as follows:

> The 2000 SAP was drawn together by skills partners in the region working through a skills and learning forum. The forum had been established by the GO who gave the RDA valuable support in developing its SAP. The forum has nearly 30 members, including representatives from the FE and HE sectors, LEAs, NTOs, the TUC, IoD, GO and LSCs. Many other individuals and organisations were consulted in the development of the SAP. This meant that when it was produced it was well received.

> The SAP was placed on the RDA's website and eight hundred copies were also published and distributed.

All RDAs described involving employers in the development of the SAPs. However, this was usually via employers' representatives or other intermediaries, such as chambers, sector federations etc, rather than employers in their own right. Some RDAs canvassed employers directly, or as in the case of ONE North East and the North West RDA, involved them in internal sector forums.

In addition, there was an extensive use of research and labour market information (LMI) underpinning the SAPs. Much LMI and skills analysis already existed through work commissioned and undertaken by the TECs, NTOs and local authorities, and the former Further Education Funding Council Regional/Sub-Regional Groupings. Some RDAs, such as SEEDA and the South West RDA, also commissioned separate sector and skills area studies, and EMDA appointed dedicated labour market analysts. For some, this exercise also highlighted weaknesses in regional LMI which they are seeking to address, often with SDF monies.

3.2.2   *Focus of the SAPs*

A summary of the SAPs, and their relationships to the RES documents, is provided as Annex I. Each SAP identified key, high level objectives or priorities for learning and skills throughout their respective regions. These usually included improving and enhancing the learning and skills infrastructure, promoting lifelong learning for both employers and individuals, focusing on specific skill needs in a particular sector or area and raising overall participation in learning and skills development.

Some SAPs were very generic, detailing overarching strategic objectives and priorities but with little further detail. For example, the South West RDA's SAP identified five priorities as well as ICT skills and supporting innovation. The RDA acknowledged that this was not a comprehensive statement of all skills and learning related action in the region.

The majority of SAPs tended to be more specific, particularly about the sectors proposed as priority targets. For example:

- Four RDAs adopted an explicit sector focus (AWM, EEDA, NWDA and SEEDA). These were generally key and emerging (or high-growth) sectors, but some also highlighted the automotive industry (AWM and EEDA), cultural industries and the media (AWM, EEDA and SEEDA), and food and drink (AWM and EEDA).

- A number of RDAs also adopted a specific skill focus in their SAPs, including basic as well as higher level skills. Basic skills were highlighted as priorities by three RDAs (AWM, LDA and SEEDA), which often linked to wider aims of improving employability through developing the skills to find and retain employment. Other SAPs featured support for higher-level skills development, with three giving management skills a priority focus (AWM, LDA and SEEDA). Two SAPs also highlighted the need to develop skills to support innovation (AWM and SWDA).

In some instances SAPs combined sectoral and skill priorities, as in the West Midlands where eight business sectors and eight skill areas were established as priorities. Other key foci were pre-16 attainment levels, lifelong learning, raising learning and skills levels generally, ICTs (including e-learning), improving the quality of LMI and the performance of regional labour markets.

One of the advantages of SAPs, with a specific skills focus, is that gaps can be more easily identified and resources highly targeted. However, the disadvantage is that significant target areas can be missed, notably in the case of unforeseen regional shocks such as the foot and mouth crisis. On the other hand, more generic SAPs can allow for greater flexibility, but this may justify any activities and thereby lead to duplication and wastage. In the main, RDAs have built flexibility and the ability to respond to unforeseen events into their plans. For example some, such as AWM,

responded to the foot and mouth crisis by reducing allocations to some programmes by a set percentage, thus creating a capacity to respond.

3.2.3 Evolution and Review

The dynamic nature of regional labour markets was reflected in the fact that many of the RDAs (AWM, EMDA, NWDA and ONE-NE) had reviewed their SAP priorities once or more over the life of the Fund. In some cases, the original SAPs were developed when RDAs were in their infancy, and were reviewed and enhanced as part of the strategic and capacity development of the organisations. In addition, the emergence of research and labour market information, as well as partners such as the newly established Learning and Skills Councils, made the review of the SAPs and their strategic priorities particularly timely.

This said, in overview the revisions identified to the individual SAPs did not represent radical changes in the priorities, objectives or agendas for learning and skills in the regions. The most significant changes most commonly related to the 'hardening' of the SAPs, for example the introduction of baselines, performance measures and targets (SEEDA and NWDA). In other cases, the SAPs were brought into closer alignment with other strategic developments – for example where the RDAs developed their sectoral and geographic focus further and needed to revise the SAPs to address these new priorities. For example, EMDA's Revised SAP 2001-02 was produced following comments from organisations and individuals and learned from work across the region during the first year of the original SAP; the NWDA's revised SAP placed greater emphasis on e-learning.

3.3 How have the SAPs been used?

Fundamentally, the SAPs were intended to be used to define the RDA's overall learning and skills activities, and identify specific priorities and interventions. For example, SEEDA described the process as:

> Pulling together all the available evidence from reports, the RDA's own knowledge and consultation with partners to try and identify what they should fund. They took the view that they wanted to pump prime projects, pilot projects or focus on specific sectors.

The SAPs have differed from previous skills strategies prepared by regional and sub-regional organisations in the past. In some cases, they have gone beyond the identification and restatement of the key learning and skills issues for their areas. Some have been based on more robust analyses of labour market and economic information, and an analysis of the activities of partners. These analyses have been undertaken in the context of key learning and skills priorities, and enabled the RDAs to identify areas of strength and weakness and decide where their resources could be most effectively focused.

While the majority of SAPs provided specific sectoral and skill priorities to guide the allocation of SDF monies, some early versions of the SAPs were criticised as lacking focus and dynamism. In many cases RDAs have taken their SAPs further and used them as the framework for the RDAs' activities (for example, the SWRDA). As described above, some have developed to become real 'action' plans incorporating baselines, milestones, specific actions and identified resources. In some cases the SAPs have been used to describe their achievements and measure their performance in addressing key learning and skills issues.

Elsewhere, some RDAs had more 'generic' SAPs which provided a series of overarching skills objectives and priorities (EMDA, ONE-NE, SEEDA, SWDA and YF). In the case of Yorkshire Forward, their generic priorities were used as a 'screen', which was applied to either sectoral or spatial foci to identify potential project activities. For example their objective to 'raise the skills of the workforce' could be applied to individual sectors or sub-regions to identify specific priorities, which the SDF monies would seek to address.

While the main benefits of the SAPs were to target key sector and skill areas, either directly or indirectly, they were also found to provide a range of additional benefits. These benefits were commonly process related, and included:

- **Identifying partners and key roles** – the consultation process surrounding the development of the SAPs enabled the fledgling RDAs to make contact and work with a wide variety of partners in an open and inclusive way. This activity, early in the RDA's development, allowed them to identify not just regional and sub-regional priorities, but the roles, objectives and priorities of their key partners. The process also helped the RDAs to identify regional strengths and weaknesses, not just in provision but also in the information underpinning their analyses. In some cases this has led to enhanced research and LMI capabilities, and internal structures (such as employer forums) that enable the RDAs to better understand the dynamism of their regions.

- **Raising the profile of skills** - the SAP development process also led to the elevation of learning and skills as a priority for some RDAs, for example Yorkshire Forward, and in other regions where skills issues had yet to develop a significant profile. This was particularly important given the evolution of the RDAs, and in many cases their initial focus on 'hardside' issues, physical regeneration and inward investment. Developing the SAPs allowed the importance of learning and skills to regional economic development to be evidenced and communicated, helping raise the profile of skills issues within the RDAs themselves.

- **Establishing RDAs in the regional skills market** - as well as identifying key regional partners and raising the profile of skills issues internally, the SAPs and the SDF more widely were felt to have helped establish some RDAs as key skills partners at the regional and sub-regional levels. While the absolute size of the SDF budget was comparatively small, its significance to the positioning of certain RDAs in the skills arena has been considerable.

3.4 Links Between the SAP and the Regional Economic Strategy (RES)

For most of the RDAs, the relationship between the SAPs and the RES is a tight one, with clear links between the two documents. Each RES takes an integrated approach to the key issues affecting the region, and contains priorities for action across a range of topic areas, including learning and skills. In some cases the SAP provides a section within the RES – although not all learning and skills priorities were necessarily included in the RES.

In the majority of RDAs, the link between the RES and SAP is direct and clear, with the SAP focusing on the relevant strategic priority in the RES. The North West Development Agency's SAP, for example, is entirely encompassed within the RES, whilst the SAP for ONE North East focuses directly on the third strategic priority of the RES, 'building an adaptable, highly skilled workforce'. Additionally, SEEDA's

SAP takes forward and concentrates on the five World Class Learning priorities from its RES and extends them into a 3-year blueprint for action.

However, it is not the case that all the SAPs result from the straightforward insertion of a relevant RES priority into a dedicated document to take skills and learning priorities forward. Notably, AWM's SAP takes forward the 'promoting a learning and skilful region' pillar of the West Midlands Economic Strategy, as well as the skills elements of the other pillars and those arising from its four cross-cutting frameworks. Additionally, each of the skills objectives in Yorkshire Forward's SAP contributes to Objective Four of its RES, which addresses the learning and skills agenda, but individual skills objectives also link to other RES objectives.

The centrality of the skills and learning agenda to regional economic success is stated by a range of RDAs both in their SAP and RES. The South West of England RDA, for example, states that 'education and skills enhancement are central to the realisation of the region's vision'. The SAP developed by the London Development Agency also states that 'increasing people's skills is a vital part' of the RES. The LDA's RES addresses how the initial framework provided by the Skills Strategy can be taken forward. An emphasis is placed on engaging partners in developing the framework.

Few RDAs were able to identify their total financial contribution to learning and skills in their respective regions. There were a number of reasons for this – for example difficulties in identifying the proportion of business development funding allocated to management and other skill development activities. Elsewhere no analysis had been undertaken on the contribution of different programmes, notably the Single Regeneration Budget (SRB), to regional skills development. Latterly some RDAs have attempted to calculate their total learning and skills spend, and estimate that SDF monies represent between one quarter and one third of the RDA-controlled investment in skills.

3.5   Future developments

As the final year of SDF monies came to an end in April 2002, two developments were of particular relevance to the regional skills development agenda. The new single pot funding arrangements will have a major impact on the degree of self-determinism RDAs will have over their individual strategic direction, and the investment to support it. In addition, the development of Frameworks for Regional Employment and Skills Action (FRESAs) offer the opportunity to develop and link regional skills and economic development more firmly, as well as ensuring the profile of the skills agenda is maintained and supported.

3.5.1   Development of the FRESAs

For the most part, the RDAs were at the early stages of the development of their FRESAs. This was to be expected, given that the relevant guidance materials were only produced and circulated in February 2002, and the RDAs had only begun their consultations.

In most cases, the development of the FRESAs will follow a similar process to the development of the SAPs. The process will feature a combination of research and labour market analysis, accompanied by extensive consultation exercises. However, the benefits of the SAP development process in establishing new contacts and developing shared understandings will be helpful in the FRESA development

process. To this extent a number of RDAs viewed the development of the FRESAs as an extension of current collaborative activities.

Even so, the FRESAs were seen offering additional process benefits, with the process of production being of equal value as the final documents themselves. The importance of linking their development to other strategic planning activities was stressed. For example, some RDAs (AWM and SEEDA) were developing or had developed a range of sub-regional/local plans, cluster or sector-based strategies, priorities and objectives which would form the basis for their work over the coming years. In many cases these developments were already being cross-referenced between the RDA's different priorities.

3.5.2   *Single pot arrangements*

On April 1st 2002, all the RDA's money from Government Departments will be merged into a single pot. This means that monies provided by a range of Departments, including the DfES, will not be ring-fenced or devoted to learning and skills. This development means that spending on learning and skills could be greater or lower than what is currently spent on learning and skills.

Understandably most RDAs were well advanced in their preparations for the single pot, although a series of outstanding issues and points of detail were described. Two main views of the effects of the new arrangements emerged:

- There was expected to be an increase in funding for learning and skills activities in most if not all RDA areas. One RDA said that the expenditure on learning and skills will increase by 40% to £8 million under the single pot.

- It was also suggested that there will be a move away from openly competitive funding and towards more of a commissioning model, to support a range of identified skills priorities. In many cases this is supported by the extensive research and consultation exercises undertaken by the RDAs, to establish the shared understandings that must underpin such an allocation model.

However, a number of RDAs remained unsure about some of the more detailed aspects of the single pot implementation. Two points of particular uncertainty were identified, namely:

- How bidding processes will work if there is greater targeting of resources and a greater strategic focus?

- How will cross-departmental working evolve against cross-cutting objectives, priorities and targets?

4   DELIVERING THE SDF

4.1   Introduction

This section examines the ways in which the SDF was delivered by the RDAs, from determining priorities through application and appraisal to implementation and monitoring/evaluation, with key issues and good practice examples being identified. It is based on interviews with RDA staff and the review of a range of documentation, and also includes the practical experiences of the case study projects.

4.2   Identifying priorities for the SDF

As described previously, the SAPs articulated regional skills priorities where RDA monies could be used to supplement, reinforce or plug gaps in programmes delivered by partner organisations. As well the review of their SAPs, some RDAs undertook additional research and consultation exercises to inform and update their priorities and provide additional information for potential bidders. This additional information commonly featured updated labour market information and new research delivered over the year, with consultation featuring a range of partners and consultative groups.

The flexibility in defining priorities was key in considering important economic changes (e.g. sharp falls in unemployment), new policy initiatives and partners (e.g. the new LSCs), and economic shocks (e.g. the foot and mouth crisis). It is important to note that the SDF was the **only** DfES money wholly under RDA control, with larger funds such as the Single Regeneration Budget (SRB) often being committed prior to their establishment. Consequently, much was being asked of a relatively small pot of money, which was aiming to support a key regional economic development priority.

4.3   The application and appraisal process

Having identified their SDF priorities RDAs followed a range of approaches to its allocation, articulated through different application and bidding processes.

4.3.1   Overview of allocation approaches

In overview, two general models for the allocation of SDF monies could be identified, with a series of hybrid approaches between them:

- At one extreme was a completely **open and competitive bidding process**, with bids selected purely in terms of quality even if this meant similar projects focussing on the same areas. RDAs considered this approach advantageous as it encouraged a broader range of projects from a wider variety of bidders; allowed flexibility; and enabled selection decisions to be primarily quality driven. However, this approach required greater RDA staff and management inputs; could lead to bids focusing on fewer areas (e.g. "burning issues"); and reduced RDA control over the type and scale of bids submitted.

- At the other extreme was more of a **closed bidding process**, which was closer to a commissioning process for specific types of projects. Here the RDA would identify very specific priorities, sometimes in particular geographic locations, and only invited bids that would address these issues. The advantages of this stratified or targeted approach were in ensuring a close fit with strategic priorities, objectives and targets; allowed different priorities to be chosen each year; required fewer resources to administer (both for the RDAs and potential bidders); and generated more bids in the targeted areas. The main drawback

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was the amount of RDA management and staff costs in identifying and specifying the priorities.

- The **hybrid approaches** featured combinations of elements of the two approaches described above. Broadly, the hybrid approaches featured competitive bidding processes underpinned by frameworks which stratified or targeted funding by sub-region, skill priority area and/or sector, with the balance between the two elements varying by RDA.

The distribution of these approaches varied both between RDAs and over time. In the 2001/2 round allocation was evenly divided, with three RDAs following each broad bidding 'model'. Over the three years of the SDF, however, RDAs had generally moved away from open competitive bidding towards a more targeted or stratified approach. This trend is likely to continue as RDAs develop more integrated strategies (e.g. the FRESAs), work more closely with existing and new partners (e.g. the LSCs) and develop more sub regional foci, strategies and objectives.

RDAs commonly felt that stratifying or targeting SDF monies helped ensure that projects were better aligned to regional skills priorities, and the bidding process was less wasteful of time for project promoters and RDA staff. Some of the advantages of the open competition method were replicated by, for example, inviting a wide range of organisations to tender, and positively encouraging bids from under represented sectors or areas. In one RDA the 2001/2 SDF round was used to pilot their single pot funding arrangements for the 2002/3 year – as summarised below.

Trialling the Single Pot – Yorkshire Forward (YF)

Yorkshire Forward followed a more radical approach to SDF allocation as part of their 'single pot' preparations. While all RDAs could top slice their DTI, DfES and DETR budgets to create a 'strategic funding pot', YF included any non-committed funds from other budgets to provide a £35 million development fund. In 2001/2 there was effectively no SDF in the region, with a pilot 'single pot' approach being followed with a revised bidding and appraisal process which followed more of a tendering process.

The pilot was part of an ongoing process of cultural change in the way the RDA worked with partners to achieve its strategic aims. The single pot arrangements will be driven by regional and sub-regional action plans setting regional targets for delivery – an attempt to move from a 'bidding' to a more target-focused approach. In 2001, a new Regional Action Plan set out regional priorities, with partners being invited to show how they could contribute to its targets. Much of the fund was allocated by competitive tendering, with a move from many small to fewer larger projects, in an attempt to generate greater impacts. The changes were felt to have contributed to changing expectations and culture amongst local partners and providers, setting the scene for wider involvement in developing Regional and Sub-Regional Plans which represent shared understandings and supporting FRESA arrangements. The plans will underpin contracts with partners to help achieve the RDA targets, rather than previous individual, free-standing projects.

4.3.2   The SDF application and appraisal process

While the detail of the application and bidding processes varied between RDAs, a series of common features were identified and presented as Figure 4.1 below.

Figure 4.1 The bidding and appraisal process

```
┌─────────────────────────────────────┐
│      Identify regional priorities    │
│         for the current round        │
│  including consultation with partners│
└─────────────────────────────────────┘
                  │
┌─────────────────────────────────────┐
│        Writing the prospectus        │
│        involving several people      │
│      including sector specialists    │
└─────────────────────────────────────┘
                  │
┌─────────────────────────────────────┐
│    Issue the prospectus/application  │
│      form using a variety of         │
│       mechanisms                     │
│   eg CD-ROM, booklets, the Internet  │
└─────────────────────────────────────┘
                  │
┌──────────────────────┐    ┌──────────────────────┐
│  Set up internal      │    │  Dissemination events │
│  proceedures          │    │  Meetings, workshops, │
│  for receiving and    │    │  phone help-lines     │
│  assessing bids       │    │                       │
└──────────────────────┘    └──────────────────────┘
                  │
┌─────────────────────────────────────┐
│  Expressions of interest received    │
│         EoIs assessed                │
│   Second stage projects selected     │
└─────────────────────────────────────┘
                  │
┌─────────────────────────────────────┐
│    Bids received, read and scored    │
└─────────────────────────────────────┘
                  │
┌──────────────────────┐    ┌──────────────────────┐
│   'Sifting process'   │    │   All projects        │
│  only selected bids go│    │  notified of the      │
│  forward to the full  │    │  decision             │
│  assessment panel     │    │                       │
└──────────────────────┘    └──────────────────────┘
                  │
┌─────────────────────────────────────┐
│      Assessment panel reads          │
│           'sifted' bids              │
└─────────────────────────────────────┘
                  │
┌─────────────────────────────────────┐
│     Projects chosen, rejected        │
│           or 'parked'                │
│     (sometimes decision made         │
│         by RDA board)                │
└─────────────────────────────────────┘
                  │
┌──────────────────────┐    ┌──────────────────────┐
│ Further project       │    │ Feedback to           │
│ negotiations          │    │ unsuccessful projects │
│ pre-contract eg       │    │                       │
│ further development,   │    │                       │
│ wider partnerships    │    │                       │
└──────────────────────┘    └──────────────────────┘
                  │
        ┌──────────────────────┐
        │  Contracts exchanged  │
        └──────────────────────┘
```

Source: GHK

One noteworthy difference between the RDAs was the appearance of a **two stage bidding process**. In some regions full bids were invited from applicants which were then assessed, whilst others invited summary bids/Expressions of Interest (EoIs) which were reviewed and a smaller number invited to produce full bids.

The two stage approach was advantageous in reducing the RDA and promoter resources involved in the application development process, encouraging the participation of smaller organisations, and enabling further consultation or negotiation with promoters ahead of the full bid. The disadvantages were that it limited the amount of information a project could present about itself, and could increase RDA staff requirements through the additional administrative level.

In summary, the steps in the overall bidding and appraisal process were as follows:

- **Identifying priorities** - the first stage in the bidding process consisted of identifying the specific skill priorities for that particular year. For some RDAs these remained the same over the three bidding rounds but for others they changed on an annual basis.

- **Writing the prospectus/distributing application materials –** RDAs issued a range of materials to support individual application development. Some RDAs targeting specific sectors may have sector experts contributing to that particular area of the prospectus.

- **Promoting the SDF** - the RDAs expended a great deal of effort in promoting the SDF, clarifying the level and type of bids expected, and providing support to bidders in order to improve the quality of bids received. Measures included enhancing contact databases to increase the number and range of organisations invited to bid; developing dedicated materials including CD-ROMs; holding meetings or workshops around the bidding process; and establishing help-lines so bidders could phone in with queries.

- **Appraising the bids** – the individuals appraising applications varied, and featured RDA staff, sector and skill-specific specialists and NTOs, Government Office (GO) representatives, LSCs, FE and HE representatives, the Employment Service, Connexions, trades unions and local authorities. The appraisal process was linked to the wider allocation approach followed - if a more stratified/targeted approach was followed bids were assessed within each criteria (e.g. all bids from a specific sector/geographic area would be considered separately), if a more open approach then most, if not all, bids would be considered against each other (while this could mean successful bids had a similar focus, the RDAs took steps to prevent this happening).

  Initial filtering mechanisms were also used to manage the number of bids for full review, or in the case of two stage approaches, decide which should be invited to prepare full submissions. Some RDAs had technical experts on hand to deal with specific technical issues around precise points.

- **Pre-contract negotiations** – RDAs commonly entered into pre-contract negotiations with projects, in some cases around small technical points (e.g. the cost of particular pieces of equipment) and in others around more fundamental issues (e.g. asking projects focusing on the same issues to work together, or extending projects to have a wider regional focus).

- **Feedback to unsuccessful bidders –** many, but not all, RDAs provided feedback to unsuccessful projects. Some used standard feedback forms that provided the bid's scores under particular headings, such as relevance to strategic priorities, costs, management issues and partnership effectiveness. Some also provided feedback to successful bidders.

While Figure 4.1 and the above summary provide an overview of the common approaches followed, many RDAs described changing the finer detail of their processes between rounds. This was based on previous experience and feedback from applicants, changing priorities and wider allocation methods, unforeseen events (e.g. foot and mouth), and the involvement of new partners (e.g. the LSCs).

4.3.3 Key application and appraisal issues

A number of issues were identified, by both the case study projects and the RDAs, around the application and appraisal process.

Case Study Project Views

Most case study projects viewed the overall **application and appraisal processes positively**, although this would to some extent be expected as they had successfully negotiated both. They commonly described the bidding processes as straightforward; guidance materials as clear, easily accessed, and of high quality; application forms short and clear (especially in comparison to other programmes); and the bidding and selection processes as open, equitable and transparent.

The support provided by RDA staff throughout the bidding process was viewed positively, with the combination of websites, helplines, workshops/conferences and one to one support being described. In many cases, RDAs were praised for adhering to the timetable established for the bidding and appraisal process.

While a positive view emerged of the projects' overall experiences, certain weaknesses were identified. **Timing and timetabling** was a common source of complaint, with specific issues including:

- Timing – in some cases application and other information arrived during the summer holidays when many people, particularly in the FE and HE sectors, were on holiday.

- Discrepancies between financial and academic years – where mismatches commonly caused problems in the scheduling of funding against delivery, and affected the number of outputs/targets projects had agreed to achieve. This issue was exacerbated where final project approvals were received in the summer holidays, when many FE and HE staff were not available.

- Tight bid preparation timescale - once information was received, the deadline for bid preparation was tight, although this was commonly described as being "*no worse than any others*". In some cases time pressures were exacerbated by documents being passed between individuals in an organisation, although one project felt that the short timescale had helped focus their attentions.

Delays in the **post-appraisal contracting** phase were the most frequent and serious causes for complaint, particularly after the bidding and appraisal processes had run to timetable. In many cases this delay led to projects being compressed into six months of their first year. As one project described:

> *"A contract was issued in August, but as this was the summer holiday nothing really happened until September. This meant that the first half of the year had already gone before any work on implementation had started."*

Another project described how delays in final contracting meant their £150,000 first year budget had to be spent in six months, compared to a programmed spend of £50,000 in the whole of their second year.

Clearly, there will be instances where contractual negotiations will correctly be both extensive and extended for the benefit of the project and overall accountability, and delays will result. However, a number of the RDAs acknowledged that the overall process had taken too long – and in many cases once a final approval decision was made several months of the year had been lost. This was also exacerbated in Round Three by the timing of the General Election in May 2001.

In some cases pre-contract negotiations involved the RDA 'encouraging' several projects to work together. If forewarned this could be a positive experience:

"It turned out that three groups had put in bids in the same area of workforce development for older workers. All three were interviewed by the RDA and two were then invited two to resubmit a revised bid effectively combining elements of their different projects. We worked on this with advice from the RDA in June and July. This was very useful and yielded synergies from combining the two projects. It got us working together, there was more regional 'oomph' as a result. We had more clout, and also the opportunity to demonstrate that we were testing a different model i.e. a wider project with regional ramifications".

However, not all projects were impressed. One in particular was not happy about the delay in telling projects that their partnerships would have to be widened, saying that RDAs need to be careful to think through what they expect at the outset rather than requiring significant changes after the groundwork for projects has been completed.

In some cases merging projects led to technical difficulties, for example who should manage the contract, and be responsible for the performance of each element?

RDA Views

From the RDA's perspective, the **quality of successful project bids** was generally very high, although clearly the quality of all the bids received varied considerably. In their view, the level of support offered throughout the bidding process was a key factor, with some feeling this support had been beneficial particularly to applicants from 'non-traditional' sectors.

This support was also felt to have **widened representation on a sectoral and spatial basis** - with sub-regions and organisations being better represented in the SDF than other funding programmes. The RDAs also felt the SDF application procedures were more user friendly than for other programmes, for example ESF, and that this may have helped attract a broader spectrum of bids and bidders.

However, the RDAs described a series of **staff resource issues**. Many found administering the SDF application stages a labour intensive exercise, especially with the wide range of support given to the projects and in arranging internal assessment mechanisms. RDAs commonly had between two and four people dedicated to managing and administering the programme, though not always full-time, although these were expanded by including 'experts' or consultants at various stages.

The RDAs acknowledged the views of the case study projects around issues of **timing and timetabling**, agreeing the process to the end of the contracting stage was too

long. The NWDA described seeking to address the financial/academic year issue by developing a rolling application programme for single pot funding, as summarised below:

Rolling Funding Approach

A revised application programme with be introduced with the move to Single Pot funding in April 2002, featuring a new assessment process and a rolling application process to make the management of the application and appraisal process more straightforward. This new approach should make dealing with applicants easier for the RDA's skills team, and reduce the 'frantic period' when all applications must be assessed and processed.

A further advantage of the move to a rolling application programme will benefit learning providers in the academic sector. Given the mismatch between the academic and financial years, educational establishments often have to 'squeeze' 2-year projects into an 18-month period. This problem will be overcome with the move to Singe Pot funding, and will undoubtedly benefit the many skills development projects based in educational establishments.

4.4 Implementation

Once applications were received, appraised and contracts agreed, projects could enter their implementation phases. Most of the case study projects described the implementation of the SDF as fairly straightforward, especially compared with their experiences of other funding. A further strength from the projects' perspective was the flexibility allowed by the RDAs, where they were able to negotiate changes to their plans or targets - particularly important for innovative demonstration projects.

4.4.1 Project support

A series of different models of implementation support were identified, most being 'hands off' in nature and commonly consisting of RDA staff attending steering group meetings. Some RDAs provided additional support, the intensity of which varied by time/implementation stage, for example if a project was experiencing difficulties. The case study projects were uniformly happy with the implementation support they received, confirming it to be most commonly 'hands off', although the RDAs could be called on should any crisis arise.

Support was most often required at the project start, especially in establishing the project (e.g. appointing staff) and reporting processes and procedures (especially financial). In some cases RDAs (EEDA, EMDA and NWDA) ran workshops so project managers could discuss general issues, an approach which also led projects to work more closely together. As one case study project described:

> "The 2½ day Networking Event was an extremely valuable source of assistance, and organised by the RDA for all the SDF projects. As a direct result of the event a local network group was established, comprising the regional Arts Board; the regional Tourist Board; Skillset; a local university and college, amongst others. The group met on a monthly or bi-monthly basis to share ideas, best practice and difficulties faced, and as a result an excellent synergy was built between the projects. In particular, extremely useful support was received from the Tourist Board, given the similarities between the two SDF projects."

In most cases, once established the projects were able to run themselves, as most lead organisations were used to running projects funded by public monies. Other

support tended to occur at times of crises, such as when suppliers failed to deliver, regarding difficulties in appointing key staff, and problems in meeting milestones and targets. At this point the RDAs would provide more intensive support.

The flexibility the RDAs allowed was valued by the projects, with the ability to negotiate changes to their plans or targets being especially important for demonstration projects. As one case study project described:

> *"We were contacted by the RDA on a regular basis and found them to be supportive and particularly flexible. This adaptability was important. The RDA accommodated changes to the original bid. For example, the time dedicated to the development of a website was not extensively covered in the bid, yet the RDA was flexible enough to allow … changes … to ensure the website was successfully operational."* (Digital Dynamics, NWDA)

Different approaches to project implementation support included:

- **Hands-on support** – while most RDAs followed a 'hands off' approach, some had more frequent contact with their projects on a regular basis. In one project the RDA held bi-weekly meetings to plan and supervise the project. Progress was regularly measured against the plans. There is little more to add to this description because of the simple nature of the contractual relationship, which the project found straightforward (Learning Promotion Campaign, EMDA).

- **Sub-regional learning and skills managers** – in Yorkshire and Humberside the central RDA skills team of four FTE staff was supplemented by four sub-regional Learning and Skills Managers, who had contract management responsibilities for the SDF projects in their areas. Both case study projects in the region praised the roles of these individuals, for their abilities, the usefulness of their inputs, and the high levels of debate they engendered. In addition, their sub-regional knowledge was useful in making links between SDF projects and wider sub-regional and regional agendas.

- **Outsourcing additional support** – in London, the RDA used external consultants to provide additional support, this consisted of three private sector consultants and a telephone helpline. Projects were able to consult this resource on a range of issues, from budgeting and monitoring to project management and sustainability.

The issue of staff resources was again raised by the RDAs with regard to support for implementation, with a common view being that these resources were insufficient given the number and range of projects funded. Indeed the mainly 'hands-off' nature of RDA support was a function of resource availability, as there were usually no more than three people to support, in some cases, over 100 SDF projects over the three rounds. In addition, staff usually had other responsibilities and were rarely able to focus solely on the SDF.

The link between project support and success were difficult to probe in the study, given that the case study projects were by definition examples of 'success' and 'good practice'. Where support was given these projects valued the support offered and were able to describe the benefits provided.

4.4.2   Monitoring and evaluation

In the absence of a standard national monitoring framework, the monitoring and evaluation of SDF projects appears quite extensive at the regional level. A range of mechanisms were identified to measure project progress and impact, although in practice monitoring and evaluation was often less rigorous due to limited staff resources, an emphasis on financial reporting and difficulties experienced in getting final evaluation reports from completed projects. The authors were unable to acquire any regular, quantitative information on project progress from many RDAs, and so were unable to provide an overview or analysis of the outputs and outcomes of SDF projects in total or by region.

This is not to say the RDAs did not have an ongoing understanding of the development of their projects. As the previous section on project support suggests, RDA project management tended to be more of a 'hands-off', qualitative and ad hoc exercise.

The demonstration and innovative nature of some SDF projects also militated against more regular and rigorous monitoring and evaluation, indeed in some cases quantitative approaches were of less relevance to ensuring the key lessons from individual projects were captured. Amongst the case study projects examples of the more qualitative monitoring this requires were identified. In certain projects (see Annex 2) the 'monitoring'/steering role of the RDA project managers was praised for not concentrating on the quantitative, but more on the qualitative and providing a valuable input to project development and delivery.

4.4.3   Dissemination

Given the SDF's 'demonstration' nature, it would be expected that special attention would be paid to the dissemination of innovative approaches developed and good practice/key learning points identified under it. The RDAs were found to have committed considerable efforts to dissemination, networking and other mechanisms for communicating key findings. These included specific support for project managers, websites, creating networks and plugging projects into existing networks, as well as developing newsletters and brochures to publicise within SDF networks and beyond.

The key to effective dissemination was having a comprehensive approach that included a range of mediums at different levels that could reach different audiences. For example, SEEDA provided speakers for events and conferences; sent out details of successful projects; became involved in the Basic Skills Network in organising dissemination events; putting projects in touch with one another; inviting projects to internal events e.g. senior management meetings, and; putting project details in a wide range of SEEDA publications.

However, one RDA admitted that they had not done enough dissemination "*There were good intentions here, but they were never delivered because of internal restructuring*".

4.4.4   Key implementation issues

Across the RDAs and case study projects interviewed a series of key issues were identified, as discussed below. The most common RDA-identified issues included:

▪ **Timing and timetable** - the contracting and other time-relating issues influencing the application, appraisal and contracting continued to impact on projects throughout their implementation stages. Most RDAs would like to shorten the bidding to contract process and allow projects to start earlier, but

were unclear on how to achieve this and ensure good quality, resulting in well run and accountable projects.

- **Partnership** – while central to the SDF programme, partnership activities were not without their challenges. Partnerships may not be tight if partners were forced together solely for funding purposes, by the RDA or for other reasons. One RDA felt that new partnership working could be problematic, posing the traditional dilemma of working with existing partnerships versus enhancing regional partnership capacity. In addition, two respondents felt that as the SDF emerged from previous FE and HE programmes, some sector representatives were unwilling to share what had previously been seen as 'their money'.

- **Project management** – the skills of project managers were identified as key project success factors, although delays in, and lack of clarity around, project start times could lead to problems where suitable staff had to be recruited. In addition, projects scheduled to last for just 12 months faced additional difficulties finding staff the later they started.

  Some RDAs provide direct/developmental support to project managers through the life of the project, although this tends to be the exception rather than the rule. For example, EEDA developed a project management handbook. Given the key role that the project manager performs it may be that ongoing project management support is something all RDAs should offer, and the DfES may even consider developing a project management training course which covers all elements of projects management.

A series of additional implementation issues were identified, including:

- **Variable/lack of capacity** - some RDAs felt that there was a lack of capacity amongst certain organisations, especially in the smaller projects, to deliver and manage the project or to recruit staff.

- **Project planning** – as implementation often takes longer than expected, insufficient time may be allocated especially by inexperienced bid writers. Delays in commencement exacerbate this issue, although this could be alleviated by end of year flexibility, especially at the end of a project's first year.

- **Marketing and promotion** – these activities were not always features of projects, or not developed in pace with the project and added on at the end. This could mean delays in delivery as potential clients were unaware of the service, or reduced the potential for wider impact and influence. One project provided a notable exception to this, by considering promotion from the outset and engaging with a public relations firm to publicise their achievements.

- **Innovation** - an important aspect of the SDF was that it should fund developmental and innovative projects. However, RDA respondents were unsure how innovative their projects really were, or indeed what a suitable definition of innovation would be in these circumstances.

- **Rural issues** - many projects are based in disparate communities in rural areas, and faced specific issues of communications and linkage to wider regional infrastructures. There is a potential role for enhanced networking via ICTs, especially given the influence or rural issues on RDAs' attempts to support projects.

Finally, the case study projects also described a series of unforeseen events which impacted on their work, and influenced their effectiveness:

- Some projects, especially those with a tourism and leisure focus, were affected by the events of September 11th and the foot and mouth crisis. In one case the project had begun its marketing campaign in early September.

- One project sub-contracted the production of its learning materials, but found the delivered product of poor quality and so had to design their own. However, this had some benefits as they then developed the materials themselves, and with their more detailed sector knowledge allowed a more relevant product to result. This has led to more learning materials being produced in-house.

- One merged project tried to standardise their delivery across three providers, but the logistics proved too complicated. Each provider instead fell back on their individual strengths, and the project was considered to be the better for it.

- A number of projects encountered difficulties associated with the purchase of equipment. One found that the price for a piece of equipment essential to their project had risen since the original (now out of date) quote, and elsewhere projects described being offered discounts on capital equipment only to find that support is very expensive.

4.5   Good practice/key success factors and key learning points

This section provides examples of good practice in and key success factors for the delivery of the SDF programme, as derived from the RDA and case study project interviews. In addition, a series of key learning points are provided, where the RDAs and projects were given the opportunity to suggest, with the benefit of hindsight, what they would have done differently.

4.5.1   *Good practice and key success factors*

The good practice and key success factors identified by the projects and RDAs are summarised below:

- **Project selection** - the most common example of good practice or success factor was the high quality of the projects themselves. For some this was in part due to the selection process and pre-contract/bid negotiations. Some of the RDAs following a targeted approach to the bidding process believed that selecting a smaller number of larger, demand led projects maximised the impact and additionality of projects because they met an identified need and benefited from economies of scale. Furthermore, by linking the SDF to the overarching regional skills priorities there was a strong strategic aspect to the projects' work.

- **Project management** - good project management was seen as essential to the success of projects, as were good RDA contract management skills. RDAs felt that many projects were well run because of the calibre of the project manager and the structuring of decision making. Many lead partner organisations had been involved in similar projects in the past, providing a depth of project experience. Also, many larger institutions have wider resources (financial, personnel, and management) to draw on should the project run into difficulties

- **Flexibility** - the SDF was seen as a flexible project from both the RDA's and project's point of view. It enabled the RDAs to fund a wide range of projects that fitted in with strategic objectives. It helped fund innovative projects and 'harder to reach' organisations.

- **Partnerships** - as we have seen, a key emphasis of the SDF in many regions was in building and strengthening partnerships, which was identified as both a key success factor and example of good practice amongst SDF projects. In particular the involvement of employers was stressed, as was the involvement of a range of pre-existing networks, such as basic skills networks. Strong partnerships with a wide range of expertise and representation underpinned most projects. Steering groups were most effective where each member had a role, and the group made the decisions as opposed to the lead partner.

- **Dissemination** - the dissemination of project information including key learning points and good practice. This was largely encouraged and facilitated by the RDAs (see above).

- **Sustainability** - RDAs felt that the size of projects they funded, and by bringing organisations together, led to a 'critical mass' being developed that would improve the likelihood of projects continuing after SDF funding stopped. Our case study interviews support this view. It was also felt that as RDA stressed the need for employer involvement and demand analysis underpinning bids, a greater focus on meeting client needs resulted which in turn meant projects were more likely to be sustained.

- **Innovation** - although innovation was seen as an issue (see above) it was also highlighted as a strength by some RDAs. They felt that, on the whole, projects were innovative, especially when compared to those in other funds. There was much greater employer involvement, demand and needs analysis, broader and stronger partnership working, which resulted in the development of interesting projects dealing with skills challenges in new ways and in new areas. One RDA funded learning within a Young Offenders Institution, which would not otherwise have found funding from existing learning and skills programmes.

4.5.2   *Key learning points*

With hindsight, the RDA respondents felt they may have done things differently in delivering the SDF, and offered the following key learning points:

- **Improving the bidding process** - one RDA respondent felt that by working more closely with the projects the quality of bids would have improved, although it was recognised this would have resource implications. Another respondent said that whilst the assessment processes were fair and transparent, they were time consuming and unwieldy.

- **Improving support for projects** - two RDA respondents felt that virtually all of their work with the projects was contract management, with little time for more strategic inputs. While this was considered an important RDA role, again the implications for staff resourcing were recognised.

- **Simplifying contracting arrangements** – given the problems caused by delays in the final contracting stages, respondents felt that contracting arrangements could have been simplified and made more time efficient. For example, one project required six separate contracts.

- **Improved monitoring and evaluation** - two respondents felt that information was insufficient to measure the effectiveness of projects, and that they relied too much on anecdotal evidence.

5 THE CASE STUDY PROJECTS

5.1 Introduction

This section focuses on the individual SDF funded projects studied as part of the study. It provides an overview of their characteristics, links to regional strategic priorities, partnership and project management approaches, and good practice and key success factors identified.

Interviews were held with a total of 20 SDF funded projects covering each RDA region. Case study summaries for each project are provided as Annex 2, consisting of an overview of the project concept and rationale; their experiences of the application, selection and implementation processes; performance and impact to date; and any key success factor/good practice examples.

Importantly, the projects were not chosen as a representative sample, but rather as examples of 'successful' projects which demonstrated good practice and covered different issues in their region. Each RDA nominated a series of 'suitable' projects from which the study steering group selected the final sample.

5.2 Project characteristics

The case study projects covered a wide range of interventions dealing with a variety of learning and skills issues. There was a slight bias towards ICT training and support for SMEs, but the projects covered a range of sectors (from pig farming to film), types of intervention (from high tech business parks to supporting research and LMI), levels of learning (from post-graduate to basic and key skills), and a range of partners (including employers and the voluntary sector).

An important dimension of the SDF was that projects were not necessarily intended to deliver learning outcomes. Whilst most of the case study projects were involved in some form of learning delivery to a range of clients, a handful were concerned with either enhancing regional research and information or improving the infrastructure through capital projects or marketing learning opportunities. Furthermore, many projects involved in delivering learning or advice were also enhancing the learning and advice infrastructure, through the provision of new learning programmes/materials and modes to meet well researched and identified skill needs in priority sectors.

Five of the case studies were extensions of existing projects (including the Mature Workforce Initiative – EMDA and Filton Econet – SWDA), funded under the Centres of Excellence and European programmes such as ADAPT and ESF more widely. In some cases existing funding was running out and new sources were needed for the project to continue, in others the SDF funded extensions or developments to previous work.

In all cases the SDF funded additional or enhanced elements, as one case study was described. The current projects were successors to an initiative that addressed the same issue. The successor initiatives were consciously planned and implemented in a different way in order to overcome the weaknesses of the initial project. The essential weakness arising from the first project was that it had funded a range of projects with no strategic direction or overarching framework. Valuable work had been done, and some institutions had, for example, worked together in pairs or threes, but overall there was no sense of regional vision.

Conversely, the case study projects all levered in some form of additional funding, either from other programmes or funding in kind. Other programme funds included the New Opportunities Fund, Capital Modernisation Fund, the Skills Investment Programme, the Agricultural Development Scheme, ADAPT Round 3, and other ESF Objective 2 and 3 monies. The nature of in-kind funding contributions varied and included providing premises, advice, equipment and people's time for project management and delivery, with contributors ranging from local authorities to multi-national corporations. While the scale of the in-kind contribution was impossible to quantify without extensive accounting procedures, these contributions were often both significant and sustained. For example one project received a considerable amount of ICT equipment at no charge from a global manufacturer, which allowed them to re-direct their SDF monies to extend the range of new facilities provided.

5.3   Links to regional strategic priorities

Clear and direct links were identified between the case study project foci and the broader regional objectives and priorities highlighted in the respective SAP and RES documents. In some instances respondents could provide specific references to the SAP or RES priorities their project was addressing – elsewhere links were implied through reference to supporting research or as identified by the consultants.

Generally, most projects were meeting the learning and skills priority identified in the RES/SAP (however worded), whilst other projects were addressing important sectors (e.g. high tech, tourism and leisure etc.), or identified generic skills areas (e.g. ICTs, basic and key skills, and management development). This close link was mainly the result of the RDAs specifying RES and SAP priorities in the prospectus and bidding guidance. However, one project felt that the skills priorities were so generic that anything could be fitted into them and that they needed to be less broad and more focused.

Approximately two thirds of the case study projects used research and other economic information to support their bids, and ensure that they met recognised regional or sub-regional needs. This research was either undertaken by the RDAs themselves (for example, based on skills and learning issues identified in regional skills surveys), through direct or indirect assessments of employer needs, or more often localised or sector specific research. For example:

- The Yorkshire Forward E-campus research projects built on previous research that identified a shortage of both ICT employers and suitably qualified staff in the region. The E-campus project itself was considered high risk, in that it needed to attract a significant 'anchor' inward investor to be successful. However, the SDF-funded research was designed to also support the development of a sub-regional ICT strategy, as well as examining the ICT-skill requirements of indigenous employers regardless of their sector.

- SEEDA's Interactive Digital Media project drew on previous regional and local research which identified a cluster of organisations in this emerging sector, and the difficulties they were experiencing in recruiting staff and identifying suitable training provision and facilities. The project also benefited from specific research undertaken by the project manager as part of her recent MBA thesis.

Serendipity also played a role in at least one employer-project relationship:

"The MD of a local company approached the College to see if we could provide training for electronic skills. When he saw the equipment we had he felt that it

was not appropriate to his needs but he wanted a local provider. We had also organised a seminar for local electronics employers and this coincided with us hearing about the SDF. So we asked these employers what they wanted us to do". (Centre for Excellence for hi-tech up/multi-skilling, AWM)

5.4 Partnerships

As described previously, partnership was central to the SDF programme and the projects it supported – and was viewed as a strength of both. As Annex 2 describes, a wide range of organisations were involved in the case study partnerships, including employers, employer groups, NTOs, trade unions, the Employment Service, local authorities, the VCS, LSCs/TECs, as well as FE, HE and other learning providers.

The structure of partnerships varied enormously between the case study partnerships, with some being dominated by learning providers and other supply side organisations whilst others consisted predominantly of employers. Employers were more commonly found on steering groups than 'individual' clients, with the employers representing both their own and potential users' views.

The partners fulfilled a variety of roles and offered a range of benefits, including:

- Providing links to wider networks; sources of information and other assistance e.g. financial, technical, marketing; different experience and expertise

- Acting as a forum for testing ideas

- Delivering specific aspects of the project, e.g. training, consultancy, marketing, management and curriculum development

- Ensuring a wide range and variety of representation e.g. public and private sector, users and providers

- Providing direct experience of dealing with contractors and suppliers, as relevant to the delivery of the project

One project was encouraging the involvement of employers but felt their involvement had to be meaningful:

"The CBI made an input into meetings, but in general they are not very active. They only have a small office in the region and there are a lot of other things they're working on. Individual employers approached the project for advice as customers but played no role in steering its development, we feel that unless it affects them in the very short term they just don't have time to become much involved. In future we will be hiring a liaison officer, which will lead to parts of the project working more responsively to employer needs and taking a sectoral approach."

In five cases the partners were familiar with each other or had worked together on a previous project (for example, Key Skills for Employability – AWM; Digital Dynamics – NWDA; Film Production Accountancy – SEEDA). There a range of local fora, such as Lifelong Learning Partnerships etc., that key learning organisations are involved and so at a local level there is often a high degree of familiarity between organisations involved in the management or delivery of the learning agenda.

In the vast majority of cases the original partnerships are still functioning, although at the time of interview none of the case study projects had completed. Nevertheless, many people felt that the partnerships would continue in one form or another.

One project had a particularly dynamic partnership structure that changed over time, with different partners involved at different levels as summarised below:

Exemplar Partnership Structure

The project partnership comprised the following features:

A **Steering Group** oversaw overall progress, and consisted of regional stakeholders with a general interest in the issue. It included the RDA, the SBS, an enterprise agency director, and a representative from a venture capital organisation.

A **Partnership Working Group**, made up of representatives from each institution, which oversaw the overall initiative. This group discussed general project management issues, e.g. what dissemination routes to adopt and documents to make available, etc. It was also useful in spreading best practice, and as a forum for discussing general problems.

Day to day administration was carried out by a project manager and project co-ordinator, who were responsible for administration, overseeing progress, disbursing money, providing advice etc.

Individual partners worked on specific parts of each project. For example, university teams ran the various projects (e.g. awareness raising, curriculum development, new venture support and mentoring), with the university careers services being involved in other parts of the project.

Private sector involvement occurred at the "top" and "bottom" of the partnership. i.e. through representation on the Steering Group and participation in individual projects.

While the case study projects recognised the benefits of partnership working, a series of drawbacks were identified, including:

- Having too many partners could make the management of projects unwieldy

- Inputs by different partners could be variable, such as limited attendance at steering meetings

- Some organisations may send insufficiently senior representatives to make decisions, or individuals whose skills and experience were not appropriate to their roles (such as strategic staff rather than individuals involved in delivery)

In an attempt to mitigate against these drawbacks, one case study project developed a partnership working agreement, which formalised the partners' individual roles, responsibilities and relationships. It also included an element of contingency planning, by including sections on who would replace a partner should they drop out.

One project had received criticism from its competitors, why should it receive public monies which would give it a competitive advantage? The project responded by inviting them on to the steering group so they could get a better understanding of what the project was about, and giving them the opportunity to input into the project. This meant that both sides benefited.

5.5   Project management

While the case study partnerships adopted different project management approaches, three broad models could be identified:

- **Direct management -** where the lead partner and sole deliverer were the same, so linkage ran directly from the steering group to the deliverer.

- **Sub-contracted management -** where the lead partner managed several sub-contracted providers, each with their own project manager, and which could make overall project management more difficult.

- **Equal partners** - this usually occurred when projects had been combined during the bidding round, and their steering groups and project managers had similarly been merged. This model required time to work out roles, responsibilities and lines of communication, and in some cases individual providers could be working on separate areas making overall project co-ordination more difficult.

Generally, case study projects tended to be well resourced in terms of management. For example, one multi-college project featured full-time members of staff located in each college to deliver the core components of the project, and a part-time member in each college to deliver a specific training strand.   In another a particularly well developed project management structure was identified, as summarised below:

Project Management Structure

This college-based project was managed several levels, with the project team based in the Directorate of External Funding and Projects and a full-time Project Manager directly line managed by a member of the College Senior Management Team. A Project Officer and Administrator were appointed for the day to day project work - the Administrator managing an Access database of monitoring details (e.g. companies receiving training, employer and employees' contributions, and employer hours dedicated to training), and ensuring that all information was kept centrally.

A Steering Group met monthly to ensure ongoing support for all partner organisations and develop the project's strategic direction. Guidance was specific and ensured the project ran to the targets and goals set. The Steering Group consisted of a Senior Management Team representative from each partner organisation, with private sector employers being co-opted to it and the project manager providing a link between the Steering and Operational Groups. Each Steering Group representative also had an Operational Group 'partner', to facilitate knowledge transfer between them.

The Project Manager chaired the Operational Group, who were responsible for the achievement of the project objectives. The group met monthly, and ensured it developed a sub-regional perspective. For example, marketing materials and research was planned and developed using a 'team approach', so saving time, money and effort. This method of working encouraged a supportive network to develop for all the project officers, reducing any feelings of isolation from mainstream work. Furthermore, the development of a project 'corporate' approach and image meant partner colleges could work in 'catchments' traditionally covered by other colleges, which would not have previously happened.

The strength of the Operational Group was in having a "*fantastic mix*" of representatives from each partner organisation, with individuals contributing experience from a range of professional backgrounds, including marketing, IT, business management, and teaching. By learning from each other, individuals on the Operational Group were also able to upgrade their own skills and knowledge.

> (Stimulating Demand for Micro Business Training – NWDA)

Although most of the case study projects were run by fewer staff than the example above, in the main they always appeared to be adequately resourced. If problems were identified, they most commonly related to the appointing project managers in the first place. Although untypical, one project did not appoint its project manager until January.

On the whole, steering groups were very effective in providing overall control of the case study projects and in inviting a variety of organisations and views.

5.6 Key success factors and learning points

Expanding on the overall key success factors and key learning points described in the previous Chapter, the case study projects offered the following suggestions.

5.6.1 *Key success factors*

A series of key success factors were identified, often relating to the particular circumstances of the individual case study projects but likely to be of relevance elsewhere. These included:

- **Ensuring client needs are met** – several projects suggested approaches, including by:
  - Involving clients directly in the management of the project.
  - Researching the needs of clients/sector/issues e.g. sometimes cost is less of an issue compared to quality and flexibility
  - Have systems in place to capture client feedback
  - Getting providers to interact and network with clients.

  Several projects involved researching the needs of specific sectors as part of their work, which could not be achieved in other programmes due to the emphasis on producing outputs.

- **Working closely with clients** – was central to project success, and included:
  - Providing appropriate support, such as through helpdesks, on a one-to-one basis, through websites etc
  - Using effective and relevant marketing methods for different client groups
  - Using specialists where relevant to deliver aspects of their programmes.

- **Project management** – good project management was vital to project success, and key components included:
  - Assigning proper responsibility throughout the project
  - Having clear lines of communication
  - Developing effective dissemination mechanisms

- Making use of existing resources rather than developing new ones.

- **Partnerships** – while recognised as central to effective project delivery, key success factors included:

  - Pragmatic working and flexible delivery

  - Consulting with appropriate organisations and actively networking

  - Establishing commitment early in the project, and at the appropriate levels, from the partners

  - Recognising other people's strengths and building on them.

- **Staffing** – key success factors for staffing were:

  - Establishing the correct mix of capable staff for the project

  - Ensuring key disciplines of management, administration and delivery are covered

  - Keeping staff fully informed of, and consulted on, project developments (in particular front line staff).

In many cases, good practice was not a single entity but came from an understanding of the issues, the market, and how to deliver to meet objectives that covered most, if not all, aspects of project management. This also involved identifying the projects strengths and weaknesses. For example, projects bought in specific expertise (e.g. PR and design) to enhance specific aspects of the project.

5.6.2   *Key learning points*

With hindsight, the case study projects made the following suggestions for things they would have done differently:

- **Participation and delivery**- one project described how they would stage their partnership efforts, and be more aware of the unequal contributions of their partners, in future - *"We tried to be too participative at the beginning in order to respect the idea of partnership. But not all providers could in fact deliver what they promised. We should have identified them earlier and been more ruthless."*

- **Allow for delays in commencement** – one project described how delays impacted on their ability to meet their client recruitment profile - *"Next time we will try and recruit clients more evenly over the year. We try to assess a business within ten days of them making contact, but because the project didn't start until September we were very busy and did not get to see some for weeks."*

- **Making a rapid start** – the importance of pre-start forward planning 'hitting the ground running' was stressed by one project - *"I would try to build relationships quicker and to set-up better business systems".* Another offered more straightforward simple planning advice - *"Start earlier."*

- **Know where the project is going** – two projects emphasised the importance of pre-start preparation in terms of setting clear objectives (*"Having a clear vision about strategic objectives"*) and making local preparatory contacts (*"Doing the groundwork is very important"*).

- **Meeting monitoring requirements** – as the SDF monies were often combined with other funding streams, it was important to ensure the relevant monitoring and contractual conditions were adhered to. As one project described - *"A difficulty has been in balancing the different funding schemes. One of our streams is funded 42% by the ESF and 58% by the SDF, each fund has their own monitoring and budgetary requirements."*

6   PROJECT OUTPUTS AND IMPACTS

6.1   Introduction

This Chapter focuses on the specific outputs, outcomes and impacts identified under the SDF programme as part of the evaluation, as identified by RDA staff and project managers.   In presenting these achievements three important factors must be considered:

- The SDF programme and each of the case study projects were still ongoing at the time of interviews, and so the direct benefits accruing from them were yet to be fully realised. In addition, the nature of many of the project activities meant that their full benefits will only be realised over time.

- The lack of a national output monitoring framework meant that no consistent, objective cross-programme data was available. While this meant a quantitative assessment of performance across the programme was impossible, in many cases the demonstration nature of project activities were not best captured by quantitative indicators and approaches.

- As direct contact with projects focussed on projects who were recognised by the RDAs as being successful, they were not necessarily representative of the wider project group.

Consequently, the chapter is presented from two perspectives – that of the RDAs and of the case study projects interviewed. The Chapter concludes with an assessment of the extent to which project activities will be sustained following the end of SDF funding.

6.2   Impacts of the SDF – the RDAs' perspective

In the view of the RDA representatives, the SDF was a successful programme which had "*punched above its weight*" in terms of delivering outputs, outcomes/impacts and learning experiences for the relatively small size of its budget. One RDA summarised the views of many in describing the SDF as "*small but influential*".

The SDF was seen as contributing to wider regional economic development objectives and priorities in a number of ways:

- Due to the SDF's close relationship to the SAPs the programme will, by definition, be addressing wider regional priorities.

- New developments, such as the creation of sub regional economic and skills strategies and action plans, have in some cases underpinned the SDF. The SDF has been flexible in taking on board new developments, particularly the creation of the LSCs.

- Key partners were closely involved in developing the annual SDF priorities, for example featuring NTOs, LSCs, employers and representatives from the FE and HE sectors.

- Through enhancing linkages, networks and partnership working the SDF contributed to regional cohesion, and aided a more strategic focus on key learning, skills and other issues.

- The SDF focused on specific sectors (e.g. automotive industry, culture and leisure), on generic skills areas (e.g. management development, ICTs and basic skills) and on other priorities (e.g. social exclusion, enterprise development, enhancing the regional infrastructure and support for learning in rural areas). It also included work with newly emerging sectors, such as ICT for learning and the digital interactive media sector.

In considering the main impacts of the SDF overall in their regions, RDA staff identified the following topics:

- **Partnership working** - an important impact of the SDF has been in developing partnership working, within and between projects, and between the RDA and its partners. RDAs have been able to develop an enhanced, co-ordinated and more strategic approach with their main partners and providers throughout their regions through the process of consultation in developing strategy documents (e.g. the SAPs and their revisions) and in ongoing relationships with other organisations e.g. the LSCs and the Basic Skills network. These new relationships provide the opportunity for further exploitation in the future.

  In addition, partnership working has brought different providers and players together so that the 'whole was greater than the sum of its parts'. For example, one project partnership consisted of the CBI, trades unions, Government Agencies and Departments, the LGA and the NTO (Mature Workforce Initiative – EMDA). Different partners brought additional resources and/or complementary expertise to the project, and greater collaboration between partners and providers reduced overlap and duplication and maximised synergies.

  Not only have new partnerships and working practices been developed, but the SDF has also helped to sustain and provide a continuing focus for existing ones. Many of the partnerships included organisations that were familiar to each other and had worked together in the past e.g. on Centres of Excellence or FECF funded projects.

- **Employer involvement** - following from the above, an important impact was the involvement of employers in the design of the project, as well as clients and partners. For example, in one project a construction sector employer partnership got involved in planning the approach for that sector from an early stage (Learning Promotion Campaign, EMDA). It was felt that employer involvement has led to more demand led provision. Not only does this meet immediate need it also has important implications for the sustainability of projects.

  Links have been forged with important international companies located in the regions as well as with SMEs. In some cases, SDF projects were formulated by employers or based on employer research.

- **Cultural change** - in some areas the SDF represented a cultural change for the RDA and for projects. The SDF was seen as being quite different from other pots of money allowing a stronger tie in with RDA priorities and objectives, allowing the RDAs to be more proactive in selecting projects, and allowed greater flexibility to delivery organisations. This was more apparent in some RDA areas than others. In some areas the management and processes of the SDF appeared quite radical, and in themselves innovative when compared with the administration of other funds.

- **Strategic impacts** - the SDF was felt by some to have helped push forward the skills agenda and given it a higher profile amongst partners, providers and employers. Also, specific, sectoral or sub-regional learning profiles were also raised, for example, the Mature Workforce Initiative (EMDA), Key Skills for Employability (AWM) and the Digital Interactive Media Sector (SEEDA).

  Furthermore, even though some projects operated on a local basis, by promoting networking and links with projects elsewhere in the region, impacts were more far reaching than they otherwise may have been. However, fewer links between RDAs to share lessons and good practice were identified.

Other impacts of the SDF described by the RDAs included:

- Encouraging smaller and non-traditional organisations to bid for funds

- Allowing flexibility in both capital and revenue expenditure and supporting experimentation and innovation

- Helping the RDAs develop sector and other networks that link in with and underpin other strategies, such as cluster development strategies

- Filling particular funding gaps that already existed or were created more recently, such as the end of TECs.

6.3 Impacts of the SDF – the case study projects' perspective

Given the diverse nature of the case study projects a wide variety of tangible and intangible impacts and outputs were identified. Given the demonstration nature of the programme not all of the projects were involved in the delivery of any services. Some were research based, or involved investment in capital equipment and other facilities whose use would generate outputs downstream. The total value of the case study projects was £4.4 million. Nevertheless, the projects generated a wide range and high level of tangible benefits.

6.3.1 Quantitative outputs

Most tangible benefits were expressed as the number of clients benefiting from projects, either through learning or in receipt of advice and guidance. A range of benefits were derived from individual projects, including:

- **Advice, support and guidance** - SDF funded projects provided advice, support and guidance to a number of people through face-to-face contact and the provision of telephone helplines. For example:

  - 2,300 actual calls to the telephone help-line against a target of 1,000.

  - 30,000 people took some action as a result of the advice and guidance they received. Of these, 10,000 started or booked a course, and 20,000 sought further information.

- **Learning places** - the main focus of many projects was on providing training courses for individuals. There were a number of people trained, a number that achieved qualifications, some of whom would not have been trained otherwise. Some of this learning was delivered through ICTs. For example:

  - E-campus training that allows distance learning to about 120 students for NVQ 2 and technician training.

- An increase in the numbers of care assistants and early year assistants accessing training who had not undertaken any formal training for a number of years.

- Training 200 people in rapid prototyping technologies who would not have been trained otherwise.

- **Employer learning** – a key focus of some projects was increasing learning activity by employers and/or training managers. For example:

  - 143 individuals enrolled onto recognised learning programmes (including NVQs Levels 2-4; the Certificate in Small Business Management; and recognised IT qualifications).

  - 150 micro organisations engaged in training directly as a result of the project.

  - 12 owner/managers from a variety of sectors worked towards an NVQ Level 4 in Operational Management.

- **Learner progress** - some projects reported that learners involved in their projects had attained further positive outcomes, for example, redundant people getting jobs or learners progressing on to higher qualifications.

One project also mentioned that employers were able to win larger and better orders as a result of using the equipment purchased using SDF monies, and therefore new business opportunities have been created and this will lead to more jobs.

6.3.2   *Improving the infrastructure*

The next most frequent tangible benefit was improvements to the regional learning and other infrastructures. These ranged from the establishment of advice centres, new learning programmes, learning materials, improved equipment for learners and employers to use, and other physical facilities. The creation of virtual learning and advice services was also an important benefit from SDF projects.

- **New or enhanced facilities** - this includes the creation of physical and virtual facilities, and enhancing the equipment used by learners. For example:

  - Establishment of two new advice training centres, and one virtual, web-based centre in the near future.

  - Part-funding of six enterprise hatcheries.

  - Improved electronics equipment at a college that can be used by all students.

- **New or enhanced programmes and learning materials** - SDF funded projects created or enhanced a range of learning programmes and materials, sometimes in emerging hi-tech sectors where no similar regional provision existed. For example:

  - Four new training/advisory themes were developed in business management; supply chain; sustainability; and waste and pollution management.

  - Creation of state of the art learning materials and an NVQ assessment framework.

  - Creation of on-line learning programmes.

- **Enhanced intelligence** - SDF funding helped enhance regional skills intelligence through a variety of means, including:

  – Creating a regional skills observatory

  – Funding a regional labour market analyst post

  – Enhancing LMI on a regional and sectoral basis through a series of research exercises.

  The full benefits of some of these projects will appear downstream, in supporting the development of the FRESAs and in wider shared strategy development.

6.3.3   *Networking and dissemination*

The SDF projects developed a series of networking and dissemination events including conferences, workshops and informal 'get togethers'. These covered a wide range of mechanisms from the creation of newsletters, creating employer and provider databases, hosting workshops and conferences, and developing project specific and other networks. For example:

- 6 seminars, attended by over 900 farmers.

- Workshops run with keynote speakers and panel discussions involving representatives from education, industry, strategic agencies and government.

- Creation of an employer database which was also used as a mapping tool.

- Establishing links with the local and national digital community prior to and throughout the project.

6.3.4   *Other benefits*

In addition there were a series of less tangible or more potential benefits identified:

- National/regional recognition – projects were able to gain a much higher profile, partly due to the level of dissemination and networking activity, than would have otherwise been the same. One project said that the Cabinet Office Performance and Innovation Unit had taken an interest in their work (Mature Workforce Initiative, EMDA).

- Cultural change of employers to learning, key skills, to particular development issues, production techniques, staff retention and recruitment and to lifelong learning. Projects reported that some learners and employers have asked for details of other courses.

- Improved credibility with employers. Once employers became involved their views of the providers improved and this was passed on to other potential clients. Also it sometimes opens the door for service providers to link in with major employers in their field e.g. Microsoft.

- Increased awareness of learning issues (e.g. basic skills), support and learning opportunities available to people and employers.

- Kick-start to companies' and learner's involvement. The SDF provided a 'carrot' for people and firms to become involved and then they moved on to other things. In addition, because of their newly acquired skills some learners went on to higher qualifications and some employers were able to compete for larger and

higher quality orders. Furthermore, it enables service providers to get 'a foot in the door' in that they can provide financial assistance or other inducements.

- Meeting the wider skills and economic development agenda. For example, some projects were addressing wider environmental, inward investment and entrepreneurship agendas. Also, impacting on the wider skills agenda. Some projects, through their success, have put the focus of their work on to the skills agenda, in one case by highlighting the lack of skills, the lack of employers and the lack of supply side capacity in a high value sector.

- Creating models or approaches that could be applied to other skills or geographical area, in some cases leading to or enhancing provision in other areas.

- Demonstration effects and then being able to lever in wider resources. The SDF pump-primed projects which became successful and this attracted other funding. This was particularly important for more innovative projects who may not have had funding from elsewhere. Also, developing long term strategies to address particular issues that will remain after the projects have finished.

- Increased e-business. Some projects have increased the amount of business clients do over the internet and the level of business2business trading.

- Improved partnership working and networking between different organisations e.g. providers in competition, providers and funders, and providers and employers etc. Also improved knowledge and expertise amongst partners. By having a range of expertise involved in the project either on the steering group or as part of delivery, people were able to learn from one another.

6.4   Sustainability

Many of the benefits described above were less of a 'one-off' nature, and more about supporting change to provide additional impacts in the future. Consequently the extent to which these changes will be sustained will be key to the impact of the SDF programme in totality.

Positively, three quarters of the projects believed that much of their work would continue after SDF monies ceased. This was often less about the continuation of the project itself, and more about ensuring products and service developed and lessons learnt continue to be used. Of the remaining projects, five hoped they would continue and were working to achieve this, some felt that whilst the particular project may not be sustainable the work would continue in one form or another. Some RDAs called for exit strategies as part of the project bids and one asked projects how they would be funded the next year after SDF funding ran out (NWDA and SWDA).

There were two main ways in which projects were continuing:

- By being incorporated into the mainstream. For example, some training courses were so successful that they were being incorporated into the provider's mainstream provision. Some providers were able to charge for the learning programmes and other services, although none were able to continue by simply charging for their services. In one instance, the project manager wanted to continue the project because it had been successful but also because it had filled an important gap in providing training for new entrants into the sector. However, the industry had been in a downturn for the past year and so until it improved the programme would only be able to proceed in a reduced form.

- By obtaining funding from elsewhere. In some cases the RDA had agreed to fund the project from single pot funds next year. Other sources of funding included NTOs, Objective 2 and Objective 3 funding, LSCs and the SBS.

A key element to sustainability was the ability to fund a project manager or a secretariat to keep driving the project forward. Few projects create enough momentum that they can become self-running. However, retaining project managers is problematic unless future funding can be secured. Many staff leave projects because they don't want to become unemployed when the current funding runs out. In this way, the importance of building sustainability into project planning from the outset can be key in ensuring continued future benefits.

7 CONCLUSIONS AND RECOMMENDATIONS

7.1 Introduction

This Chapter sets out the key conclusions and recommendations from the evaluation of the SDF. Given that the programme ended at the end of the 2001/2 financial year, our recommendations are intended to be of relevance to similar skills development approaches in the future, as well as for more current issues.

7.2 Conclusions

Our conclusions are set out below.

7.2.1 Scale and context

The SDF operated for the three years between 1999/2000 to 2001/2, in which time it supported over 700 projects across the nine English regions. As the report illustrates, the Fund supported a wide range of projects, from capital investment for developing regional learning infrastructures to providing a variety of advice and guidance services. The projects varied by focus – seeking to influence a range of sectors and skills issues and operating at different spatial levels (regional and sub-regional). The Fund was also used to facilitate strategic change, for example by enhancing regional labour market intelligence capacities.

The SDF was the only DfES initiative delivered by the RDAs, and although small in scale (representing between one quarter and one third of non-mainstream skills funding under their control) our findings suggest it had an influence above its absolute size. The Fund had supported a range of innovative approaches amongst the case study projects reviewed, notably in comparison to other programmes the researchers have evaluated. However, the extent to which innovation was stimulated across the entire Fund is unclear. Given the relationship between innovation and the potential for failure (issues which were raised at the highest level at the Windsor event), it may be that the more innovative approaches were concentrated in smaller projects in order to minimise 'loss' should they prove unsuccessful.

7.2.2 Impact and influence

The wide range of project type and focus supported was reflected in the benefits and impacts resulting (or expected to result) from them. These are detailed in the report, but were both quantitative (such as a range of learner outcomes and new/enhanced infrastructure) and more qualitative (partnership impacts, and strategic impacts around establishing regional skills understandings and the capability to respond). The Fund was also seen to be contributing to the RDAs' wider objectives, through firm links with regional skills and economic development priorities/strategies, and the focusing of their outcomes accordingly. While a number of caveats must be applied to conclusions on the 'success' of the Fund in meeting its primary objectives (including the Fund still being in operation during the study, the lack of a national monitoring framework and the study's focus on 'good practice' projects), it was widely considered to have "batted above its weight" in terms of influence and impact. It is also important to recognise that as many projects were still operating, and by nature likely to have additional down-stream impacts, the full impact of the Fund is yet to be realised.

An important contributor to the Fund's overall impact resulted from the processes followed to deliver it – namely the setting of regional skills priorities through the SAPs,

the development of shared understandings between regional partners around skills priorities, and a change in the culture and relationships between the RDAs and their partners. While the extent to which these benefits were realised varied considerably between regions (particularly in terms of promoting cultural change), in most the process of developing the RESs and SAPs, was felt to have made some contribution to 'strategic strengthening', if only by establishing new understandings and working relationships to be built on in future. In a minority of cases, the Fund was felt to have moved RDA-delivery partner relationships from the simple provision of funding to 'how can we work jointly to achieve our shared regional vision/targets?' In others, the Fund was felt to have helped establish RDAs as partners in the regional skills agenda, by being "in the right place at the right time".

7.2.3   *Key success factors*

A number of factors were identified as contributing to success at the **programme level**, including:

- ▪   **Strategic focus** - the requirement for projects to link with the regional skills agendas set out in the SAPs (and by implication economic development agendas through the RES), helped ensure focus and contribution to regional and sub-regional priorities. RDAs had spent a great deal of time and effort in determining their strategic position and priorities, based on widespread consultation exercises, and underpinned by extensive research and labour market information.

- ▪   **Flexibility** – the flexibility offered by the Fund had contributed to the wide range of projects, provided they fitted within the priority framework above. RDAs also attempted to extend the range of promoters, and led to the involvement of organisations which may not usually have bid for such monies.

- ▪   **Bidding and selection processes** - as well as promoting the opportunity to bid widely, the requirement to demonstrate need, employer involvement and develop effective partnerships (in some cases through merged bids) laid firm foundations for successful projects.

- ▪   **Implementation and contract management issues** – the overall experience of RDA staff in managing competitively funded projects was often a key factor, even though in many cases resources were stretched. As the report describes, generic factors such as project management, staffing, support and administrative systems and approaches all had a role to play.

- ▪   **Sustainability** – while this will only be evidenced over time, the requirement for projects to evidence need and fit with strategic priorities, have employer involvement and work in partnership were all felt to increase the likelihood of post-funding sustainability.

Our review of the case study projects identified a range of key success factors at the **project level**, the majority of which are generic and can be applied to project development work irrespective of funding source and nature. The key factors included:

- ▪   **Project management and staffing** – it goes without saying, but cannot be stressed enough, that the skills and abilities of project managers are central to the success of any project. The same applies to ensuring the sufficient numbers and correct mix of staff to support the project effectively.

- **Client focus** – both in terms of the identification of specific needs as part of the concept/application development process, and ensuring these needs were met by it. Working closely with clients throughout the implementation process was a useful means of achieving this, through mechanisms such as representation on steering groups and systems to capture feedback.

- **Partnership working** – where partnerships worked well they offered considerable benefits to projects, ranging from direct and ongoing input and support to specific inputs at key stages. Setting clearly understood expectations, recognising key strengths and considering of the composition of the partnership from the outset all helped ensure effective partnership working.

7.2.4 *Issues for consideration*

The study also illustrated a number of important programme and project development issues, many of which are regularly raised in the evaluation of Government funded programmes. These are particularly significant given the new single pot funding arrangements. In particular:

- The **monitoring and evaluation** of projects should receive higher priority. There was no easy access to consistent project monitoring or evaluation information at a national or regional level, so assessing the progress of projects or their impacts was not possible. This also suggests further implications regarding the identification of key learning points from demonstration projects, and the use of performance information within the projects themselves.

- There needs to be **greater support for projects**, especially project managers. Project management was identified as a critical success factor, by the RDAs and projects alike. However, support for project managers and projects was patchy and limited overall, unless they encountered crisis points. RDA's resources recognised as being insufficient to effectively manage and to support projects, especially those of a demonstration nature. The key role of project manager, in the experience of some RDAs and case study projects, suggests that the investment made in project management is well spent. Some RDAs had already taken steps to enhance their own capacity and others wanted to do so.

- Addressing the **timing and timetable** issues. The key issues for projects were time-related, especially in the first year, and included the incompatibility between financial and academic years, delays in contracting and so establishing projects, and end of year flexibility. One RDA is trying to address these issues in future by developing a 'rolling' allocation process, but more fundamental review is required to reduce delays in contractual processes.

Some RDAs had begun to address the above issues, and a number of promising/good practice examples and key learning points across a range of topics feature in the report which merit wider publicity. Our recommendations include suggestions for how this dissemination could be mobilised.

7.3 Recommendations

Our recommendations, based on the RDA and project contacts, are set out below.

- **Project management training and support** – given the key role of the project manager to the success of the SDF projects studied, and wider experience elsewhere, we recommend that consideration be given to the provision of specific project management training and support. Topics covered could include

promotion and marketing, monitoring and evaluation, and contracting with suppliers, as well as more generic skills such as planning and time management. Given the range of projects funded by the DfES and delivered by RDAs, this could be facilitated through the development of learning and support materials, and networking/dissemination mechanisms for project managers, delivered in either paper based or ICT formats. In our view, this type of training and support is best delivered through networking, courses, workshops and mentoring programmes rather than by learning materials alone.

- **Innovation and risk** – innovation is accompanied by an inherent risk of failure, and the risk-averse nature of RDAs was raised during the study and at the Windsor Event. RDAs are correctly expected to be accountable for their funds, but recognise that the 'step changes' their economies may require demand innovative and high risk approaches. We recommend that steps be taken to stimulate innovation at the regional level, and allow RDAs to feel comfortable to take calculated risks in search of greater reward. Two potential approaches could be considered:

    – **Ring fenced 'demonstration' budgets** - within the new single pot funding arrangements, to be used for high risk and innovative activities where risk was acknowledged and failure seen as a learning experience. This regional budget could provide lessons to be shared at national and regional levels.

    – **Regional Planning Guidance** – special reference to innovation and risk could be included in the guidance, stressing the importance of stimulating innovation and the 'acceptability' of failure. Failure here refers to well researched, developed and delivered approaches which were found not to work, rather than those which faltered due to poor project management or other operational weaknesses. Any resource allocation for innovative and high risk projects should always include the requirement for full evaluation – to ensure that the key lessons, good practice and success factors are captured.

    In addition to the above options, broader guidance documents should be developed on **good practice in fostering innovation**, and what to do if it fails. Similarly, guidance should be produced on **risk management** in project work, and plans for how risk will be managed (and contingency options) included in funding application forms.

- **Common practical considerations** – as the conclusions described, a series of issues commonly identified in programme evaluations were identified in this study. In particular, we would recommend that:

    – **Monitoring and evaluation** – the establishment of coherent national monitoring and evaluation frameworks should always be an initial component of programme development. This is particularly the case with demonstration projects, to ensure lessons from such programmes are identified and disseminated both regionally and nationally.

    – **Greater support for projects** – whilst the majority of RDA support was of a 'hands-off' nature, benefits were identified when RDAs became more involved in project development and delivery. The enhanced resourcing of support to projects should be considered – with larger skills teams and other options being considered. This also raises the issue of the number of projects

supported – fewer, larger projects may be more manageable in terms of staff support, as well as offering potentially larger impacts.

- **Financial and academic year mismatch** - the incompatibility between financial and academic years is an important and recurrent issue which must be examined in detail, with a view to finding ways of mitigating its negative effects. Academic institutions must also contribute to this debate, with options for flexibility being considered on both sides. If no solution can be found, arrangements must be established for greater financial flexibility for projects, particularly in their first year of operation. Some RDAs have begun to address these issues, and may offer solutions of relevance elsewhere.

- **Disseminating lessons and further research** – finally, but not least, we recommend that further research is undertaken into those areas that were identified as good practice and/or success factors in these SDF case study projects. The key lessons from this report and any further research needs to be disseminated, particularly at the national level. Whilst examples of intra-regional sharing of findings were identified, inter-regional dissemination appeared less common. A range of media and messages should be considered:

  - In terms of **media**, national conferences, supported by more focussed workshops and seminars, and rolling dissemination through websites and good practice documentation should be considered. At the same time, the fit between existing RDA-networks and the delivery of practical 'good practice' lessons should be reviewed, and any gaps filled. For example, enhancing LMI provision was a common SDF theme, and could be a focus for inter-regional good practice and experience sharing. Similar thematic networking approaches could be considered, for example around rural issues, basic skills and key industrial sectors. Sectoral networks, for example around specific emerging technologies, would also be timely given the current emphasis on cluster-based strategies.

  - In terms of **further research** and **messages**, a series of relevant themes are set out below, based on both the key success factors identified and current issues on the RDAs skills agenda. They include:

    - **Generic good practice in project management** – to support the points around project management for both RDAs and individual promoters.

    - **Developing inclusive and effective partnerships** – how they can be developed, structured and made to work for the projects' and clients' best interests.

    - **Creating shared regional understandings, priorities and strategic targets** – to build on the experiences from the SAP developments, and identify how these can be taken further by some of the promising practice examples identified.

    - **New approaches to funding allocation and targeting** – an area where RDAs had progressed at different levels, notably in building on shared understandings, and establishing new frameworks and relationships, for the achievement of their strategic aims. In particular new 'purchasing strategies', including shifts in emphasis towards

partners contributing towards shared regional objectives, and more commission-based models, would be a useful topic for examination.

- **Developing Single Pot arrangements** – the study identified that a lack of clarity existed about some aspects of the practical implementation of the single pot arrangements. Emerging and promising practice in this area could usefully be shared between agencies.

- **FRESA development** – at the time of study the development of the FRESAs was at an early stage, although we are aware of a number of RDAs who are now undertaking large pieces of work as part of their development. Any early lessons would be helpful in ensuring less effective practice is not duplicated and good practice followed.

- **Innovation and risk management** – building on the earlier recommendation enhanced inter-RDA networking, dissemination and support for innovative projects should be promoted to allow effective dissemination. This will, however, put an additional burden on project managers – although if innovation is felt to be a worthwhile activity then it needs to be adequately supported.

- **The importance of integration** – the study identified that the SDF had helped raise the profile of skills issues amongst certain groups in some RDAs, a benefit which could be maintained where it exists and stimulated where it did not through focused dissemination events. However, it will be important in all dissemination activities to emphasise the links between skills and the wider economic development agenda, and how both can be mutually supportive. The establishment of a wholly 'skill focused' dissemination process would be to do a disservice to the efforts identified in many areas in linking these macro-themes together.

8   ANNEX 1 – THE RDAS' SKILLS ACTION PLANS

Region	Date of SAP	Draft or Final	Skills Priorities	Linkage between SAP & RES	Other Comments

East of England
 	
'Skills strategy and action plan 2000 – 2002'
	Launched March 2000.	Final	▪ To develop a co-ordinated learning infrastructure that delivers the skills needed by business and individuals
			▪ To focus learning and skills providers on the needs of emerging and key sectors. Key sectors identified as:
			  – Automotive industry
			  – Financial/business services
			  – Media/cultural industries
			  – Pharmaceuticals and biotechnology
			  – Tourism/leisure and heritage
			  – Transport 'gateways'
			  – High technology, research and development
			  – ICT
			▪ To work with businesses and individuals to capitalise on the benefits of lifelong learning
			▪ To widen and increase participation in learning, thereby raising levels of achievement and social exclusion
				▪ Sets out the contribution of skills development at all levels in the delivery of the RES, as well as practical steps necessary for implementation.
				▪ Regional priorities for action on skills are also those listed as the SAP.
					▪ Skills Task Group established to support the East of England and Lifelong Learning Forum. Key role: to regularly review the SAP in liaison with lead partners with each area of action.

Region	Date of SAP	Draft or Final	Skills Priorities	Linkage between SAP & RES	Other Comments
East Midlands	April 1999	Draft	The SAP aims to: • Promote the benefits of learning • Make learning more accessible • Identify and tackle skills shortages • Improve the skills of people at work • Raise pre-16 attainment levels • Raise basic skill levels	• The RES identifies 4 key drivers of economic success, including Learning and Skills. Part of the strategic objectives is: *'To bring about excellence in Learning and Skills, giving the East Midlands a competitive edge in how we acquire and exploit knowledge. Creating a 'learning region' – with individuals and employers who value learning and a learning industry that is proactive and creative – leading, in time, to a workforce that is among the most adaptable, motivated and highly skilled in Europe'.*	A Revised Skills Action Plan 2001-2002 is also available on the Internet. This draws on work across the region during the first year of the SAP, and on comment and feedback from organisations and individuals.

Region	Date of SAP	Draft or Final	Skills Priorities	Linkage between SAP & RES	Other Comments
London *'A skills strategy for all London's people'*	May 2000	Final	Objective 1: Encourage and enable London's workers and residents to acquire the learning, training and skills required to prosper. Priority Actions: ▪ Basic Skills and Employability for all ▪ Information, Advice and Guidance ▪ Getting London Learning Objective 2: Empower the socially excluded and disadvantaged to become fully engaged in the London economy. Priority Actions: ▪ Linking Initiatives for health, housing, employment and training to tackle exclusion in a holistic way ▪ London Entrepreneurship Centres to focus on building skills in communities for social enterprise and self-employment Objective 3: Ensure that London has a coherent, responsive and accessible learning market. Priority Actions: ▪ Comprehensive review of the effective use of public education and training resource ▪ Promote information and communications technology as a learning tool ▪ Encourage e-learning through the Internet and Internet-related delivery mechanisms Objective 4: Enable London's employers to recruit and retain the skilled people they need. Priority Actions: ▪ Training geared to specific sectors ▪ Expanding links between higher education and business ▪ Raise ICT skills in London	▪ Knowledge and Learning is a strategic priority of 'Success Through Diversity', London's Economic Development Strategy. The EDS addresses how the initial framework provided by the Skills Strategy can be taken forward. An emphasis is placed on engaging partners in developing the framework. Stated LDA actions include building on the Skills Strategy by the Skills Commission for London, established by the LDA and partners.	

Region	Date of SAP	Draft or Final	Skills Priorities	Linkage between SAP & RES	Other Comments
North East *'Building an Adaptable and Highly Skilled Workforce'*	June 2000	Final	Key priorities for action: ▪ Increasing demand for learning and for higher and broader levels of skills ▪ Raising aspirations and building success in the compulsory education sector ▪ Engaging young people in the world of work ▪ Developing a worldclass workforce ▪ Increasing our capacity to respond ▪ Improving our understanding of skills ▪ Achieving economic inclusion	The RES takes an integrated approach to the key issues affecting the region and contains six strategic priorities. The Skills Strategy focuses on the third one, 'building an adaptable, highly skilled workforce'.	The strategy is not intended to be a definitive document, rather a framework to address future skills needs in line with economic growth and to bring about cohesion in the provision of training throughout the region. In September 2001 an updated version was produced, 'A North East Regional Skills Strategy and Action Plan'

Region	Date of SAP	Draft or Final	Skills Priorities	Linkage between SAP & RES	Other Comments
North West *'The right angle on skills'*	October 1999	Final	Workforce Development a key priority. Four Strategic Objectives: ■ Raising employer demand, skill investment and capacity ■ Raising individual demand for skills ■ Investing in equality of opportunity for learning ■ Investing in improvements to the regional labour and learning markets Skill needs identified in local and industry-focused reports: ■ Skilled manual/craft jobs (particularly in engineering, Bury and Bolton) ■ IT specialists (across the board) ■ Managerial and professional skills, including corporate managers and administrators (e.g. North and Mid Cheshire, Chester Ellesmere Port and Wirral, Wigan and East Lancashire, the latter particularly in services) ■ Personal and protective services ■ Sales staff (particularly in Bolton, Bury and North and Mid Cheshire)	■ Learning and Skills Strategy entirely encompassed within the RES (as the Investing in People section).	■ Acknowledgement that *'although the region's industrial structure is becoming closer to the national picture, the prognosis for the future is fairly gloomy – it will be difficult for the NW to catch up with the best regions'*. ■ Employers identified skills development as the main constraint on the region's competitiveness. Review of the implementation of the Skills Strategy in 'The NW Learning and Skills Action Plan', 2000. Key enhancement is inclusion of baseline performance measures and targets for 2000-2003

Region	Date of SAP	Draft or Final	Skills Priorities	Linkage between SAP & RES	Other Comments
South East *'Building a World Class Region'*	Nov 2001	Final	Skills shortages increasingly exist in high technology, professional and managerial occupations regardless of industry. Management skills development is a particularly pressing need RES priorities and aims: ▪ Excite people to learn and build a culture of lifelong learning – Promote through the 'Wired Region' initiative ▪ Engage employers in influencing learning provision and the delivery of learning opportunities – SEEDA will establish a jointly owned South East England Research Unit, featuring a 'virtual library' of relevant information ▪ Develop high quality provision in key sectors – Define ICT skill needs – Encourage social partnerships. ▪ Develop many more world class managers – Identify emerging management needs through the South East England Skills Research Unit. – Consider feasibility of establishing a 'Virtual Management Centre'. ▪ Raise achievement levels and develop opportunities for everyone to acquire the skills needed to find and remain in work – Work with the Basic Skills Agency to develop a basic skills action plan	The SAP takes forward and concentrates on the five World Class Learning priorities from SEEDA's RES and extends them into a 3-year blueprint for action.	

Region	Date of SAP	Draft or Final	Skills Priorities	Linkage between SAP & RES	Other Comments
South West *'Skills and Learning Regional Framework for Action'*	October 2000	Final	Skills development in particular will embrace: ■ ICT skills ■ Those supporting innovation Priorities of the Framework. For: ■ Individuals, businesses, organisations and policy makers to have comprehensive, accurate and up to date information about their local and regional economies to inform personal choice, business development and skills development and learning plans. ■ Individuals to be actively involved in education and/or training throughout their lives. ■ Individuals to have equal and open access to training, learning and employment opportunities ■ Individuals to be expertly trained and developed to meet the demands of the South West economy with a specific focus on the sectors to be promoted and encouraged ■ Providers of training and learning – including employers – to provide accessible and complementary services to employers and individuals.	The Framework for Action aims to implement the RES by positioning skills and learning as one of the four driving forces that will help the South West to improve its position within the EU and internationally. The actions will ensure a springboard of common information, understanding and shared direction is in place to deliver a world beating workforce within the ten year horizon of the RES.	The Framework is not meant to be a comprehensive statement of all skills and learning related action in the Region.

Region	Date of SAP	Draft or Final	Skills Priorities	Linkage between SAP & RES	Other Comments
West Midlands 'Creating Advantage Through Learning and Skills' West Midlands Learning and Skills Action Plan 2000 – 2003'	June 2000 version	Final	▪ Promotion of lifelong learning ▪ Widening participation: – To improve the qualifications base of the West Midlands to at least the national average by 2005 ▪ Business Learning Networks. To provide learning networks to build skills of 8 business growth sectors: – 3 existing sectors – motor industry, ceramics, engineering – 5 high growth sectors – engineering, design, food & drink, medical technology, creative industries, tourism and leisure ▪ Workforce development: – To increase the regional skills base (number of people with NVQ levels 3 & 4 and equivalent and other high level skills), particularly in SMEs. ▪ Priority skills development: – Basic skills – Key skills – Vocational skills – Management skills – ICT (current levels are of concern) – Science & engineering – Languages/international awareness – Higher level skills (NVQ 4/5 or equivalent) ▪ Innovation and entrepreneurship ▪ E-learning	▪ Learning and Skills Action Plan (LSAP) developed by the Learning and Skills Action Planning Group to make the aims of the RES ('Creating Advantage: The West Midlands Economic Strategy') a reality. Regional organisations were also consulted during the process. ▪ The LSAP takes forward the 'Promoting a learning and skilful region' pillar of the West Midlands Economic Strategy, as well as the skills elements of the other pillars and those arising from the four cross-cutting frameworks. ▪ Aims in the West Midlands Economic Strategy underpinning the LSAP are: – Develop a workforce that is highly skilled and can adapt to meet the challenges that will face businesses in the next 10 years – Develop a culture of lifelong learning and continuous development	Updated in 'Agenda for Action' (deals with other pillars of the RES) Future drivers of the strategy will be Clusters and Regeneration Zones, with the former having the top priority.

Region	Date of SAP	Draft or Final	Skills Priorities	Linkage between SAP & RES	Other Comments
Yorkshire & Humber	Oct 1999	Final publication in public domain. A later version produced for internal use.	Skills objectives: ▪ Promote a learning culture and demonstrate that learning pays ▪ Improve the qualifications and employability of labour market entrants ▪ Raise the skills of the workforce ▪ Support higher level skills development ▪ Increase the usefulness and effective use of regional skills and labour market intelligence	▪ Each of the skills objectives contributes to the achievement of Objective Four of the RES. ▪ Interdependency exists between RES objectives. Individual skills objectives also link to other RES objectives. ▪ Objective Four of the RES addresses the learning and skills agenda through the achievement of 'a radical improvement in the development of education, learning and skills, particularly high quality vocational skills'. ▪ The basis of the SAP is the 10-year deliverables set out in the first part of the RES and the more immediate priority actions from the 'First Two Years' section. ▪ Education and skills enhancement are central to the realisation of the region's vision, set out in the RES.	▪ It is Yorkshire Forward's first Action Plan for skills

9 ANNEX 2 – SUMMARY OF CASE STUDY PROJECTS

9.1 PROJECT SUMMARY 1 – ADER, East of England

Project Concept and Rationale

The provision of training and business advisory services for agricultural producers.

Linked in with the RDA's priorities to deliver skills needed by businesses and individuals; to capitalise on the benefits of lifelong learning; to focus learning and skills providers on the needs of emerging and key sectors; and to widen participation in learning, thereby raising levels of achievement and tackling social exclusion.

The partnership of 34 organisations includes employers organisations; private training groups; FE colleges; central and local government; a National Training Organisation and a national bank.

Application and Selection Process

The bidding process was straightforward, it had a clear rationale for selection.

Strong support was received from the RDA during the full bidding procedure following the submission of the expression of interest.

Two similar projects were merged to form a single project, this was supported as it benefited the RDA.

Partnership

The partnership didn't exist before the project started. The scale of the project has attracted partners, which has been augmented by a strong regional media presence, particularly in the industry press.

The project has attracted partners by giving them access to the agricultural producers' market that would otherwise be difficult to reach.

Partners are heavily involved in the project's strategic planning process, and they all attend quarterly strategic planning meetings. 'Active' and 'Associate' partners have been delineated to identify different levels of involvement.

Implementation

The project was formed from the merger of two existing, but closely related projects for agricultural producers: IT training, and farm diversification. The single project was formed in March 2001 and broadly continued on these themes. A new strand was added, to enhance training and support systems through the establishment of one stop shops, which involved the widening of the regional partnership.

The project is managed by a central team, and a staff are employed in each of the six FE college partners to manage the project.

The key to the project's success has been its ability to understand and react to agricultural producers' requirements and the dedication of those responsible for delivering the training and business support.

Performance and Impact

- Survey of regional skills gaps to identify how best to support agricultural diversification

- Culture of lifelong learning established among those who have attended training courses

- Opened up new business opportunities through electronic means of communication for agricultural producers

- Development of a regional network of support for agricultural diversification skills training (425 participants)

- IT skills training for 1200 people.

- Core series of four training and business advisory courses delivered across the region.

- Establishment of one stop shops, providing a single port of call for agricultural producers wishing to access information and advice on agricultural diversification.

Sustainability

- Links have been made with the LSC

- Examining sources of EU funding

- There has been an upskilling of people working in the regional agricultural sector

- A cultural change has been instituted among farmers, as they are now more aware of the range of support open to them.

Good Practice/What Worked Well

- Extensive market research and close contact with the target group at regional agricultural events.

- Flexibility in reacting to target group's needs by quickly developing and implementing innovative training courses and focused business advice.

- Empathy with target group by delivering training at relevant times that fit in with their working practices and lifestyle.

- Correct number of partners, encouraging active participation.

- Project financial management systems dealt with by one person, allowing project managers to focus on strategically managing its progress.

9.2   PROJECT SUMMARY 2 – Centre of Excellence for Hi tech up/multi Skilling, AWM

Project Concept and Rationale

Newcastle College was approached by the Managing Director of a Local SME for high quality training for surface mount and high density printed circuit board soldering techniques. The College organised a seminar to test interest levels amongst local SMEs. It became apparent that no local College or training organisation was equipped or had the skills to carry out satisfactorily the training required. The seminar coincided with the project hearing about the SDF and it turned into a workshop to generate ideas for an SDF bid.

Initially four companies were interested in becoming active partners in the bid and advised the College of the types of equipment they required if they were going to use the College for training.

The project was widened to project to include the provision of a production, inspection, quality control and rework facility.

Application and Selection

Information was downloaded from the RDA's website and two people attended an SDF seminar run by the RDA.

The College had bid for other monies and found the bidding and selection process straightforward, open and transparent. The guidance and support was also very good.

The only issue was a shortfall of £30k caused by a misquote when obtaining estimates for equipment.

Partnership

The partnership comprises Newcastle College and seven local electronic SMEs, all being actively involved in one way or another. The companies provided technical information, helped evaluate the specification and quotes for buying the new machines, and also interviewed and appointed the instructor.

The partnership will continue beyond the project.

Implementation

The project has funded training on the new equipment, upskilling of existing employers thus safeguarding jobs and re-skilling of people from local declining industries, has provided a 'high tech' manufacturing inspection and quality control facility at the college, and has led to the development of feeder courses.

Performance and Impact

- The targets on SME staff training and safeguarding jobs have been exceeded. Also college staff are picking up expertise in advanced techniques which they can then pass on to the students.

- One company has won a big defence order (when the contract auditor came around they were impressed with the state of the art equipment and their proximity to training).

- A big success was formal training to IPC610 which is an electronics quality standard. All the SMEs are suppliers and need this standard if they are to be recognised by larger firms. The College now has instructors in this standard, and they have trained trainers in the individual firms.

- An e-campus virtual learning/training facility with the provision of in-company loan equipment has been developed that allows distance learning to about 120 students for level 3 qualifications.

- About 200 people have received training.

- The College has a full range of services and equipment for PCB manufacture and a later SDF bid enabled the College to purchase computerised testing equipment.

In addition to the normal engineering provision the College can deliver high value added training to specific industrial requirements. Students are shown the latest techniques and this improves their skills and position in the labour market.

The College is developing links with a local university and is aiming to become a centre of vocational excellence in electronics training.

Good practice/what works well

- Improved liaison and highly – productive technical linkages with local companies have resulted from the project.

- A genuine atmosphere of mutual co-operation and the sharing of technical expertise between SMEs have developed.

9.3 PROJECT SUMMARY 3 – Digital Dynamics, NWDA

Project Concept and Rationale

The project undertook research on the development needs of SMEs involved in the production of digital multi-media content.

The project aimed to bridge the gap between the skills taught on relevant HE courses and the latest technological solutions being developed in the marketplace

It linked in with many of the Guiding Principles of the RDA's Regional Strategy, including competitiveness, sustainable development, social exclusion and the best use of IT.

Partnership includes HE and FE institutions, local employers, and the regional Arts Board.

Application and Selection Process

The application and selection process was straightforward, even though a 'last minute bid' for funds was submitted.

Assistance from the RDA was very good, and their flexibility in accommodating changes to the original bid as the project developed was praised.

If SDF funding had not been secured, then the skills survey would probably have been carried out, but on a much smaller scale.

Partnership

The partnership did not exist before the project started.

The partnership is principally an advisory and knowledge-sharing entity, and has grown since the beginning of the project.

A number of the partners already had a well-established relationship with the organisation that developed the project bid. These relationships will continue, but the partnership will not beyond the project.

Implementation

A major skill needs survey underpinned the project, and a website was developed to act as a point of information exchange. The website also gave access to registered members to hot links for events, publications and resources, as well as industry and education databases and publications.

A series of networking events were organised, and included keynote speeches and panel discussions involving representatives form education, industry, strategic agencies and government.

Performance and Impact

With one exception (the formal provision of student research opportunities), all objectives were met.

Specific project outputs and impacts include:

- 83 registered users of the project website

- The mapping and quantification of skill needs in the target sector was produced as a result of a survey of 2000 businesses and prospective employers.

- Increased networking and understanding between employers and training providers in the regional target sector. This resulted from the series of events organised by the project team.

Sustainability

- Information gathered principally through the mapping of skills and networking with industry figures will be fed into Masters' courses offered by the HE institution which originally developed the bid. Additional short courses for industry will also be developed based on this information.

- Improved access to funding streams, especially for European projects for SMEs.

- The project website will be maintained internally, and the series of industry events may be continued.

Good Practice

- The importance of networking opportunities.

- Project launch event brought different sectors across the industry under one roof.

- Involvement of numerous regional FE and HE institutions.

- Importance of getting educational institutions to interact with the private sector.

A strategy to be avoided elsewhere is the sole reliance on websites and on-line questionnaires to gain information from organisations, as face-to-face contact is extremely important and should not be overlooked.

9.4   PROJECT SUMMARY 4 – E Campus, Yorkshire Forward

Project Concept and Rationale

The project consisted of an initial piece of research to identify and forecast future skills requirements for the ICT sector in the region, with a second project to develop the initial recommendations further. Both projects were delivered in the 2001/2 year.

The projects aimed to support a series of developments – primarily a large scale regional investment project to develop a site for high technology inward investment and indigenous business development. Given the recognised under-representation of the ICT sector in the region (in terms of employers, employees and the skills base), the project also contributed to wider regional and sub-regional strategy development in a SAP target sector.

Application and Selection Process

The two projects were commissioned differently:

- First project - the RDA contracted initially with a local LSC, who put out a tender and managed the project. Two lead firms were identified with complementary strengths (ICT expertise and labour market strategy development), and it was suggested that they work collaboratively. This was viewed with initial scepticism by one of the organisations, but worked well for both of them.

- Second project – here the RDA contracted directly with the previous consultancy partnership, who were asked to submit a costed proposal to the RDA who managed the resulting project.

- The second project had a more operational focus, and developed four of the primary recommendations of the first study. This included the development of an innovative approach to involving young people in ICT training, as well as the development of a management approach to the site and further recommendations for its development.

Partnership

The project partnership consisted of two lead consultancy partners, along with a large sub-regional college and two specialist ICT materials and technical experts. As described above, the two lead partners had not worked together before, as described above, and the two projects provided their first experience of collaborative work.

Implementation

Implementation was straightforward for both projects, although the role of the RDA skills representative was praised for providing useful inputs and maintaining a high level of debate.

Performance and Impact

Both projects were viewed as being particularly successful, with the first project exceeding expectations and the second expected to do so when the final report is received at the end of March. The first report was felt to represent excellent value for money, with all objectives being achieved to time.

A series of clear impacts were identified and verified with partners. These include:

- Highlighting and further specifying the weaknesses in the regional skills supply and demand bases – such as the lack of Level 3 ICT skills, specific hi-technology companies, and the lack of ICT capacity supply-side.

- Providing a strategy for the development of the high technology site – with the second project developing the initial ideas on a more operational level.

- Impacting on the regional skills agenda – both in terms of awareness raising and regional and sub-regional responses, including regional digital cluster work.

- Development of a sub-regional ICT skills development strategy – with changes in the range and nature of FE provision expected to result.

- New contacts and collaborations – including joint bids in the hi-technology field with the local university, and new contacts with Microsoft.

- Bringing the key players in the region effectively, and providing a focus for future developments at both the regional and sub-regional levels.

The LSC also described using aspects of the approach followed in other sector studies, and how the project was the first joint work between the LSC and the RDA.

Sustainability

The wide coverage, and its existing/expected influence on wider regional and sub-regional ICT skill development, should ensure the project has a continuing legacy.

Good Practice/What Works Well

A series of elements contributed to the success of the projects, including:

- The selection and development of a consultancy team with the relevant skills, experience and degree of complementarity.

- Strong drive from the project steering group – following an approach which was less about monitoring and more about option review and creative thinking.

- The level of partner buy-in achieved, which converted to ownership of the finished product – this was a key point, with initial groundwork by the LSC establishing initial understandings which were crucial to delivering the study in the time available. This buy-in was supported by the extensive consultation which took place as part of the study.

- A good project manager at the RDA – described as a very able individual who could handle the risk elements of the project well.

- Commitment of the RDA and LSC to the wider strategic aims of the projects – they had "put their money where their mouth was", including recruiting additional staff to develop the site concept, and by funding the second project with a necessarily more operational focus.

- The lack of territorial behaviour – this was due to individual characters matching well, in an area with the potential for political fallout. The RDA and LSC had trusted the consultants to deliver, and they did.

9.5   PROJECT SUMMARY – Film Production Accountancy, SEEDA

Project Concept and Rationale

In 1998, a joint Industry and Government Review of the UK Features Film industry identified that as the industry is characterised by informal recruitment practices, short-term employment, an ageing workforce and few structured entry routes that public and industry investment in skills training was an immediate priority. In addition, the area of Production Accounting was identified as a key target area for immediate development.

There were three main elements to the project:

- Devising a New Entrants scheme for Assistant Production Accountants

- Seminars and short courses for existing freelance Production Accountants and Assistants

- Implementing National Standards & Qualification for Production Accounting freelances

Application and selection process

The Project Manager had worked in the area of training for many years and was well aware of the sources of funding available, UK and European. Therefore, when the issue of training arose he knew where to look for funding. The SDF was an important mechanism to tackle these problems, there was a sectoral fit with the multimedia industry, and it linked in with the RDA's management development priorities as well.

The application process was fairly straightforward because they were clear about what they wanted to do and knew that it met both the applicant organisation and the industry's priorities, the partnership was very strong and, finally, the project was also accessing significant other funds from industry sources. The only problem was the announcement of the General Election, which delayed things for several months so the project has had a little difficulty in hitting all of its targets.

Partnership

The Project Advisory Group comprised the key broadcasters in the Region – BBC, Channel 4 and LWT, the key trade associations and trades union, the RDA, the then NTO, now Sector Skills Council – Skillset. The group meets every eight weeks to review and evaluate progress and assist the project management team to overcome any barriers affecting delivery.

The trade body have led on the training and seminars and entry routes, and the NTO on the NVQ framework. Employers and trace body individual members have helped with the project's overall direction as well as getting work placements.

These partners have worked together before and know each other very well so it was easy to bring them together. It was straightforward and clear and our objectives fitted in with their objectives.

Implementation

The project is half way through the new entrants course. There was a full complement of trainees. One person dropped out but they were replaced from the reserve list

So far the trainees have undergone one week's induction, a 3 week training course introducing them to the role and functions of Assistant Production Accounting and the full production process, their first placement on either a feature film or television drama production, a further short training course covering setting up payroll systems and post-production accounting procedures, and are now in their second placement period.

The main issue was the quality of the training materials. Their development was subcontracted out but they simply weren't good enough so the project had to design its own course materials.

Whilst the first phase of the project was implemented, Skillset was overseeing the development of national standards in production accounting. These have now been finalised and have since been accredited by QCA. The project has undertaken a cross-referencing exercise of the short course content against the national standards in preparation for the introduction of NVQ assessment into the scheme. The project intends to work with FT2 – Film and Television Freelance Training, the largest film assessment centre in the industry. They are in the process of embedding assessment practice, setting up the assessors, testing and evaluating training and the practical elements, and then producing sufficient evidence to meet the standards.

The short courses have met with varied success. The industry is currently in recession so people are unwilling to spend money on training. Those courses focusing on technical aspects have been more successful than the softer management development type courses.

Performance and impact

The project has a cycle of feedback and monitoring. Courses are assessed, the trainees have diaries, there is direct feedback from trainees, placement providers and trainers so the project is able to identify where any problems are.

In the project manager's view it has worked very well. The need was identified, the bidding was straightforward, the partnership has worked, the structures were developed to address the need and they are now delivering it. The programme had a highly commercial focus and this a major reason as to why it has worked.

The feedback from trainees and trainers has all been excellent on the entry and short courses.

Sustainability

Other funds (Government, RDA and NTO) are being pursued to finance the entry training scheme. The industry will not be able to fund the training until production volumes increase. The entry training scheme could go ahead with fewer places and over 9 months instead of 12. The model for this occupation area is being applied to other occupation areas.

Good practice/what worked well

The model has worked, with some amendments. The mix of formal short courses with real experience in the production accounting departments on features and TV drama has been validated. Being able to secure a range of production types - film, TV, large budget and small, in studio and on location - also means that the trainees will have a flexible portfolio of skills and knowledge so they will be able to establish freelance careers relatively easily. Ironically, the initial problem with the training materials has worked to our advantage as we now have a cohort of practitioners working on the short course content and the associated training materials and they all wish to become trainers. We have sent this group on training for trainers and I am sure a good proportion of these will wish to become NVQ assessors. Lastly, my Board and our members want to know when we're launching recruitment for the second intake of the scheme.

9.6   PROJECT SUMMARY 6 – Filton Econet, SWDA

Project Concept and Rationale

The Project provides services to SMEs in health, safety and environmental matters. It was set up with EU funding, and the SDF was used to explore the feasibility of establishing regional centres. Two regional centres were subsequently set up.

There were links with RDA sectoral priorities, improving business competitiveness, promote continuous learning and open up training, learning and employment opportunities, and improving regional coherence.

Partnership includes a range of local and regional organisations, including FE colleges, local authorities and specialist organisations.

Application and Selection Process

The lead person on the application process has left the organisation.

Partnership

Informal relationships existed before the project started, but the Partnership was set up for the project. As the project continues to exist since SDF stopped, the partnership continues.

No partners dropped out. Partners continue to contribute effectively to the project, in terms of expertise, financially or in-kind.

Implementation

The project provides a range of services in health, safety and environmental matters to SMEs. It operates from three regional centres, through partnerships with local FE colleges.

The current service portfolio includes free audit, training and training assessments. It also runs an environmental management network.

Performance and Impact

- Successfully transferring the original model and training to other parts of the region

- Increased awareness of health safety and environmental issues

- Helping companies in setting up a environmental management system

Sustainability

- Project has continues to access other than SDF funding for its services

- In the future it aims to become more self-financing through increased marketing and revenue generation

Good Practice/What Worked Well

- Good working relationships with agencies to reach businesses

- Partnership with FE college

- Strong/well resourced administration

- Business-minded advisers to work with SMEs

9.7   PROJECT SUMMARY 7 - Food and Drink Net, AWM

Project Concept and Rationale

The objective of the project was to provide the region with a skilled workforce in the food and drink industry through an employer led forum and promote lifelong learning as a way forward to sector sustainability. Originally, there were supposed to be additional networks covering different sectors but budget guidelines reduced the number.

Application and selection process

These processes were fine. However, there was a lengthy contracting period that led to delays in establishing the project.

Partnership

There is an extensive partnership covering employers (of representative sizes for the region) providers, and other sector organisations (e.g. the NTOs), and other organisations including local authorities, the LSC, TUC, Learning Services etc.

There are steering group meetings and there are additional separate meetings with each of the three distinct groups (i.e. providers, employers and other organisations).

One issue has been getting the right people from the Colleges. For example, due to communication issues within the colleges between curriculum subjects heads and marketing departments. Only recently had the project been able to communicate directly with the people responsible for booking delegates.

The project manager developed a formal partnership agreement soon after joining the project as up to that point everything had relied on the bid papers and project contract which did not detail individual responsibilities.

Implementation

The project took a long time to get up and running because it was difficult finding a project manager.

The project started by asking employers in which areas and what type of training they required. Some of what the employers wanted was not always available from the providers e.g. length of course and flexibility of place of delivery There are some training partnerships already up and working.

The project developed a comprehensive, region-wide database of employers and learning providers. A web site has also been produced that provides links and information (including information about courses); it also enables enquiries to be posted directly to providers; people can also record their own training log, and; there is a telephone hotline as well. The project is developing new learning materials including some distance learning packages and some multi-lingual learning course materials. All courses commissioned by the project are based on requirements expressed by employers.

The project also funded a mentoring consultancy service. This was run on a 6 month trial basis with research underpinning the monitoring of it's success.

Performance and impacts

The project has achieved the vast majority of its targets, including developing:

- Links with regional and national agencies

- Developing the Forum

- Developing a provider list

- The mentor/consultant programme

- Interactive web site

- Learning programmes

- Marketing and publicity

- Developing and maintaining a comprehensive database of food and drink manufacturers in the region.

Impacts:

- Providers are more aware of the importance of the sector and it's needs.

- 204 companies are on the database and 20 came along to a workshop.

- Several workshops have been run.

Sustainability

The partnership wants to continue but will need money to sustain it. It has provided a model that could be used in other sectors

Good practice/what worked well

- The openness of the Forum.

- The partnership has stayed together.

- A unique database has been created on provision and employers in the sector.

- A specialist marketing company was employed who knew the market, this meant that all the literature is correctly targeted.

- A specialist in web based learning was used in tandem with an advertising agent to ensure that web site was practical, easy to navigate and looked good.

- A model has been created that could be used in other sectors.

The project has established what employers want in terms of learning e.g. cost is less of an issue for some if it is the only way of receiving the required learning, they would rather pay more for a shorter course. As public colleges are paid for learning hours but employers want short and quick learning so there is an incompatibility there, this is where private providers may offer more expensive but time efficient courses covering identical curriculum.

9.8   PROJECT SUMMARY 8 – Glass Training NTO, Yorkshire Forward

Project Concept and Rationale

The project sought to enhance the capacity for a sectoral Centre of Excellence in the region, which had itself been established with SDF monies, through the purchase of new capital equipment. The new equipment sought to increase the effectiveness of practical demonstrations and the 'hands on' use of the relevant tools, as well as raising the profile of the centre and contributing to its overall sustainability.

Research had shown the industry to have a low skills and education base in the region, with a lack of training and investment in the workforce leading to under-performance locally. Further support to the centre was seen as a means of addressing this issue.

The centre had no doubt that without the SDF monies the equipment could not have been funded by other means.

Application and Selection Process

The centre was approached by the RDA in December 2000, who were seeking projects to fund following an underspend elsewhere, with the condition that all expenditure must be complete by March 2001.

Consequently the bidding and selection process was straightforward – the centre was asked to submit costings, got the go ahead straight away, with no delays with contractual matters etc.

Partnership

The centre was conceived and is operated on a partnership basis, the members of which knew each other previously but worked as a collaborative group for the first time to it. The partnership comprises the NTO for the sector, and two other national technical sector expert organisations.

Consequently this project helped further consolidate the existing partnership, in particular in the technical services field where the partners' specific knowledge allowed the equipment to be specified and acquired quickly. This has led to a 'one stop shop' approach between the partners and the provision of a more seamless service to employers.

Implementation

The key implementation issue was the timescale for the specification, purchase and acquisition of the equipment.

While the tight timetable enhanced the risk element of the project, this was not seen wholly negatively as it clarified thinking and forced rapid action.

From the RDA perspective, the centre was approached as they were confident of its ability to spend the money within a tight time scale, based on previous funding experience.

Performance and Impact

The only targets for the project were to spend their allocation in a tight period, which was achieved despite a delay in building a piece of specialised equipment.

However, the project contract described an expectation of increasing the number of corporate and employee users by 15 to 20% in the 2001/2 year. Although no precise figures were available, the centre felt this had been achieved, along with an increase in the quality and range of learning opportunities offered.

Additional impacts included the partnership benefits described above, and an increased range of sector-specific technical and educational services for the region and nationally.

Sustainability

The project has contributed significantly to the sustainability of the centre, and helped raise its profile in only its second year of operation. This has also consolidated the RDA's previous investment.

The equipment is expected to be replaced through revenues generated by the centre, which its increase in scale and scope means it is more likely to generate.

Good Practice/What \Works Well

While a straightforward capital investment project, a number of elements were noteworthy:

- Ability to deliver – given the tight time frame, the RDA contacted the centre based on their proven ability to spend the money both rapidly and effectively.

- Existing vision – spending the money was in no small part due to an existing 'wish-list' for new equipment, which could be actioned rapidly.

- The input of sector experts – the centre partnership was able to identify both national and regional/sub-regional sector skills needs, and specify the equipment necessary to meet them.

9.9   PROJECT SUMMARY 9 – Graduates for the North East (GANE), ONE-NE

Project concept and rationale

The co-ordination of different graduate enterprise projects at different HEIs in the North East to develop a regional strategy, combined with a web portal linking employers and graduates to boost graduate retention in the region.

There were links to the RES objectives of building a knowledge economy, establishing an enterprise culture and integrating HEIs into economic development efforts.

The partnership included regional universities and organisations with an interest in regional skills development.

Application and selection process

The application was submitted in response to the RDA's Call for Proposals. The bidders praised the simplicity of the application process, e.g. in comparison with ESF.

The bidders were unhappy about having to re- submit at a late date (August), and there were delays in issuing contracts though the negative impact on delivery resulting was small.

No previous application for funds had been made from other sources.

The project would probably not have gone ahead without SDF funds.

Partnership

The partnership came together for the first time as a result of the project.

The projects were delivered by regional universities, the Open University in the North, Tyneside TEC, the Northern Cultural Skills Partnership, and Entrust. Private sector and representatives of other organisations with an interest in economic development oversaw direction of the projects.

Although recognised as effective by the RDA, the future organisation of most Single Pot funding on a sub-regional basis means that the partnership will not be funded in future at a regional level.

Implementation

Implementation proceeded smoothly and successfully. Having a clear vision and commitment from all partners was cited as a significant factor in achieving this.

Performance and impact

The project achieved all its targets, and there is good evidence of additional demonstration effects. Outputs included:

- A web portal linking sites with relevant information for graduates, undergraduates and employers.

- Online learning materials for graduates were created.

- Enterprise and Skills Development workshops were run at regional universities focusing on negotiation and task management skills.

- Curriculum development - with enterprise teaching materials and methods embedded into university curricula.

- New venture support and mentoring, with graduate incubators and business support systems set up at a regional university.

It is too early to assess the contribution to wider regional economic development goals as many of the individual components of the project, and the website, have only recently launched.

Sustainability

All the individual activities of the project have continuation strategies and funding in place, though the regional partnership that delivered them will lapse.

Good practice / what worked well

The regional partnership of otherwise competing institutions, which was successful as there was enough time (2 years) for an effective level of trust to be built up.

9.10   PROJECT SUMMARY 10 – Greenheart, LDA

Project Concept and Rationale

The project promoted the use of qualified staff in maintaining and conserving the green and open environment across Greater London.

Partners include specialist FE college, employer associations and other sector agencies

Application and Selection Process

The project in its current form would not have gone ahead without SDF. They found assistance from the RDA was very good.

Partnership

The Partnership as such did not exist before the project. Industry bodies form part of the partnership and employers have also been consulted to develop certain parts of the project.

All partners have contributed to the development success of the project, except one partner from the voluntary sector that had to withdraw due to financial constraints.

The partnership recently committed itself to continue after the lifetime of the project.

Implementation

The project aimed to promote skills level within the industry through four strands:

- Promotion of skills development including public awareness raising through a card scheme

- Design of a new apprenticeship scheme

- Development of a scheme to help volunteers

- Provision of accessible education and training through courses and online and distance learning

Performance and Impact

- A visionary effect on the industry in terms of raising skill levels

- Raising public interest

- Acted as a catalyst for development, including the production of a Green Skills Strategy for Greater London

- Exposed demand and potential for local people to gain qualifications to meet local skills gaps

Sustainability

Future development for individual strands has provided:

- training material, guidance notes and other information has been developed

- courses will continue to be funded

- partnership with industry and other bodies have been well established

Good Practice/What Worked Well

What worked well:

- Removing registration fees (a barriers for education and training)

- Raising public awareness of the skills needed in the industry – creating demand by industry to upskill employees

- A project manager was seconded, to ensure partnership impartiality

- Promotion as a partnership initiative with its own branding

What did not work so well:

- One scheme was more complex than anticipated due to the large number of organisation involved

9.11   PROJECT SUMMARY 11 – Key Skills for Employability, AWM

Project Concept and Rationale

The lead partners were well aware of the main learning and skills issues in their area – school leavers, low value added jobs in the local economy and skills gaps in the workforce. After analysing these issues, they identified key skills as a priority area for both school leavers and workers.

The approach the project took was to engage with schools, careers, employers and other partner agencies to set up satellite learning centres and enhance school and college provision. They wanted to improve accessibility to key skills learning and address issues of basic skills in a non-threatening way.

Application and selection process

They became aware of the SDF through flyers that were posted to them. What they were planning seemed to link in perfectly with the RDA's priorities i.e. addressing skills gaps, upskilling the workforce, enhancing value added in the workplace.

The application process was straightforward there were no changes to the bid after the first stage or after we were told we were successful.

They felt the timetable was tight and this is something that could be improved on. Also there were delays in getting a contract so there was an unnecessarily long delay between learning that they were successful and getting the contract.

The Partnership

The bid came from the local Lifelong Learning Partnership (LLLP) with the college leading on the bid. There are three steering groups for each of the specific parts of the project and the key players sit on each e.g. the college, schools, the LEA, and employers. .

This has built very much on the LLLP where people were known to each other prior to the bid.

Implementation

The focus of the project was to enhance the key skills of young people at school, in FE and for adults:

▪ School pupils – support was provided in schools for key skills provision included training teachers in teaching key skills (both the overall notion and the specific curriculum areas), putting PCs in schools to help them with key skills provision and learning, and we also made schools aware of key skills qualifications e.g. GNVQs. This has run pretty well and has benefited from the national emphasis on key skills from things like C2K.

▪ FE – college key skills provision has been enhanced and they were one of the first colleges to create a key skills unit.

▪ Adults – the first SDF money enabled us to establish learning centres focusing on key skills in four large hi-tech employers. The employers have developed a specific area as a Learning

Centre and the College has provided the PCs and they are networked to the college's intranet. This has been the model for delivering all kinds of other courses. They also set up a mobile learning centre with laptops so firms could experience what a learning centre would look like.

Performance and impact

The work with the employers has been 'stop-go' because they are being hit by the recession and have been laying off people and not releasing them for training. But the learning centres were planned as flexible provision. Training has been offered to people being made redundant and the project manager calculates that about 80-90% of these have successfully got another job.

The number of students has exceeded expectations. The college has developed long term relationships particularly with employers, and the SDF has enhanced college facilities.

The greatest impact has been on upskilling generally. The project has improved the skills and aspirations of people.

The college has won a beacon award for its key skills provision.

Sustainability

The key skills infrastructure has been created. School teachers and college staff have been trained to deliver key skills and promote key skills.

The model used here could be applied elsewhere.

Good practice/what worked well

- It has all worked well. A key factor has been the partnership it has been pragmatic working and flexible delivery.

- The providers are very experienced at working with companies and schools.

- Good project management. They had contingency plans for things going wrong e.g. the project manager left. The money was spent it on what they said it would be spent it on, and on time. The project as planned in detail so it ran smoothly. There were technical problems with the network but they had contingencies.

- The learning centres worked very well and there was good support from the companies.

- The contracting arrangements could have been quicker and slicker.

9.12   PROJECT SUMMARY 12 – Labour Market Analyst, EEDA

Project Concept and Rationale

The development of a comprehensive package to improve the region's ability to extract and strategically utilise labour market intelligence (LMI).

The RDA-appointed Labour Market Analyst was employed with SDF finances to bring more coherence to all LMI activities carried out or funded by the RDA. The Analyst is responsible for improving the planning and dissemination of LMI, including managing RDA-funded LMI projects. These projects were developed as part of the LMI Action Plan.

LMI has also been sourced through the purchase of local analysis and data reports, as well as involvement in wider consortium studies.

Links in with RDA's plans to ensure the production of valid, high quality, timely and reliable skills and labour market information to address skills issues.

Application and Selection Process

The project was developed following the failure of an organisation or group to take responsibility for the co-ordination of regional LMI, a challenge laid down by the RDA in its 2000 SDF bidding prospectus.

An agreement was then secured from the DfES to fund the Labour Market Analyst's post for the RDA.

The RDA's Business Plan then identified £300 000 in the following year to take forward LMI activities.

Partnership

The Labour Market Analyst manages the disparate LMI projects funded under the SDF.

The key partnership organisation is the RDA's Skills and Labour Market Intelligence Group (EESLMIG). The group consists of representatives from across sectors (including FE, careers services, GO, IoD, RDA, Learning Partnerships, and the LSC), ensuring that regional variety and a balance between LMI experts and users is achieved.

The group is a consultative forum and was established following a request from the East of England Skills and Lifelong Learning Forum for a sub-group to co-ordinate the planning, delivery and dissemination of skills and labour market information in the region. EESLMIG was involved in developing the LMI Action Plan.

Implementation

The project consists of the Labour Market Analyst's post, national and regional consortium studies, an LMI Action Plan and the purchase of regional analysis and data.

Performance and Impact

The objectives of the project have been met.

Although it will be 12-18 months before the impact of the various strands of the project will be seen, a direct result has been an improvement in the availability and quality of LMI.

Specific outputs and impacts of the project include:

- Convening of an LMI Conference, attended by 120 delegates from across the region raised themes that were addressed in an LMI Action Plan. Parts of the Action Plan were implemented through seven SDF-supported projects. These projects will:

- Improving the regional co-ordination of LMI

- Improving the region's internal capacity to deliver added-value LMI

- Sharing good practice through pilot projects

- A quarterly labour market trends report to support the region's European Structural Funds committee

- Significant improvement in training provision in the construction sector due to improved evidence base and profile of the sector's issues.

Sustainability

- The inclusion of LMI in the RDA's 2002-2004 Draft Corporate Plan.

- They are planning to use ESF through the Objective 3 Programme to support the identification and filling of existing LMI gaps through the co-financing process.

- During the financial year the post of Labour Market Analyst was absorbed into the RDA's mainstream staffing budget.

- More consultation and co-ordination was established in relation to LMI, with a stronger LMI regional network.

- Activities are being further developed through the process of the Framework fir Regional Employment & Skills Action.

Good Practice/What Worked Well

- The bottom-up approach adopted by the RDA: broad base of support for future LMI actions established by giving organisations the opportunity to develop innovative solutions to the problems that they raised.

9.13   PROJECT SUMMARY 13 – Let's Do It, SWDA

Project Concept and Rationale

The need for the provision of ICT training and support services to SMEs in five key sectors, emerged from previous research.

The project linked in with RDA sectoral priorities, promoting competitiveness, promoting continuous learning and opening up training, learning and employment opportunities.

Partners include Economic Partnership, FE colleges, learning partnership and employers.

Application and Selection Process

The non-competitive application process involving sub-regional partnerships required development of a full business plan and presentation to a selection panel.

Guidance and assistance through the process was very good.

The project would not have gone ahead without SDF.

Partnership

It was set up by the sub-regional economic partnership. The partnership existed before the project was started.

Throughout the project the existing formal links between the economic and the Learning Partnership strengthened.

The partnership will continue beyond the project.

Implementation

The project has operated in two phases, both received SDF funding. The initial first year was the pilot phase. The current phase builds and expands on work done in the first year. The project is ongoing.

It delivers a range of training from basic IT skills training to courses on e-commerce and web-design. It also loans computers to SMEs that undertake the training. In the first year training was provided through learning materials and college courses, the second year expanded the training by working with tutors and business-to-business networking.

Performance and Impact

The project is still ongoing - so far results have shown:

- Improved IT skills reported by 84% of participant businesses.

- Increased use of ICT to do business, e.g. Internet bookings

Sustainability

- Mainstreaming of parts of the training, e.g. online learning and tutor support

- Introducing a level of charging

- ICT introduced into SMEs who did not use it before

Good Practice/What Worked Well

- Providing an IT helpdesk for SMEs undertaking training

- The responsiveness to interested businesses' needs

- Undertaking initial training needs assessment

Elements to avoid:

- Loaning computers for free computers requires close management as it can attract those who are not interested in undertaking training. The project was able to address this by asking participants to enrol on an introductory course at college

- Free/government sponsored training is sometimes perceived as not being very good

9.14   PROJECT SUMMARY 14 – Mature Workforce Initiative, EMDA

Project concept and rationale

The aims of the project were to

- raise awareness and understanding of the specific issues facing older workers in the current labour market among both employees and employers in the East Midlands.

- fund a telephone based advice and sign-posting service for older workers.

- establish two centres providing facilities and advice specifically dedicated to addressing needs of older people in the workforce.

This pilot initiative addresses broad workforce development needs identified in the regional SAP.

The project was part-funded from other sources, but the SDF provided the bulk and it is unlikely the same scale would have been achieved without the SDF.

Application and selection process

Information about the SDF was publicised on the EMDA's website.

Two separate bids were made by different institutions. The separate bidders were then brought together by EMDA, which worked with them to develop a project with wider regional coverage.

The bidding process was praised by the project for being un-bureaucratic and easy to negotiate. There were delays in issuing a contract, though this did not create insuperable problems.

Partnership

A very wide range of partners were involved including the CBI, Employment Service, Third Age Employment Network, TUC, DfWP, RDA, NIACE and Commission for Racial Equality.

Although a somewhat unwieldy group, these provided useful information, advice and a dissemination network for the lead partners who managed the project.

The partnership will remain in place as EMDA plans to fund rolling out the initiative across the region.

Implementation

The establishment of the two centres and services for the project went ahead without any significant problems. The extensive experience of the project manager, a mid-term evaluation, advice and support from the EMDA and other partners were key factors in achieving this.

Performance and impact

Outputs included

- Establishment of two new advice training centres with a similar web-based facility to follow soon. These have been used by 350 over-45s so far.

- 2,300 actual calls to telephone advice line, against a target of 1,000.

- High level of reported client satisfaction.

- Informal indications that the services are successful in getting people into jobs they want.

- Indications of change in attitudes towards older workers in some large employers in the region that had dealings with the project.

Sustainability

EMDA will continue to part-fund the project and roll it out across the region. The potential of the project to generate income from employers (out-placement charges, consultancy) is also currently being tested.

Good practice / what worked well

- Developing good relationships with other agencies and partners proved very valuable over the term of the project.

- The project concept itself, which has a wide demonstration value. National interest suggests it may become a model for similar initiatives in other parts of the UK.

9.15   PROJECT SUMMARY 15 – Regional Learning Campaign, EMDA

Project concept and rationale

A regional learning promotion campaign for the East Midlands, with activities including:

- A TV and radio advertising campaign.

- A 1.2m leaflet drop.

- Information stalls held in the major cities in the region.

- Development of common branding for all similar efforts in the region.

The campaign fits closely with the SAP priority of promoting involvement in formal learning and training.

Application and selection process

The campaign was not selected as part of a competitive bidding process. Instead, EMDA identified the need and led the campaign from the start. SDF funds were directly allocated to it by EMDA as part of their annual budget.

The contract to run the campaign was competitively tendered and implemented in conjunction with EMDA staff.

Given the importance attached to the project by the EMDA it seems possible that it would have run a similar campaign from other funding sources if SDF funds had not been available.

Partnership

The project was a partnership only to the extent that a wide number of regional organisations with an interest in promoting learning and skills were consulted and informed during the development of the campaign.

However, five regional LSCs working with the learning partnerships and other provider partners will run the campaign in future, and the organisational framework already developed will be used by them.

Implementation

The project was implemented by staff from the EMDA and a private agency.

Performance and impact

Direct benefits

The evaluation suggested that:

- Around 57,000 people were aware of the campaign without prompting

- Around 200,000 were aware of it when prompted.

- At least 30,000 people took some action as a result

- Of these, 10,000 started or booked a course, and 20,000 sought further information

Indirect benefits

- The confusion of previous promotional efforts of single institutions across the region has been dispelled and replaced with a common brand

- Other institutions are carrying on the same work with their own resources, suggesting some demonstration effects

Sustainability

The project has raised the profile of learning activities and created an enduring brand for learning activities in the region. It also provides a demonstration of how a successful promotional campaign can be run.

Good practice / what worked well

- EMDA taking a lead in developing a regional campaign, which would not otherwise have occurred.

- Widespread consultation and informing of partners, which helped the branding and themes introduced in the campaign influence other regional skills/learning promotional efforts.

9.16   PROJECT SUMMARY 16 – Skills for Achievement, ONE-NE

Project concept and rationale

- Providing advice, guidance and units towards qualifications for 250 employees in different sectors to help them engage in "lower level" skills training for which there is little funding from other sources.

- Helping 20 SMEs develop workforce training and development plans.

The project ran at a sub-regional level.

The project broadly fits with elements of the RES focusing on developing a world-class workforce and increasing demand for learning

Application and selection process

The project had previously made bids for other sources of funds, and some similar work had been done the previous year with other funds. The project was also part funded with Skills Improvement Programme money.

The interviewee welcomed the ease of the SDF bidding process and the useful guidance provided by the One North East staff.

There were considerable delays in issuing the contract, in part due to a major re-organisation of the lead partner. These caused a significant delay in the start of the project:

Partnership

Partners included: regional NTO, TUC, TEC, Business Link, Basic Skills Agency, One North East, private sector training providers

Although a specific partnership was put in place for this project, most of the organisations had previous experience of working together.

Overall the partnership worked very well, but has lapsed subsequent to the end of the project as the project was a one-off, and time limited.

Implementation

The project was managed by Business Link County Durham, before being transferred to Action for Employment in March 2001. A steering group over-saw the project as a whole and providing advice on specific issues.

One North East allocated a skills team member to the project and was represented on the steering group, providing helpful guidance.

Performance and impact

Tangible impacts included:

- 221 candidates received advice and guidance, each taking 2 NVQ units

- 20 company workforce learning plans were completed

Less tangible impacts included:

- Encouraging SMEs to undertake long-term training

- Improved capacity of the training providers, who got a better idea of what employers needed and how to deliver

- Evidence that many trainees wanted to undertake further learning and take more credits

Sustainability

There is some evidence that the project encouraged both firms and employees to engage in more training-related activity on an ongoing basis than would otherwise have been the case.

Good practice/what worked well

Delivering training in the workplace encourages greater uptake than doing it off-site, especially for those with very low levels of formal skills. The main reason being that the workplace is often seen as a less threatening and more familiar environment than e.g. a college

9.17   PROJECT SUMMARY 17 – Skills for the Digital Interactive Media, SEEDA

Project Concept and Rationale

The project aimed to establish a digital studio to provide training for the digital interactive media sector, make links with and promote the sector, and increase the availability of skilled individuals to expand the sector in the region. The one year project was University led, in partnership with private firms and local sector representatives.

The digital interactive media sector was identified as an emerging regional market, with particular sub-regional strengths in the form of a developing cluster of firms. Research showed firms were suffering from skills pressures, with deficits leading to inward skills investment and unsustainable competition for staff. The project sought to meet the demand for high level skills provision in this new sector, as well as promoting the sector and sub-region more widely.

Application and Selection Process

The application was developed by the University. The requirement for a rigorous assessment of need, as well as private sector involvement, were seen as particular strengths of the application and assessment process. The support of the RDA throughout the application process was also valued. However, a delay in receiving formal approval meant the project was concertinaed into eight months.

Partnership

The partnership was University led, with a steering group featuring the RDA, a major employer, the LSC and the local economic development agency. The calibre and contribution of the steering group members were high, with meetings focussing on issues rather than project administration. The partnership widened its 'influence' through a technology partnership with a global ICT manufacturer, who while not formally joining the partnership provided a range of equipment at no cost, allowing the SDF monies to be spent on an additional digital television usability laboratory.

While some of the partners had worked together before, this was the first time they had done so as a group. It was also the first time the University received SEEDA funding, and the positive relationship developed was highly valued. The partnership has continued to work together, and is examining options for further joint activities.

Implementation

The project ran smoothly, despite a late formal start. The steering group played an important role – their contributions and the SEEDA's involvement at a strategic level were key to effective delivery. The project was strong on promotion, engaging a PR company to ensure placement both locally and nationally. This led to the profile of the project, provider and sub-region/region being raised in the digital interactive sector, evidenced not least by requests to attend courses from across the country.

Performance and Impact

The project is seen as being particularly successful, achieving its aims and generating a series of spin-off benefits. The quantitative target of training 80 individuals over the life of the project was safely exceeded.

In addition to the establishment of the digital studio (enhanced by the equipment received at no charge) and the development and delivery of four new high-level training courses, a series of other benefits were identified. These include:

- Linkage – the project helped establish new/strengthen existing links between the partners and local, national and global ICT employers.

- Promotion – similarly, the University, SEEDA and the region/sub-region benefited from profile-raising in the digital media sector resulting from the project.

- Partnership – the formation of new and continuing collaborative relationships through the project, as well as the linkage with the ICT supplier.

- Infrastructure/capacity – sponsorship allowed the SDF monies to provide a wider range of facilities than anticipated, and the University has established two further courses without SDF support and made a lasting change to local capacity.

- Strategic – enhanced capacity, and promotion of the area as a national centre for digital media, were significant contributions to wider economic development.

- Dissemination/expansion – following the identification of an emerging digital media sector in Oxford, the lessons of the project will be disseminated through a prestigious event in the city. An application has been made to the RDA to support the establishment and delivery of similar courses in Oxford.

Sustainability

Provision is intended to be self-sustaining, through a combination of revenue generation and future equipment supply at no charge. While the courses may not receive the 50% discount under the project, demand suggests they represent good value for money at full charge. The early expansion of non-SDF funded provision also supports this. More widely, the University plans to develop a Centre for Interactive Media, to build on the profile and expertise developed. The project partnership has also continued to work collaboratively.

Good Practice/What Works Well

The project displayed a series of successful/good practice elements, including:

- Research – the project was underpinned by original and secondary research, to provide a clear picture of the sector and its skill requirements - particularly important in a rapid growth/fast change emerging sector.

- Promoting links – steps were taken to establish links with the local and national new media community prior to and throughout the project. For example, a Business Development Manager had been recruited to broker links between the University and the sector locally.

- Steering group – the group were well selected and worked particularly effectively, with a focus on strategic rather than administrative issues. The energies, sector-specific knowledge and expertise of the project manager were also important to the project's success.

- Sponsorship – securing the involvement of a global ICT manufacturer provided a range of benefits, including equipment at no charge, raising the profile of the area/its cluster, and providing links with the RDA.

▪ PR – an innovative feature of SDF projects, the engagement of a PR company (at a negotiated discount rate) provided wider exposure and profile raising that would not have been possible otherwise.

9.18   PROJECT SUMMARY 18 – Training in East Lancashire Micro-Organisations, NWDA

Project Concept and Rationale

The project provided skills development and training to micro organisations (those with less than 10 employees).

It linked in with the RDA's priorities to raise individual demand for skills and learning, and to invest in improvements to the regional learning market.

Partners includes FE colleges, with some input from private sector employers.

Application and Selection Process

The application process was clear and straightforward. The bid was developed internally, utilising significant 'in-house' expertise.

If the project had been unsuccessful in securing funding, then an ESF bid may have been submitted.

All contractual obligations were completed within the expected timescale, though the targets within the timescale weren't necessarily the most advantageous for the project's development.

Partnership

The partnership did not exist before the project started, and has continued to further collaborative working beyond the end of the original project in a follow-up project with a more specific focus.

The traditional rivalry between colleges was overcome as the project developed and an effective partnership evolved. Top level commitment from each partner college was a key reason for the project's success.

One college led the bid, and each took responsibility for delivering an element of the project, based on internal experience and capacity.

Implementation

The project provided training to individuals in micro-organisations dealing with health and leisure; early years education; retail and hospitality, and catering.

The project was managed by a Steering Group and an Operational Group. The Steering Group developed strategic direction, and had top level partner representation and as well as co-opted private sector employers. The Operational Group were tasked with the achievement of project objectives and ensured a regional objective was maintained.

Performance and Impact

With one exception, the project has achieved all of its targets.

- 143 individuals enrolled onto recognised learning programmes (including NVQ Levels 2-4, the Certificate in Small Business Management, and recognised IT qualifications).

- Training Network targets have been exceeded, and enabled individuals from micro-organisations to work together towards recognised qualifications in management, IT, customer care and business development.

- The development of an IT benchmarking tool, enabling recommendations to be made about an appropriate level of IT learning for individuals.

- A survey identifying regional management knowledge, skills and practice.

- An increase in the level of registered and qualified childminders in the region.

- An increase in the numbers of people accessing formal training who had not done so for a number of years.

Sustainability

- Two strands of the original project are being continued in a 'follow-on' project, which is being funded by the SDF. A number of structures developed in the original project have been continued.

- Flexible delivery methods have been embedded in the partner colleges.

- Links with private sector companies have been maintained.

- Access established to an influential LEA-based partnership, enabling the project to work with external bodies involved in the wide national agenda.

Good Practice/What Worked

- Gaining early top level commitment from each of the partner colleges.

- Creation of a strong framework and partnership between the partner colleges, underpinned by a service level agreement.

- Separation of tasks through the Operational and Steering Groups.

- Marketing the project through established small business networks.

- The development of innovative training delivery methods, focusing on wholly workplace-based learning and assessment processes.

What didn't work so well:

- Attempting to be too adventurous in the training offered, with no clear direction for a particular programme.

- Aiming too high in the levels of training provided, particularly in IT. To minimise the risks of this occurring, the market should be surveyed and researched before training programmes and services are developed.