



Interim Evaluation of the Training Pools Programme

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Interim Evaluation of the Training Pools Programme

SEEDA

A report submitted by GHK

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EXECUTIVE SUMMARY

1.1 Introduction

In February 2008, GHK was commissioned to carry out the interim evaluation of SEEDA's Training Pools programme. Training Pools is a three year fund targeted at consortiums of employers, training providers and other stakeholders to support the design and development of training solutions that are not currently available and which address level 3 sector-specific skills needs.

The programme commenced in summer 2006 and has to date funded 17 projects through three bidding rounds. SEEDA's total investment in Training Pools is £2.5 million with projects receiving from £26,000 to £200,000 depending on the scale and focus of their proposed activities.

1.2 The evaluation

The evaluation provides a review of the programme's development and delivery in the context of its initial aims and objectives, and assesses the progress and evidence of outcomes to date of ten Training Pools projects that commenced delivery between January and October 2007. These projects cover a diverse range of sectors (including marine, digital media, financial services and retail) and skills gaps and are trialling a range of different solutions to meet sector skills need ranging from the development of new full level 3 qualifications, to new apprenticeships, blended learning approaches, coaching, and master classes.

Evaluation frameworks for assessing outcomes and impacts (including additionality where feasible) and strategic added value were drawn up during the study's inception phase and provided the framework for the development of the research tools used to collect data and information in the study's fieldwork phase. This comprised of a review of documentary and monitoring evidence relating to the programme, and interviews with lead organisations delivering Training Pools projects, their partners and beneficiaries of Training Pools interventions (employers and employees). SEEDA staff and stakeholders involved in the appraisal process were also consulted. In total 98 people took part in the study in total.

1.3 Key findings

Rationale, intervention logic and intervention model

The **rationale** for the programme is clearly expressed: links between skills and productivity, the region's intermediate skills needs and SEEDA's objectives around skills are articulated and evidenced. Less clear is the specific sectors or areas that could most benefit from having these issues addressed;

The **intervention logic** for the programme and 'consortium' intervention model proposed for the programme directly take account of and propose to address the market failures identified. While there is not a stated intervention logic for the programme, it is possible to establish this from the information provided about the programme;

The **intervention model** is clearly set out and allows considerable flexibility in terms of design and delivery of the intervention.

The extent to which **bidders** recognised the relevance of contributing to improved competitiveness and productivity within their sectors varied. All projects are able to identify market failures that their pilots will address: the extent of evidence to support these does however vary.

All the projects were able to identify **skills challenges** within their sector; however the extent to which bidders present sectoral intelligence to support their proposed pilots varies: six projects draw on SSAs and other sources though only some of these are clearly identified as pertaining to the region.

Projects largely present a coherent **theory of change** in their bid documents that connect with market failures identified. Less clear is the extent to which sustainability has been considered as part of the logic for intervening.

Projects proposed to trial a range of approaches towards the development and delivery of their pilots. This suggests that the particular circumstances of industries and the provider base working in the sector have been taken into account.

Programme planning and Delivery

In terms of the **project appraisal process**, SEEDA's approach towards promoting the programme was effective in soliciting a relatively good response from a range of organisations across a variety of sectors.

Despite the amount of interest in the programme, only half of the applications made were considered viable projects. Support offered to applicants was not considered to have significantly improved the quality of the bids submitted;

The sector coverage of the programme does not adequately reflect all priority sectors in the South East. Some sectors have no project because of poor quality proposals;

The process of project appraisal was considered to be largely robust and fair in testing and shaping bids and determining an allocation of funds. Concerns were only expressed about the strength of the technical assessment and strategic alignment.

In relation to **project planning and delivery**, consortium arrangements vary considerably between pilots. Although no partners explicitly questioned the extent to which these are fit for purpose, it is legitimate to question the arrangement put in place by several projects based on the progress these projects have made to date and some of the challenges faced in engaging partners and employers.

Positively there is evidence that employers are being consulted in all the pilots and projects have generally tailored employer involvement to what is most appropriate within the sector. Eight projects provide evidence of the in-depth employer engagement that should be expected in Training Pools consortiums.

There is evidence in a several pilots that projects have taken the opportunity to market test and modify approaches based on responses to this. This demonstrates good utilisation of the flexibility that the Training Pools programme affords.

Progress made in delivering the pilots is mixed: four projects are on track either meeting or exceeding their milestones and/or targets; three have experienced delays which are recoverable; and three have problems delivering as planned. These delays in part relate to the lack of similar project management experience of some project leads.

Planned and achieved outputs fall short of programme level targets set in the programme's planning phase. Projects have set stretching targets for the number of beneficiaries engaged in their pilots. This is appropriate given the need to robustly evidence the viability of their interventions. However, over half of projects do not have measures in place to upscale delivery to the level needed to meet the targets established at the outset of their project;

Many providers were unable to provide adequate data on the geographic distribution of their activity, detail of set up and unit costs and an indication of the sustainability of their interventions in terms of the preparedness of employers and funders to meet future costs. This suggests that core business planning processes have not been robustly carried out by some projects;

Challenges have resulted from the allocation of insufficient time to prepare for pilot delivery and this has affected the performance of some projects. For many projects, effective engagement with some FE and HEI providers has proved problematic. Some of these providers have not demonstrated the willingness to share risk or take the long term view needed to develop innovative products that will respond to employer needs. Private providers are stepping up to fill this gap in some projects;

In relation to the intervention model, some **aspects are working well** in most projects: partnership working among consortium members, involvement of private sector training providers, and generating employer buy-in. Employer and employee feedback about the programme and pilots is generally positive.

Impacts of the programme

Pilot approaches are generating positive impacts for **individuals participating in training**. These are being achieved through the acquisition of new skills but also new knowledge and information. There is potential and in some instances evidence that skills and knowledge acquisition is leading to demonstrable improvements in productivity –this is more evident in some projects than in others.

Employers are largely positive about the benefits of the training to their businesses, acknowledging the skills gained and their value in relation to skills and business needs. There is some evidence that employers plan to train more as a result of their involvement in a Training Pools project (five employers) and no evidence that employers view of training had been adversely affected because of their involvement;

Training Pools pilots have not yet generated benefits to the business bottom line for employers. Few employers were able to identify the potential for future impact. Many however, also said that it was too early to judge the potential contribution that could be generated from training;

Partners, including training providers, see potential benefits from their involvement in the programme but these are generally not yet achieved.

In terms of **net economic impact**, impacts can be offset in several projects by a some deadweight, substitution and displacement. There is limited evidence of leakage. These factors are not possible to quantify at this stage in project delivery. There is very limited evidence that multipliers are counterbalancing factors that need to be discounted. Only one project was able to provide any substantial evidence of this.

There is evidence that the programme is yielding **strategic added value**; all told there is a good range of wider emerging impacts. However in most instances further work is needed to ensure these deliver the potential benefits that are envisaged.

1.4 Main conclusions

Establishment of the programme

Overall, the programme has a clearly articulated and robust **rationale** that draws on the potential for skills to contribute to productivity and competitiveness gains, makes the case for focusing on skills gaps at the intermediate level, and evidences links into the regional skills agenda as articulated in the RES.

In terms of **programme design**, the consortium model that is at the centre of the Training Pools approach has been a key strength.

The recruitment of potential projects to the programme was largely left to market response. The programme would have benefited from greater targeting in order to ensure that pilots were funded in sectors that provided the greatest potential to achieve productivity and competitive gains by investment in skills acquisition at level 3 and businesses targeted were those most likely to achieve productivity gains as a result of their involvement.

The programme has sought to respond to **market failures** resulting from employers' underinvestment in training and perceived supply side gaps. Arguably there has been too strong a focus on the latter and a lack of critical challenge to appraise the extent to which addressing supply side failure offers the potential to truly deliver on employers' demands for training interventions that clearly provide a business benefit.

Although the **appraisal process** was largely robust and fair in testing and shaping bids, there was arguably insufficient attention paid to the financial viability and sustainability of proposals, risk assessment and the technical assessment of bids.

Delivery of the programme

Strong **partnership working** has aided the efficiency of the planning process. A number of projects have effectively capitalised on the requirements of the bidding process to lay the foundations of partnership working needed to move smoothly through the planning stage. Where pilots have built on prior experience of joint working this has also been an asset.

In terms of **progress and outputs**, most projects are delivering their pilots within acceptable margins of cost and timescale. However stretching targets have been set and these are unlikely to be met.

A significant number of the **challenges** that projects have faced result from shortcomings in the early stages of developing their approaches: weaknesses in the rationale and intervention logic of a number of projects have been exposed. A key

objective of the programme however is to test the viability of approaches and in this sense valuable lessons can be learnt from these experiences at the programme level.

Less beneficial have been delivery challenges that have resulted from ineffective project management. These have served to detract from the 'testing' of interventions.

Impact of the programme

Training Pools pilots are generating **positive impacts for both employees and employers**. There is little evidence to date however, that Training Pools interventions are impacting on businesses' bottom line. Skills are one of the many factors that contribute towards productivity; therefore a degree of proportionality is required in drawing conclusions about the success or failure of pilots because of this.

It is essential however, that pilot projects are equipped to collect data on the relevant measures that will indicate whether an **economic impact** has been achieved, and the key factors that need to be discounted in order to assess the net economic impact of interventions. There is little evidence that all projects have the necessary systems in place to capture this data.

Finally, in terms of the **sustainability** of pilot approaches, the majority of projects point to the importance of the Training Pools pilot in providing the evidence needed to make the case for the mainstreaming of their approaches and in terms of building a persuasive argument that will attract the interest of employers. The scale of some pilot projects (in terms of the number of employers or employees engaged) is small or uncertain at this stage. A key concern needs to be the ability of projects to influence the supply side and employers given the small scale on which their interventions have been tested.

1.5 Recommendations

Recommendations for the Training Pools programme

Most projects have yet to firm up their plans for **evaluation**. This provides the opportunity for SEEDA to provide the advice and support that is needed to ensure that the project level evaluation is sufficiently focused on evidencing the impact of the pilots and that measures are put in place to ensure monitoring and evaluation data collected will provide the basis for a full assessment of economic impact in the final programme level evaluation.

Projects should be encouraged to appoint an independent evaluator if this is feasible given their stage of delivery. The focus of project level evaluation should be on the robust assessment of additionality and value for money as well as identifying more general lessons and elements of good practice.

A number of projects are either behind schedule or stalling. SEEDA staff responsible for **contract management** should maintain a close watching brief over these projects and work closely with projects to assess what steps can be taken to ensure the delivery and 'testing' of pilot approaches. In some instances, it may be necessary to rationalise the scope of pilots in order to ensure a degree of 'testing' takes place.

An **assessment of value for money** should be included in the final programme evaluation. This will require the collation of robust cost data, the assessment of outcomes against sector comparators and an assessment of 'customer' satisfaction.

Lessons to be considered by SEEDA in the planning and development of future skills related initiatives.

With any programme, a useful starting point is the development of clear **intervention logic**. This has the benefit of providing a framework for evaluating a programme and generating the criteria against which potential bids can be assessed.

Assumptions around market failure should be tested and proposed intervention logics challenged to ensure that funded interventions generate the strongest opportunities to generate **productivity gains**. This could be integrated into the bid appraisal process but would be more usefully employed earlier on in programme development through for example, workshops or briefing sessions with potential applicants.

In terms of **target setting** assessing potential performance against targets once projects have been selected stage will indicate whether targets agreed in the programme planning phase should be reviewed or steps taken to ensure projects meet their commitments to deliver.

Consideration should be given to extending the period over which outputs and outcomes are attributed to a programme should to beyond the programme funding period in order to capture the full value of the investment made in establishing the initiative.

Demonstration programme require a more hands on approach towards **programme management** than other programmes. For some pilot projects this might mean closer scrutiny and monitoring. In most cases what is required are opportunities for pilots within a programme to share their experiences of challenges and lessons to assist others in overcoming problems as these arise.

Assessing the **capability and capacity of project leads and partners** is required to ensure robust piloting takes place. Employing independent sector expertise can provide stronger scrutiny in the bid appraisal process while conducting interviews with shortlisted bidders provides the opportunity for a more general assessment to be made.

Measures to **robustly evaluate** at the programme and project level need to be established at the outset. Demonstration of success or failure requires close attention to the lessons learnt, the assessment of impacts and added value. Independent project level evaluation is particularly important in generating the detailed information that employers will want to know before they invest in an approach and in terms of generating a credible evidence base from which pilots can go on to lobby for further supply side support.

Involvement of stakeholders with the knowledge and experience to provide a **strategic steer** throughout the programme is a valuable asset. It can ensure that a programme remains routed within the strategic aims and objectives that led to the programme rationale at the outside and also provide a mechanism for disseminating and spreading good practice established by the programme and potentially provide the linkages needed to sustain successful approaches.

1 INTRODUCTION

1.1 Introduction to the evaluation

In February 2008, GHK was commissioned to carry out the interim evaluation of SEEDA's Training Pools programme. Training Pools is a three year fund targeted at consortiums of employers, training providers and other stakeholders to support the design and development of training solutions that are not currently available and which address sector-specific skills needs. This report details the findings of this study. It provides a review of the programme's development and delivery in the context of its initial aims and objectives, and assesses the progress and evidence of outcomes to date of ten Training Pools projects that commenced delivery between January and October 2007.

1.2 The context for Training Pools

1.2.1 *Regional perspective*

Over the past eight years two consistent themes have emerged in debates on the South East economy:

- The South East consistently outperforms the UK average on a wide range of measures of economic wellbeing. The South East's strong performance in national terms puts it firmly among the most prosperous regions globally. Since 1997 the region has achieved the fastest growth in Gross Value Added (GVA) per head in the UK. With high economic activity rates, high vacancy rates and low unemployment, the South East has one of the tightest labour markets in the UK. The challenge becomes one of remaining the engine room of the country's economy, and managing continuing economic growth in the more buoyant areas in a sustainable way. Skills gaps and shortages can be inhibiting factors.
- Growth means improving the performance of the region's under-performing assets. There are wide disparities across the region and underused resources in terms of social capital (skills not used, people with low skills, people not in work). The South East contains a number of underperforming areas, measured by GVA. For example, GVA per head in the Thames Valley was 60% higher than the national average in 2002, while in the Isle of Wight it was 39% below the national average. This can be linked to disparities in social capital. The challenge is how can the region bring about regeneration in the parts of the region that are not performing well, ensuring that every part of the region (and every community) shares in, and contributes to, future economic success.

As a consequence the skills of the working population are a key issue for even a relatively thriving regional economy, such as the South East. The government has increasingly identified a need for regional and sub-regional strategic leadership to make the right connections between skills needs and the wider productivity agenda within each region - both through a strategic vision and through individual projects and programmes. This is, in part, a recognition that strategic regional leadership - drawing on local expertise and resources - can help to integrate the approach to skills with the enterprise, innovation and employment agendas.

Regional Skills Partnerships are expected to encourage demand-led training in each region across the private, public and voluntary sectors of the economy, so they play an important role in aligning the provision of publicly funded adult skills, business support, and labour market and productivity services with the priorities identified in the Regional Economic Strategy (RES). They need to:

- Put employers' needs centre stage;
- Raise ambition in the demand for skills;
- Motivate and support more learners to re-engage in learning;
- Make colleges and training providers more responsive to employers' and learners' needs;
- Achieve better working across different agencies engaged in business support and skills development.

The RES for the South East states that its strategic objectives for skills development include raising productivity with the smarter use of skills, increasing economic inclusion with the acquisition of skills, and making the most of the skills of South East residents.

1.2.2 National perspective

The government's Skills White Paper, the Leitch review and government's response to this, between them point to the need for:

- More adults as well as young people to obtain level 3 and above skills with a target set of 56% of adults having a level 3 by 2011;
- More relevant training for those aged 14-19 to equip them for work with a focus of vocational courses;
- An up-skilling of the existing workforce to meet skills shortages, raise productivity and face up to falling demand for low skilled jobs;
- A greater contribution from employers and individual learners to the investment in higher level skill needs, particularly for adults who have already achieved a level 2.

Most sector skills agreements (SSAs) highlight that in many sectors and sub-sectors there is a mismatch between the skills available and the skills needed, particularly for craft, technical and professional employment which is not being addressed either by the learning being provided or the level of take up. Yet many of these also show that there continues to be weak engagement between employers and FE providers with limited trust in the value of qualifications and low take up of some level 3 qualifications. Sector Skills Councils (SSCs) are expected to broker with FE and HE providers and the qualification bodies' changes to qualifications and approaches to provision.

In the government's latest Skills White Paper and its response to Leitch it is clear that, while the government's financial support for adult skills is targeted at those without first full level 2 qualifications with increasing resources for basic skills and Train to Gain, there is growing government support for addressing intermediate level skills and reducing skills shortages. With the focus also on reducing barriers for learners and employers and giving more influence to employers over qualification reforms and FE provision, there is much else which is working towards increasing the number of adults with first full level 3 skills.

This includes:

- Access to Skills Accounts for adults with the availability of these in pilots areas which include the South East for level 3 learners;
- Train to Gain brokers in some regions providing employers with access to level 3 work based learning which is subsidised;
- The increased availability of modern apprenticeships to those aged up to 25 and the development of more advanced apprenticeships;
- The availability of adult learning grants for adults of all ages studying full-time towards a level 3 qualification;
- Raising the bar for CoVEs with the Action for Business Colleges accreditation;
- Higher Level Skills Pathfinders, though there are none in the South East.

However for many employers and individuals the pace of change is not happening quickly enough to address skills issues raised by SSCs nor is there sufficient confidence in providers and qualifications to generate higher contributions from employers to the cost of provision. With a growing recognition of the complexity of skills gaps and solutions which need to be devised and delivered based on local and regional understanding of business needs and the economy, the government has supported the need for regional and sub-regional strategic leadership to make the right connections between skills needs and the wider productivity agenda within each region, both through a strategic vision and through individual projects and programmes.

1.3 Training Pools Programme

The Training Pools programme is expected to contribute to the region's skills objectives by addressing sector specific skills needs at level 3 and above through the development of qualifications, learning opportunities customised to employers' needs, and new learning provision where there is a gap in what is currently available.

The specific aims of the programme are to enable:

- Businesses to strengthen their influence on what support and provision is required and how this is shaped to meet their skills needs;
- Businesses to facilitate collaborations with training providers to develop the most relevant and useful training;

The Training Pools programme is also expected in its design to draw in leverage and support from other sources by working with established sector consortiums, and to channel funding for training where existing training provision and funding is not currently available so complementing and enhancing rather than duplicating current provision.

The programme commenced in summer 2006 and has to date funded 17 projects through three bidding rounds. SEEDA's total investment in Training Pools is £2.5 million with projects receiving from £26,000 to £200,000 depending on the scale and focus of their proposed activities.

The ten pilot projects that are included in this evaluation cover a diverse range of sectors and skills gaps and are trialling a range of different solutions to meet sector

skills needs. These range from the development of new full level 3 qualifications, to new apprenticeships, blended learning approaches, coaching, and master classes. Box 1.1 provides a short summary of each project.

Box 1.1 Training Pools Pilot Projects

Composite Technologies pilot: aims to develop a nationally recognised composites technical qualification at level 3 and 4. Cogent has led the pilot in collaboration with two private sector training providers and several FE colleges. The modular programme, comprised of 12, week-long courses, will be targeted at skilled and semi-skilled senior operators, team leaders and technician working in industries that have polymer processing core to their business (marine, aerospace, automotive sectors). The project intends to increase the availability of skilled and knowledgeable workers by creating a clear progression route (addressing the gaps at levels 3 and 4). Ultimately it is envisaged that this will assist businesses to innovate and trial the adoption of new techniques. This project is led by Cogent, the sector skills council for chemicals, nuclear, oil and gas, petroleum and polymers and received £200,000 funding from SEEDA. The project started in February 2007 and is due to complete delivery in September 2009.

Digital Horizons: is a year long series of industry-led seminars and master classes collectively aimed to provide target audiences with grounding in the latest trends and techniques being adopted to exploit the business opportunities of product developed across digital media platforms. The project is aimed at freelancers, and SMEs working in the gaming, film, TV, animation and interactive media industries. Strong emphasis has been placed on equipping participants with the knowledge needed to develop strategic links, networks and entrepreneurial skills needed to develop and exploit new market opportunities. This project has been led by the South East Media Network in partnership with Screen South, Skillset and Wired Sussex and received £157,500 funding from SEEDA. The project started in February 2007 and will complete its activities by September 2008.

Engineering Project Control Pilot: ECITB has developed a five day training course to introduce the principles of project controls. The course is geared towards those who are starting their career in project controls either as a graduate or a mover from another profession. The course was developed to address the skills shortages in project control and to encourage the development of a career path in this specialism. It is hoped that developing in house capacity will reduce employers need to externally contract this type of work. The five day course links in to a programme that is being separately piloted to facilitate the achievement of an NVQ through workplace learning. ECITB leads this project and works in partnership with Adept, a private training provider. SEEDA has provided £26,000. The project started in June 2007 and was due to finish Spring 2008.

Fresh Skills for Chefs: is an interrelated programme of master classes and food producer visits for chefs within six sub-regions of the South East (Kent- Thanet; Sussex – Chichester; Isle of Wight; Hampshire – Portsmouth and Brockenhurst; Surrey – Guildford; Oxfordshire, Berkshire, Buckinghamshire). It is designed to increase the skills of chefs in preparing dishes using fresh produce and their knowledge of local suppliers. It is not expected that all chefs will necessarily sign up for both since some may not be buyers and some may not need to improve their practical skills in food preparation. The programme recognises that many chefs lack skills in fresh food preparation as they are not routinely taught in NVQ level 3 courses or on the job, and that many are not familiar with local sources of fresh produce which can boost profit margins and sales. The project is led by Tourism South East and received £198,000 funding from SEEDA. The project started in October 2007 and is due to complete in September 2009.

Investment Sector pilot: aims to provide 'non-regulated' staff with a broad knowledge of the financial sector. While technical staff receive intensive training to meet the regulatory standards placed on the sector, this programme seeks to address the relative paucity of training for non-regulated staff. This unaccredited programme is intended to provide these staff with a broad understanding of the financial sector and the range of investment products. The project is led by the Financial Services Sector Skills Council and received £160,000 funding from SEEDA. The project commenced in January 2007 and was due to complete delivery in July 2008.

Marine CAD pilot: the project's focus is on providing skills training to marine companies based in the SE in the use of automated techniques to design and produce plugs and moulds (using CAD / CAM technologies) needed to manufacture decks and other marine components. Traditionally, these components are produced manually by skilled craftsmen. Using CAD / CAM technology, these components can be produced using automated processes, but higher technical skills levels are required to operate the specialised machinery. The project will also demonstrate the competitive and productivity advantages to be gained by re-skilling existing members of staff in the new technologies. So far the project has worked with a private training partner to deliver a 10 day course to six individuals enabling them to use a particular software package. They received this training at a subsidised rate. The project received £180,000 from SEEDA. It commenced in October 2007 and is due to complete in March 2009.

National Physics Laboratory pilot (NPL): this project has two distinct parts to it – addressing the training gap around the accurate use of medical thermometers; and helping staff to be able to assess levels of safety and risk associated with optical radiation. New technologies in thermometry have not generally been accompanied by adequate training programmes to ensure that accurate readings are taken, while a new European directive will require risk assessments to be conducted in relation to sources of optical radiation. The learning is not accredited but is intended to be accessible to a wide range of professional staff working with these technical instruments. The pilot is delivered by the National Physics Laboratory and received £195,000 funding from SEEDA. The project is intended to run from October 2007 to December 2008.

RetailSmart: aims to provide sales training for staff in the retail sector leading to an Award at Level 3. The programme was developed to address the lack of training among shop floor staff in the sector and offers a more accessible and focused package than the full Level 3 NVQ in retail. Learning is mainly self-directed, with additional workshops for learners to discuss the material with a tutor and with each other. It is hoped that the training will increase productivity among retailers through improved sales techniques. The project is led by the College of North West Kent and has received £160,000 of SEEDA funding. The project started in March 2007 and is due to complete in September 2008.

Route into Radio: the project aims to give a boost to the careers of those who are currently peripherally employed in the radio industry, giving them a step up the ladder to progress. The training, funded by employees, begins with a formal taught programme led by industry figures. During this period, one of two units of the Media Techniques diploma is completed. Trainees then participate in a 25 day structured internship at a radio station with supervision from a mentor. The project is one of the few of its kind which offers media training specific to the radio sector and seeks to give trainees hands on experience and contacts in an industry reliant on networks for recruitment. It seeks to develop a structured entry path into radio and to increase diversity in employment. Skillset, the SSC for creative media leads this project. Delivery is undertaken by industry figures and employers under the co-ordination of a senior employee from a major radio group working in a freelance capacity. The project received £196,000 funding from SEEDA and is scheduled to run from September 2007 to September 2009.

Surveyors Apprenticeship pilot: this project has two objectives: it seeks to develop the capacity of surveying firms through the training of non-chartered surveyors, and to increase the diversity of the profession. The training consisted of a distance learning diploma in Surveying Practice as well as an NVQ level 3 validated by work experience. The candidates undertake the training over a two year period. Apprentices work four days a week for a participating employer and spend one day a week at the delivery partner's premises undertaking coursework. Asset Skills, the lead organisation for this project, is seeking to develop a new entry pathway into surveying which will open up the profession to non-graduates. The Chartered Surveyors Training Trust (CSTT) facilitates the delivery and the diploma element. £149,000 of SEEDA funding was provided for the project which started in March 2007 and is due to complete in March 2011.

1.4 The evaluation

This interim evaluation sets out to provide an overview of the programme's achievements to date, assess the effectiveness of the programme's interventions and make recommendations on how the programme can be improved. There are three specific aims of the evaluation which are to:

- Review and assess the rationale, design and processes put in place to establish the programme;
- Assess the effectiveness and efficiency of programme and project delivery;
- Evaluate the programme's outputs and outcomes, paying specific attention to net economic impact and strategic added value.

Evaluation frameworks for assessing outcomes and impacts (including additionality where feasible) and strategic added value were drawn up during the study's inception phase and provided the framework for the development of the research tools used to collect data and information in the study's fieldwork phase (provided in Appendix 1). Fieldwork took place during April and May 2008 and consisted of:

- A review of documentary and monitoring evidence relating to the programme; including the initial internal SEEDA funding application, an externally commissioned programme impact assessment, the funding applications made by all ten successful bids included in the scope of this evaluation and some of the unsuccessful bids;
- Visits to the ten lead organisations delivering Training Pools projects together with follow up interviews with key delivery partners and project stakeholders, including employers that have been part of the project design and development process (43 interviews completed);
- Interviews (mixture of face to face and phone) with employers who are recipients of training pools interventions (20 interviews completed);
- Interviews (mixture of face to face and phone) with recipients of the training, the majority of whom are employees (27 interviews completed);
- Interviews with SEEDA staff developing the programme and stakeholders involved in the appraisal process (eight interviews completed).

In total 98 people took part in the study.

Key considerations in the evaluation are:

Assessing net economic impact – all projects included in this interim evaluation are in the delivery phase with few having made sufficient progress to give consideration to assessing the economic contribution made to a business as a result of their participation in the programme. Where emerging evidence of impact and additionality can be considered, this has been presented. The report provides recommendations on steps that need taking to ensure that projects are equipped to provide information and data that will be necessary to conduct an additionality assessment in the final evaluation.

Beneficiary Survey: employers and employees sample size – it was initially agreed to increase the number of the beneficiaries to be interviewed to make a sounder assessment of economic impact to a total of 60 employers and employees even though this is only an interim evaluation. In total 47 were accessed. Two reasons account for this. In general projects appear to have engaged smaller numbers of employers and employees than initially envisaged. For two projects (Composite Technologies pilot and NPL), no employers or employees are yet involved as both projects are still in their planning and development phase

1.5 Report structure

The remainder of this report is structured as follows:

- Chapter 2 reviews the rationale, intervention logic and intervention model used at programme level and project levels and assesses the extent to which they clearly articulate and make a justification for SEEDA's investment.
- Chapter 3 reviews the planning and delivery of the programme. It details the process for selecting and appraising projects then goes onto explore the approaches towards delivery adopted by projects, progress to date, challenges and aspects of delivery that are working well;

- Chapter 4 reviews the impacts derived from project interventions to date, assesses the net impact of these and reviews the evidence of strategic added value that the programme presents to date;
- Chapter 5 summarises the evaluation's conclusions and presents recommendations and lessons to inform future decisions about the programme.

2 RATIONALE, INTERVENTION LOGIC AND INTERVENTION MODEL

This chapter describes and reviews the arguments for and evidence supporting the Training Pools intervention. It explores the rationale for a SEEDA funded training intervention at Level 3; the intervention logic, or, 'theory of change' used to demonstrate how the programme would result in sustainable outcomes; and the justification for the approach, or 'intervention model' pursued; i.e. the 'Training Pool' model. An assessment of these three factors is made at both the programme and project level. This chapter draws on an analysis of programme and project level bid documentation and discussions with SEEDA staff involved in the development of the programme.

2.1 Programme level

2.1.1 *Rationale for a training intervention at Level 3*

In making the case for a SEEDA sponsored investment in the development of training at level 3 the following factors are considered in turn: the link between skills and productivity; the importance of intermediate skills to the region; alignment with regional objectives; and market failure.

The link between skills and productivity: Driving productivity in the region is central to SEEDA's remit and this linkage is made in the impact assessment¹. Evidence is drawn from the recent White Papers about Skills and the Leitch review about how skills affect productivity. What this includes is evidence that individuals draw greater economic benefits from acquiring level 3 and above skills, and that productivity and performance are affected by skills gaps and skills shortages especially for technical and craft skills.

The importance of intermediate (level 3) skills to the region: The case for the programme and the impact assessment also make two key arguments to justify a focus on intermediate and higher level skills within the South East.

- First is evidence generated from sectoral intelligence, regional employer surveys and national data sets, such as the LFS and NESS, which collectively suggest there are significant numbers of skills shortages and skills gaps at Level 3 and above. Research conducted in 2000 found that one in eleven hard-to-fill vacancies, equating to over 21,000 jobs, in the region resulted from skills shortages. As far as the types of skills that might improve productivity are concerned, the Regional Skills for Productivity Alliance's Skills Action Plan identifies skills shortages in management and ICT, employability and key skills together with professional skills in advanced manufacturing as key generic skills problems in the region.
- Second, there is an argument made in support of competitiveness. As demand for low skilled jobs decreases, it will be increasingly important that the region competes on a high skills and high added value basis. This is the region's

¹ 'Training Pools Impact Study' SQW, May 2006

competitive advantage but it is essential that the workforce's skills adequately match the local job market.

Alignment with SEEDA's objectives: The programme's focus on addressing sector specific skills needs at level 3 and above through the provision of new qualifications, learning opportunities customised to employers needs, and new learning provision where there is a gap in what is currently available clearly responds to three of the RES's strategic objectives for skills around raising productivity with the smarter use of skills, increasing economic inclusion with the acquisition of skills, and making the most of the skills of the working age population of the South East.

More specific RES objectives to which the programme aligns include:

- Stimulating demand for higher level skills in business, and signposting and clarifying the skills provision on offer to business – a task allocated to the Regional Skills and Productivity Alliance.
- Targets to raise the percentage of the working age population with level 2 and level 4 qualifications to 66% and 28% respectively by 2016 – this skills target features in the 'Smart Growth' objective within the RES.

Market failure: The rationale for Training Pools at the programme level has largely focused on market failure in the provision of publicly funded provision. Raising the quality and responsiveness of provision to match employer needs remains a significant policy objective on the learning and skills agenda and has been the subject of policy initiatives ranging from programmes such as Centres of Vocational Excellence, and Action for Business colleges, to qualifications reform such as the Qualifications and Credit Framework and Sector Qualifications strategies.

Feedback from the region's employers cited by SEEDA staff suggests that many employers are struggling to source publicly funded level 3 provision, and what is available is not readily accessible or in a form that meets their needs. This may be a supply side gap because of the greater focus on below level 2 skills for adults. Although there is an acknowledgement that the government is increasing investment in intermediate and higher level skills for many employers, the pace of change is not happening quickly enough to address their needs.

There is also a recognition that there is a market failure because of businesses' failure to act. The programme's impact assessment points to two possible factors that could arguably justify a SEEDA response. First, it may be the case that the training need associated with a skills shortage is spread across a large number of SMEs which acting alone would lack the resources and capacity to take action. In these instances, a 'critical mass' of employers need bringing together to enable the training provision market to identify the need and make a response. Secondly, the assessment argues that there maybe prospective gaps which, because of their newness, have yet to register and initiate a response by training providers and those responsible for designing and delivering appropriate curricular.

2.1.2 *Intervention logic*

The 'theory of change' which can usefully demonstrate how a project (and its associated inputs and outputs) intends to deliver sustainable outcomes is not clearly articulated in the programme's impact assessment study. However from discussions

with SEEDA staff and a review of the internal application for SEEDA funding the following key points emerge about the intervention logic.

- Employers need to be more closely engaged in the design of the training where employers are not able to source appropriate training or are not satisfied with the qualification training offer. Where they are, there should be a greater likelihood that employers will try the new offer and continue to 'buy into' the product once it has been established.
- Providers need to be encouraged to respond to employers' needs. The FE colleges and HEIs involved in Training Pools pilot projects should 'raise their game' and become more business focused and commercially astute in their operation. They should also overcome some of their risk averseness.
- Providers and employers need the 'pump priming' investment to generate solutions to skills needs where an employer, training provider or sector body has not had the resources or the incentive to go it alone. Investing in such solutions where there is a clear latent demand and ownership would suggest a stronger interest in maintaining the viability and sustainability of the intervention after SEEDA funding has ended.
- There are emerging opportunities for some pilot projects to be adopted and gain access to mainstream funding through the emerging network of skills academies, Train to Gain funding for level 3, new apprenticeships and qualification reform; the funding can effectively speed this up.

Initially consideration was given to focusing the Training Pools programme on five or six priority sectors for the region defined in terms of their employment share, share of GVA in relation to other sectors, and growth forecasts. However, it was decided by SEEDA's Board, on review of the internal programme bid document, that the programme should be widened out to include all sectors. No specific indication of priority areas or sub-regions to be covered by the programme was made.

2.1.3 Intervention model

The Training Pools model was initially envisaged as having the following key features:

- A consortium approach in which key sector bodies (SSCs, sector consortiums) would work collaboratively with training providers and employers to identify and devise solutions to skills gaps at level 3 or above;
- The requirement for pilot projects to address skills needs that it can be demonstrated are shared by a 'critical mass' of employers representing large, small and medium-sized employers across the sector;
- Flexibility to innovate, test ideas and offer truly flexible sector specific responses, without the need to develop accredited provision at level 3;
- The opportunity to pilot models of design, development and delivering interventions which offer alternatives to industry norms.

This model was considered to have the following potential advantages in relation to the perceived rationale and intervention logic:

- Provide a catalyst for identifying needs and generating a training response more quickly and without the risk than would be the case through other mechanisms;

- Reduce the customary time lag between skills needs emerging and the establishment of provision to address them;
- Bring about collaborations between key sector bodies, training providers and employers in the planning and delivery which should mean a more employer responsive training offer and something employers and providers will continue to buy into;
- Give the opportunity to develop a more flexible and tailored intervention which is required in addressing skills gaps at level 3 and above than a level 3 qualification.

2.2 Project level

2.2.1 *Rationale for a training intervention*

In making a case for their proposed project, lead organisations have generally in their bid documents shown evidence of improving productivity and competitiveness; addressing a priority skills need; some aligning their plans with regional objectives; and overcoming some kinds of market failure. These have been discussed with the project managers and bidders in the interviews. Each is considered in turn.

Improvement in competitiveness and productivity of businesses: Arguably this is the most important outcome that SEEDA would be expecting to see resulting from its investment in Training Pools as it is most strongly allied to the strategic aims of the RES. Five projects' bid documents identify the logic between their intervention (inputs) and the potential for productivity and competitive gains (outcomes) albeit in fairly general and unquantifiable terms.

- Fresh Skills for Chefs – identifies that its proposed format of techniques master-classes, visits to local producers and suggested menus could equip chefs to respond to consumer demand for dishes freshly prepared with local produce. Increased demand for local produce would be generated from improved relationships between chefs and suppliers.
- Engineering Project Control pilot – up skilling in-house staff should generate the potential for greater productivity and competitiveness rather than relying on more expensive agency staff's knowledge with more limited company and industry knowledge.
- NPL – healthcare providers will have access to accredited training fully compliant with a forthcoming EU directive on optical radiation which will enable the sector to achieve a competitive advantage as first adopters and reduce the potential for error in patient care.
- Marine CAD pilot – would maintain and build the international competitiveness of SME marine designers within the South East and enable efficiency and productivity gains as a result of the adoption of new technology.
- Digital Horizons - would equip audio-visual businesses with the knowledge, experience and contacts to enable new 'cross platform product development', new collaborative partnerships, portfolio diversification and new routes to market.

For the others links to increased productivity are less tangible. These projects tend to be more focused on the capacity of the intervention to provide individual participants with skills and experience that will:

- Improve their employability – Route into Radio, Retail Smart and the Investment Sector pilot all aim to equip individuals with the generic skills that will make them more valued in their industries.
- Improve adaptability – particularly within the Composites Technologies pilot which aims to give individuals knowledge and experience of polymer applications across a range of industries, enabling them to adapt to the introduction of new processes and contribute to development of production methods around these.
- Career progression – providing a vocational route up the career ladder for individuals without higher level qualifications which might have traditionally provided access to higher level jobs (Surveyors Apprenticeship pilot, Composite Technologies pilot).

Evidence of a priority skills need: Bid documents present why the skills need has arisen and evidence to support this. In general, the skills challenges facing sectors are, on the whole, clearly argued and articulated and include:

- Greater adaptability of the workforce to address change in the sector – Retail Smart argues that high quality customer service is required to attract the spending power of the prime (55+) consumer group; Route into Radio argues that entrants to the Radio industry require a mix of broadcast, production and sales skills to meet changing employer needs;
- Ability to exploit new technologies to maintain international market share – the Marine CAD pilot identifies the challenges for UK SME design companies in adopting CAD design techniques that are becoming industry standard for boat builders internationally; Digital Horizons cites the need for stronger knowledge and understanding of the operation of digital platforms across different industries to enable SMEs to grow and exploit new markets and platforms for their products;
- Increasing the supply of skills in difficult to recruit professions where potential recruits are under-skilled - Fresh Skills for Chefs, the Surveyors Apprenticeship pilot and Project Control for Engineering Construction all cite a shortage of key technically proficient staff; chefs, surveyors and project control experts.

Bid documents draw on a range of labour market intelligence (mainly produced as part of the SSA process) and to a lesser degree forecasting of future industry trends, in order to substantiate these arguments. Particularly coherent cases are made by Fresh Skills for Chefs, Digital Horizons and Retail Smart. The Composites Technologies pilot, Route into Radio and Marine CAD pilot directly link their proposed projects with key priorities in SSAs, SSA Action Plans or regional strategies.

The degree to which bid documents present a case for intervention in the region varies. Projects that successfully address priority skills needs have argued on the basis of:

- The economic importance of the industry to the SE – either in terms of GVA or a strong business cluster present in the South East (Investment Sector pilot; NPL (in full); Marine CAD pilot);
- The need to maintain the competitiveness and growth of the sector and skills base in relation to other regions (Fresh Skills for Chefs, Route into Radio), or the international market (Digital Horizons, Composites Technologies pilot).

Alignment with regional objectives: Projects on the whole demonstrate an understanding of the focus and direction of regional policy on skills, with some specifically stating links between project objectives and RES objectives. Route into Radio, for example, makes reference to targets five and six in the RES and identifies the project's alignment with SEEDA's skills escalator and priority cross cutting themes around support for the creative industries and equality and diversity.

Several projects state an intention to promote equity of access into their industries through a focus on increasing their workforce's diversity (Surveyors Apprenticeship pilot, Routes into Radio). The Surveyors Apprenticeship pilot goes as far as setting specific targets for the recruitment of women and BME individuals to the pilot that are higher than current industry norms.

Only one project highlights an intention to target project interventions in SEEDA's priority geographical areas for growth or addressing economic inequalities (Investment Sector pilot).

Market failure: Market failures to which projects aimed to respond broadly fall into three categories:

- Supply side gaps between existing qualifications/training and what an industry demands in terms of practical and technical skills;
- Lack of an industry response resulting from the shortage of incentives for businesses to take a lead; and
- Lack of incentives both in the supply side and an industry's employer body to respond to the needs of a specific group of workers that are not deemed 'a training priority'.

Supply side market failures: These are wide ranging predominantly, but not exclusively relating to publicly funded provision. Examples given in project bid documents include:

- No provision exists relating to the specific priority skills need – e.g. no provision directly delivering skills relating to composite technologies at levels 3 and 4; no specific training for the project control profession at intermediate and higher levels (Engineering Project Control pilot); no bite sized up-skilling training available (Fresh Skills for Chefs);
- FE and HE provision that is too narrowly focused to address employer needs. For example, broadcast media provision fails to adequately address the range of skills that entrants to the industry are expected to have (Route into Radio). Existing chefs qualifications fail to adequately cover skills needed to prepare and cook fresh produce (Fresh Skills for Chefs) and are offered in a form that most chefs would either be ineligible for (targeted at under 25s full time) or unable to commit to (time commitment and delivery model of formal qualification);

- Industry-led training that is too narrow or broad in focus – training on medical and optical instruments is product specific and does not provide users with the foundation for understanding the application of the range of equipment and safety aspects relating to them (NPL); product specific CAD training is not geared to its application in the marine boatbuilding industry.

Lack of an industry response: The main issue emerging from project bid documents as to why employers have failed to invest in provision to up-skill the workforce, even when it is by their own admission a crucial skills gap, relates to risk. The following factors were highlighted as 'blocks' to industry responses.

- The cost of development – this is an issue in sectors where the proposed training solution requires a cross-industry response between businesses that have no tradition of working together (e.g. commercial, community and public radio – Route into Radio). It is also raised in industries where the cost of specialist equipment and materials makes training prohibitively expensive for small numbers (Composites Technologies pilot).
- Competition – generally, small and medium businesses face the risk of losing staff to competitors following up-skilling and do not have the means to do more than on the job training themselves unless it is mandatory. More specifically, employers in some sectors fear sharing information and knowledge through training programmes could lead to the loss of a competitive advantage (Digital Horizons, Marine CAD pilot).
- Unaware of the potential added value of skills to the business – employers are sceptical that training can deliver a real business benefit possibly because of previous experience, or concern that the focus of training will not prove to make a financial return to the bottom line. Chefs and hospitality industry businesses, for example, are not currently convinced that paying for skills will have a financial return.
- Fast moving change within industries – in the audio-visual and digital industries businesses face difficulties in keeping abreast with change which means that employers have not been able to develop a response.

Failure to meet the needs of 'non priority' workers: In some occupational areas it appears that skills gaps have not been addressed because it has not been deemed a priority by employers, who have prioritised training investment in staff most able to deliver profitability or productivity to the business. The Investment Sector pilot, for example, is targeting unregulated staff within the financial sector to improve their knowledge, understanding and ability to communicate using the language of the financial sector. Route into Radio similarly focuses on individuals that could be perceived to be on the periphery of their industry whose value in terms of productivity or profitability to a business is unmeasured. For Retail Smart the issue for employers is one of the value of investing in a highly transient workforce. This is particularly the case for SME employers that will lack the resources to invest significantly in training.

2.2.2 Intervention logic

Most projects have been able to set out a reasonably coherent theory of change which can be identified from bid documentation and interviews with the originators or project leads. There are some gaps most particularly around securing sustainable outcomes.

Improving the responsiveness of the supply side offer to business needs: many projects are intending to sustain their interventions through the supply side offer in the following ways:

- Embedding employee led provision within National Skills Academies – is expressed as an intended outcome by both Fresh Skills for Chefs and the Composites Technologies pilot;
- Extending an existing qualification to a new industry – Route into Radio aims to establish the potential market and applicability of the Media Techniques diploma to the radio industry and lobby for funding based on the outcome of this;
- Obtaining mainstream funding – the Surveyors Apprenticeship pilot having ascertained that the model of learning complies with requirements for mainstream apprenticeship funding expects to secure this based on the successful piloting of the project;
- Encouraging HE and FE engagement with employers – Route into Radio and Digital Horizons both intend to provide HE and FE providers with exposure to industry led solutions to support the forging of links between employers and learning institutions;
- Encouraging the adoption of new material into the curriculum – Fresh Skills for Chefs expects FE colleges to adopt the master class format and integrate skills associated with the preparation of fresh produce into existing course structures.

Increasing employers' engagement with training and training providers: bids generally outline their intentions to engage employers in the development of training; draw new employers into contact with providers; increase employers' understanding of what publicly funded training can provide; and demonstrate how provision will be adapted to match working arrangements of businesses. There is some evidence presented that explains the anticipated value of flexible delivery models proposed (e.g. Digital Horizons, Route into Radio, RetailSmart). Some projects also express their intention to engage employers in the development of training materials (Investment Sector pilot, Route into Radio, Composite Technologies pilot). However bids have not tended to identify the links between such actions with the potential outcomes that this can generate around improving engagement between employers and training providers in order to promote responsiveness and take up of publicly funded provision.

Providing opportunities to develop training at low risk to employers and providers: most projects expect to be:

- Funding the majority of project set up costs with contributions, mainly in kind, from employers and providers;
- Providing the training courses at a heavily subsidised rate to employers – all bids indicated their intention to make provision affordable, however little detail is provided in project bids on project employer contributions and how this relates to the overall cost of delivering provision. In some instances projects cite the 'loss leader' approach as the rationale for this (e.g. Marine CAD pilot). Other projects simply state that employers would be unable or unwilling to meet the actual cost of delivery (RetailSmart, Digital Horizons).

2.2.3 *Intervention model*

Projects have largely proposed following the consortium model envisaged and used the flexibility to adopt appropriate arrangements for the sector and nature of training provision being developed.

Development of the pilot: the following approaches are proposed:

- The majority of bids outline the intention to establish steering groups to either guide the overall direction of the pilot and/or directly contribute to the design and delivery of approaches and specific training materials;
- A number of bid documents outline proposals to outsource the development of materials to businesses or private training providers with specific product knowledge and expertise (Investment Sector pilot, Marine CAD pilot);
- In several instances, pilot development is limited as the approach has previously been developed and trialled (Surveyors Apprenticeship pilot and Engineering Project Control pilot). In these instances, work planned for the pilot stage largely focused on the marketing of approaches to employers and employees.

Delivery of the pilot: Intervention models for delivery proposed in project bid documents fall broadly within two categories:

- CPD model – content is delivered through master classes or seminars for example. Multiple episodes of short duration are delivered over a six to 12 month period. The approach has been more commonly adopted by pilot projects targeting their sector's SMEs and micro-businesses that generally find it difficult to accommodate the release of staff on formal courses over long periods. A feature of this model is the exchange of knowledge and experience and information sharing alongside activity leading to skills acquisition (Fresh Skills for Chefs, Digital Horizons);
- Traditionally based 'taught' model – content is delivered in a classroom or training facility setting through modules, each of which is a block period of five days for example. This model has been adopted by pilot projects looking to deliver technically specific skills training (e.g. Marine CAD pilot, Engineering Project Control) or in areas where the subject matter better delivered over block periods (Composites Technologies pilot).

Projects have also adopted a range of other approaches. These include:

- Employer led delivery – adopted when the knowledge base needed for the project is firmly based within the private sector: Digital Horizons; Routes into Radio; Marine CAD pilot;
- Blended learning – utilising a mixture of delivery methods to meet employer requirements. The Investment Sector pilot provides the option of delivery through trainers in a classroom environment or an e-learning platform;
- Coaching and peer mentoring – to develop individuals (Routes into Radio) and also business ideas (Digital Horizons);
- On-site training delivery – Retail Smart, Marine CAD pilot.

Learning output: In terms of the proposed accreditation of learning carried out by participants in the pilot projects, an array of proposals are made.

- Two projects intend to accredit their provision to a full level 3 qualification or above – Surveyors Apprenticeship pilot; Composites Technologies pilot.
- Two projects intend to offer participants the opportunity to go down a formal qualifications route and receive either a level 3 Award (Retail Smart) or the opportunity to accumulate units towards a full level 3 qualification (Route into Radio). The Investment Sector pilot states the intention to benchmark provision against the national qualifications framework providing the potential for the training to contribute towards a qualification.
- Three projects intend to provide more informal recognition. Fresh Skills for Chefs wishes to explore accreditation of learning through CoVEs or Action for Business Colleges and the increased adoption of the sector's skills passport.
- Three projects do not link into the qualifications framework or offer other forms of accreditation - Digital Horizons, the Engineering Project Control pilot, and the Marine CAD pilot.
- NPL proposes to link training provision to ISO17024 although the foundation for this is not made clear in the bid.

2.3 Summary of key points

In terms of the case made for Training Pools at the programme level it is possible to conclude that:

- The rationale for the programme is clearly expressed: links between skills and productivity, the region's intermediate skills needs and SEEDA's objectives around skills are articulated and evidenced. Some evidence of the types of key skills shortages that Training Pools could address is presented. Less clear is the specific sectors or areas that could most benefit from having these issues addressed;
- The dual nature of market failure is identified in the programme rationale. Greater emphasis is given to the failure of providers to match up to employers' needs with training. However a clear case is also made that explains businesses' underinvestment in training to meet their employees' skills needs with specific reference to the South East;
- The intervention logic for the programme and 'consortium' intervention model proposed for the programme directly take account of and propose to address the market failures identified;
- While there is not a stated intervention logic for the programme, it is possible to establish this from the information provided about the programme;
- The intervention model is clearly set out and allows considerable flexibility in terms of design and delivery of the intervention.

In terms of the case made by organisations pitching for Training Pools funding it can be concluded that:

- The extent to which bidders recognised the relevance of contributing to improved competitiveness and productivity within their sectors varied - half of the projects identified this in their rationale and only in fairly general and unquantifiable terms;

- All the projects were able to identify skills challenges within their sector – some relate to specific technical skills shortages and skills gaps whereas others identify the need to improve the adaptability of the employees and employers to take advantage of emerging market opportunities;
- The extent to which bidders are able to present sectoral intelligence to support their proposed pilots varies: six projects draw on SSAs and other sources though only some of these are clearly identified as pertaining to the region;
- All projects are able to identify market failures that their pilots will address: the extent of evidence to support these does however vary;
- Projects largely present a coherent theory of change in their bid documents that connect with market failures identified. Less clear is the extent to which sustainability has been considered as part of the logic for intervening. Bids by-in-large do not sufficiently address how interventions will contribute towards strengthening the relationships between employers and providers and encourage greater responsiveness within the provider community and the financial viability of products post funding is not well articulated;
- Projects proposed to trial a range of approaches towards the development and delivery of their pilots. This suggests that the particular circumstances of industries and the provider base working in the sector have been taken into account.

3 PROGRAMME PLANNING AND DELIVERY

This chapter of the report reviews the process by which both the overall programme was planned and managed by SEEDA and how the ten pilot projects have been managed and delivered. It begins with a review of the processes put in place to market the programme to potential bidders and the appraisal process through which projects were selected, and then explores the various approaches adopted by projects to the planning, development and delivery of provision. Finally an assessment of the progress of projects is made, together with a review of challenges and lessons learnt. This chapter draws on interviews with stakeholders involved in the project appraisal process, lead organisations delivering pilots and their partners, participants in the training interviews, and the analysis of project level monitoring data.

3.1 Programme marketing and project selection process

SEEDA staff involved in the design and development of Training Pools undertook the initial marketing of the programme to potential participants. Focus was placed on targeting intermediary organisations, such as the Association of Colleges, LSC, Association of Learning Providers and Higher Education South East as well as direct approaches to SSCs and Business Links. The adoption of a selective approach towards marketing was deliberate and intended to identify lead organisations with the capacity to build consortiums of sector bodies, providers and employers, and raise the quality of bids to the programme.

There have been three bidding rounds for the programme. For Rounds 1 and 2 in September 2006 and January 2007 no restrictions were placed by SEEDA on the sector coverage of bids or the potential solutions to address skills deficits. Bidders in Round 3 in December 2007 were invited to identify interventions that would assist sectors to prepare and generate a legacy from the 2012 Olympic Games².

In Round 1, 25 EOIs were submitted, 12 were short listed and seven approved. In Round 2, 22 EOIs were submitted, nine were short listed and four approved. Applicants short listed by SEEDA staff were invited to submit full bids. In Round 1 no support was offered to assist applicants to develop their project bids. SEEDA staff offered applicants in Round 2 the opportunity to discuss approaches and offered advice on bids. Short listed bids were then reviewed by a project appraisal panel comprising SEEDA Training Pools programme staff together, representatives of areas teams and the Global Competitiveness Unit with a representative of the SEDA, LSC and Business Links.

In commenting on the marketing and project selection process the following observations were made by stakeholders and SEEDA staff involved in the process:

- Overall there was a good response to the programme. Bids reflected a cross-section of industries and potential approaches. There was a poor response from HE in both rounds (arguably because the programme was marketed to them at too short notice). Following the selection process a number of key sectors that

² Round 3 of the Training Pools project is not subject to review in this interim evaluation.

should have been represented in the programme were not because of the quality of their submissions (healthcare, land-based industries, manufacturing and engineering);

- The quality of bids varied significantly in both Rounds 1 and 2. The assistance offered by SEEDA in Round 2 does not appear to have made a discernible impact on the overall quality of bids. A number of bids were particularly weak around the rationale for the intervention and the nature of market failure they were seeking to address. Applicants tended to focus on the supply side funding failure rather than the type of provision that would genuinely meet employer needs. Overall, SSC applicants tended to have a firmer understanding of employer needs and the objectives of the programme than other bidders to the programme, notably FE colleges;
- It was argued by several stakeholders that greater scrutiny around the technical aspects of bids and proposed budget and outputs, i.e. financial assessment, was needed to fully appraise the capacity of lead organisations to deliver and to assess aspects of bids such as value for money in relation to set up costs and risks associated with the delivery of their approaches;
- The requirement of applicants to receive endorsement by the relevant SSC in Round 2 was considered a sound measure that built on lessons from the Round 1 appraisal process;
- Panel members valued the opportunity to provide feedback on pilot projects recommended to receive funding and considered that bidders had generally strengthened their proposals in light of these recommendations.

Overall, the skills, experience and knowledge of panel members was viewed as sufficient for the appraisal process required. Involvement of an SSDA representative was considered particularly useful in ensuring strategic fit between bids and the findings of research into the demand for and supply of provision conducted by SSCs in the development of SSAs. Concern was raised about the appropriateness of SSCs' involvement in the review of bids relating to their sector where they were also a bidder, although no impropriety was suggested. LSC involvement in the process was considered beneficial from the perspective of aligning objectives around skills interventions in the region.

Several stakeholders suggested that the appraisal process could have benefited from more strategic input. It was felt this was needed to ensure better alignment with the draft RES and greater understanding of how the programme's potential to fit and contribute to priorities for the future regional economy. It was argued by one stakeholder that a deeper understanding of why markets fail and the appropriateness of proposed skills interventions to address failures would have enabled the panel to offer greater critical appraisal of bids.

3.2 Project approaches

3.2.1 Project 'consortiums'

A key concept underpinning the Training Pools approach is the adoption of a consortium model. This envisaged that sector bodies, providers and employers would collectively have a role to play in the planning, development and delivery of interventions. In practice, the degree of partnership working within consortiums has varied, as have the roles and strength of engagement of different consortium

members. However, it is possible in general terms to categorise the nature of the consortium model adopted in one of three ways: partnership approach; consultative approach; unilateral approach.

Partnership approach: generally this model has seen sector bodies, providers and employers involved in the planning of the overall approach, the development of the intervention and its delivery. For example:

- Digital Horizons – the project was jointly conceived, developed and delivered by three regional audio-visual sector bodies together with the SSC for the sector. Each brings specific expertise that has been utilised for the project. Screen South and Wired Sussex took the lead on delivering the project's programme of master classes and seminars, Skillset has advised on the project's approach towards evaluation, and the South East Media Network (SEMN) has delivered overall project management. Partners have overseen the development of the programme of events and provided strategic guidance through the project's steering group. Feedback from employer members of the SEMN Board has offered strategic guidance on the direction of the project;
- Route into Radio – key sector employers played an important role in championing the concept for the project during its inception stage. An awarding body (City and Guilds), sector specialist training provider and employers (from public, commercial and community radio) have jointly steered the project. Collectively they decided on the mix of formal learning and workplace internship to feature in the programme for participants. Employers have played a key role in the delivery of the project, hosting interns and providing them with coaching, mentors and relevant work experience;
- Investment Sector pilot – Two prominent sector employers developed the bid together with the Financial Sector Skills Council and maintained their engagement throughout the development of course materials. One has gone on to pilot the training programme. Two FE colleges have sat on the project steering group.

Consultative approach: in this model the lead organisation has assumed the main role in driving forward the approach, involving employer, sector and provider partners at different stages of project development and delivery. Examples include:

- Fresh Skills for Chefs – the project bid was developed by Tourism South East in consultation with Proskills and several interested colleges and county food groups. FE colleges and county food groups have general led on the delivery of master classes and food producer visits;
- NPL – course materials have been developed in collaboration with Southampton University (as an employer representative) and a specialist training provider;
- RetailSmart – The College of North West Kent worked closely with Excel to ensure that learning materials were fully mapped to level 3 standards. The project has been delivered in close collaboration with the Bluewater retail centre's Learning Shop: they assisted with marketing the programme and provided training facilities;
- Composite Technologies pilot – training modules have been designed by a technical steering group comprising training providers from both the private sector and FE.

Unilateral approach: In this instance lead organisations have maintained control of the project, involving partners, often through sub-contracting arrangements, at appropriate stages in the project. For example:

- Surveyors Apprenticeship pilot and the Engineering Project Control pilot – in both these instances delivery has been out-sourced to training providers. For both these projects the training solutions were largely developed with other sources of funding prior to the programme. Training Pools funding has been used to extend the provision into the South East;
- The Marine CAD pilot similarly outsourced the development of training materials specific to the application of CAD software for the Marine industry to the company that developed the software application.

3.2.2 Employer and training beneficiary engagement

Involvement in consultation and product development and design and delivery: In order to ensure the responsiveness of training products to employer needs and test potential market demand, projects have tended to either consult directly with regional employers or involve employers in the design of course content or delivery. Consultation has generally consisted of:

- The discussion of project concepts with employer groups located in the area that the project intended to target (Composite Technologies pilot, Marine CAD pilot);
- Testing project ideas with individual employers identified as likely to participate (Marine CAD pilot, Fresh Skills for Chefs, RetailSmart);
- The review of project approaches with employer board members of sector bodies (Digital Horizons) or employer members of Steering Groups on related projects (Project Control pilot);
- More formal identification of market demand through surveying and testing of the offer with participating employers (Fresh Skills for Chefs, RetailSmart, Marine CAD pilot).

Organisations leading projects reported that this work had:

- Generated a base of 'interested' employers that the training products could then be marketed to once up and running;
- Assisted in working up detailed project approaches;
- Helped generate 'buy in' from leading sector employers;
- Tested demand.

Consultation was of more limited value in projects that planned activity in multiple locations where consultation across all sites was not feasible and employer needs reflected local circumstances.

There are five projects that have involved employers in the design and development of the training products. The Investment Sector pilot and NPL have both involved one or two large employers in steering committees to develop materials; Route into Radio had employer members on the project steering group that steered the overall direction and focus of produce development. Digital Horizons took an iterative approach using feedback of employers participating in the early programme events to help shape activity scheduled to take place later on in the programme. In Fresh Skills for Chefs,

Chichester College ran a pilot to test reactions and gain employer feedback and later a breakfast event.

By and large, this type of employer engagement has had a positive impact. Employers involved in the process largely commented that their taking part in more detailed project development meant that the content and structure of training products better reflected what they wanted to get out of the product than might otherwise have been the case. Commenting on Route to Radio, one partner said *'it's unique provision. No other media studies course gives you the same level of experience along with the accreditation. This wouldn't have been possible without employers' buy in to what was involved'*.

Developing provision in collaboration with employers has not been without problems as a training provider commissioned to develop materials on behalf of a project pointed out. *'Obviously there are compromises to be made when developing things by committee, and it's been frustrating at times. But the employers have been integrally involved and shared their wishes... the course will meet their needs and be an effective product'*. A small number of employers share several concerns about the process that they had been involved in. One large employer questioned how relevant the project he was involved in would be for SMEs in the sector given that none had been involved in its development. Another employer raised concern about being asked to represent her sector as she was the sole employer voice involved in product design.

Two projects have directly involved employers in the delivery of pilots. Employers involved in Route into Radio have delivered a key component of the pilot by hosting workplace placements; taking on management responsibility and providing mentors, coaching and careers advice for interns on the programme. With Digital Horizons the entire programme of seminars and master classes has relied on the involvement of leading industry professionals dealing with the challenge of applying digital technologies across the range of multi-media platforms. As one Digital Horizons partner pointed out, *'the project had to be industry led because this is where the knowledge base is. The industry is moving so fast and HE and FE just hasn't kept up'*. Another, Fresh Skills for Chefs, has used employers to host training where public providers have not been either suitable or willing.

Recruitment of employers and participants to projects: For the majority of employers their main involvement has been as a recipient of training for employees within their business. In order to attract employers to their projects, substantial effort has gone into marketing, particularly where a fairly large number of employers were required to pilot the programme across a wide area.

In the main, projects have utilised individual approaches to known employers from the lead organisation or project partners. A small number of projects have attracted employers by direct marketing or word of mouth.

Approaches have included:

- Digital Horizons – sector bodies that were members of the steering group actively marketed the project to their networks (email, newsletters) and made individual approaches to those that they considered would benefit most;
- Fresh Skills for Chefs – marketed extensively through local food groups, providers, and tourism offices conducting mail shots to existing contacts. Good

levels of coverage of the programme of master classes and local producer visits has also been achieved in the local press and radio;

- Engineering Project Control pilot – the five day training programme was marketed directly to the HR department of businesses in the industry;
- Surveyors Apprenticeship pilot – a telesales organisation was contracted to identify employers interested in participating in the pilot. Face to face visits by the project's delivery partner were used to follow up and secure employer involvement.

When all the projects are considered, the recruitment of employers and participants for the pilot has been fairly mixed. In three instances pilots have been oversubscribed. Digital Horizons and Route into Radio both targeted individual participants which may account for the relative ease with which people could commit to the programme. In the case of Digital Horizons these were largely micro-businesses and freelancers. Route into Radio targeted individuals looking to progress into the radio industry. The Engineering Project Control pilot also had success at recruiting participants achieving repeat business from employers after initial positive feedback from employees that had attended. The Surveyors Apprenticeship pilot received strong initial interest in the programme, but a number of employers pulled out at short notice. A downturn in market conditions was reported by the project manager as the main factor influencing these employers' decisions. The Marine CAD pilot was successful at recruiting employers for the first pilot run of the training, but is now struggling to engage more. Fresh Skills for Chefs have reported mixed participation. Demand is reported to be locally sensitive, with some topics attracting a lot of interest in some locations and not in others. The scheduling of master classes, both in terms of the time of the day and day of the week is also emerging as an important factor. The Investment Sector pilot has trialled the pilot with one big employer after a second employer pulled out because of reorganisation. This employer remains involved and is looking to pilot the provision later in the year.

Two projects have yet to recruit any employers. Both the Composite Technologies pilot and NPL are still in the process of developing training materials and have yet to implement their marketing strategies fully. The Composite Technologies pilot project manager reported that there has been a good level of employer interest, but that employers need to see the finished product before they will commit further.

3.2.3 Approach towards the delivery of the pilot

For projects that have commenced delivery of their pilots, approaches set out in bids have largely been followed. In some instances, projects have been able to tailor or enhance their approaches by taking advantage of other initiatives taking place within the sector and the interest and support of employers and partners. For example:

- Route into Radio – as the project has progressed new elements have been added including: radio station managers and industry bodies involvement in the taught component of the programme as guest speakers and the introduction of 'production days' as part of the programme as a result of radio stations' offer of the use of studio space;
- Digital Horizons – programme events have been hooked into wider industry events where possible and participants have been given exclusive opportunities to network and question key industry figures participating in these events. The

pilot has been modified to enable participants to present on a topic of their choice and receive feedback from an expert panel and other participants. This is being enhanced in the future with one to one coaching sessions for participants with the CEO of the South East Media Network;

- Fresh Skills for Chefs – relationships with food groups have generally been very productive. Their role has been in organising visits to local producers and assisting with overcoming local delivery of training in one sub-region. There is a coming together of objectives because they see the project as an opportunity to market local produce to chefs and have an appreciation of chefs' requirements. Colleges are involved in the development and delivery of master classes and some proactive signing up of celebrity chefs.

3.3 Progress

Table 3.1 below provides a summary of the progress made by each pilot project to date, together with observations on this status.

Table 3.1 Progress to date		
Pilot project	Progress to date	Observations
Composite Technologies pilot	<ul style="list-style-type: none"> ▪ Two out of six planned units for the course have been completed by the project's technical committee. ▪ Marketing taken in-house by lead organisation in order to drive recruitment. Employers yet to be signed up. ▪ Project in negotiation with a potential FE partner that has facilities and equipment to host the piloting of provision. 	The development of course materials has been much slower than expected and the project has struggled to identify suitably equipped facilities at which the course can be trialled.
Digital Horizons	<ul style="list-style-type: none"> ▪ A series of 12 'events' (master classes and seminars) have been hosted at venues across the SE over a 12 month period. ▪ 36 participants completed the programme with an average of 70% attendance. ▪ External evaluators have been appointed to assess the impact of the pilot. ▪ Sector bodies involved in the pilot are exploring how the success of the programme can now be built on. 	The programme of events completed at the end of April 2008. All aspects of the project were successfully delivered.
Engineering Project Control pilot	<ul style="list-style-type: none"> ▪ Three five day project control training courses held. ▪ Participants recruited from a range of companies. ▪ First course had fewer than anticipated delegates but this trend has been completely reversed now – 15+ trainees on latter courses. ▪ Project incorporated into ECITB suite of training and being offered to all levy paying employer. 	Course had been largely developed and piloted prior to SEEDA funding being sought enabling ECITB to hit the ground running with delivery. Trusted and experienced delivery partner in place.
Fresh Skills for Chefs	<ul style="list-style-type: none"> ▪ Programmes started in three sub-regions with both producer visits and master classes; with plans in place taking shape for the rest of the programme. ▪ Programme planning in other sub-regions well advanced in most. ▪ Extended programme to the other sub-regions in the South East. 	Ahead of target at end of April. Slowed down in two areas by providers pulling back from participation.

	<ul style="list-style-type: none"> ▪ Plans for work to sustain the offer in the region after delivery is largely completed. 	
Investment Sector pilot	<ul style="list-style-type: none"> ▪ Course materials have been developed. ▪ Piloting is taking place with nine learners in one large employer. ▪ One other employer expected to pilot the training has pulled out because of internal issues. 	Initial delay in developing the learning materials and one of the two employers intended to pilot the programme has not been able to do so. However, partnership arrangements are strong and feedback has been positive so far.
Marine CAD pilot	<ul style="list-style-type: none"> ▪ New training course developed by private partner specialising in the marine modules of the software they sell. ▪ Project delivered to six individuals in the South East. ▪ Course has been delivered by provider to others outside of the region. 	Course delivered to a very small number of individuals and no firm plans to repeat. However the course is being seen as part of a wider initiative to encourage this sector to engage with this technology, as the cost of training is not the only barrier.
NPL	<ul style="list-style-type: none"> ▪ The project is still at an early stage. ▪ Course materials for thermometry and optical radiation are still being developed. ▪ Links developed with partner organisations: Southampton general hospital and private companies donating resources. 	Course is behind schedule and has not yet been developed. NPL is the leading national authority on measurement and has developed links with partners that will provide a source of learners once the materials are ready.
RetailSmart	<ul style="list-style-type: none"> ▪ After an initial delay, course materials have been developed and will be refined through piloting process. ▪ Piloting is taking place with first cohort of learners – approximately one third of target number reached. ▪ TNAs have been conducted with half the target number of employers. 	Project is developing well after early delays to developing the learning materials and beginning the piloting. Deliverer is well respected and has strong links with employers in Bluewater.
Route into Radio	<ul style="list-style-type: none"> ▪ First of three intern cohorts recruited. ▪ 12 interns participated in guided learning hours over six days and all allocated placements. ▪ Calibre of interns has been very impressive. ▪ Employers and other partners engaged to deliver GLH and to take on interns. ▪ External evaluation commissioned and in progress. ▪ SSC seeking to identify how the project can be sustained post SEEDA funding. 	Project is developing well and delivering above target. Led by senior industry figure which has facilitated considerable buy-in from other employers and contribution of in kind support for project.
Surveyors Apprenticeship pilot	<ul style="list-style-type: none"> ▪ 6 apprentices on the training course, fewer than the anticipated 15. ▪ Employers slow to come on board. ▪ Accreditation of the course as an apprenticeship within the QCA framework not achieved. ▪ Withdrawal of delivery partner jeopardises the recruitment and progression of the subsequent two cohorts. 	Various factors appear to have contributed to the slow start of this project and the withdrawal of delivery partner: insufficient groundwork with employers to market test and promote course; weakening market conditions at the point employer recruitment was taking place; and the capacity of the delivery partner to extend their activities in to South East.

3.3.1 Progress against target outputs

All projects were asked to specify quantifiable targets against outputs deemed relevant to the programme in SEEDA's Tasking Framework. The table below summarises progress to date.

Table 3.2 Progress against RDA Tasking Framework Outputs				
	Businesses assisted to improve performance	People assisted in their skills development	Adults gaining a qualification at Level 3 or above	Assessment
Engineering Project Control pilot	12 target to date ³ 13 achieved ⁴ 12 project target ⁵	36 target 41 achieved 36 project target	No target specified	Targets exceeded
Fresh Skills for Chefs	10 target to date 43 achieved 100 project target	10 target 54 achieved 250 project target	No target specified	Ahead of target
RetailSmart	10 target to date 25 achieved 50 project target	20 target to date 40 achieved 100 project target	100 project target	Ahead of target
Route into Radio	20 target to date 34 achieved 60 project target	12 target to date 12 achieved 36 project target	100 project target	Ahead of target
Marine CAD pilot	3 target to date 3 achieved 45 project target	6 target to date 6 achieved 45 project target	No target specified	On target
Digital Horizons	25 target to date 36 achieved 50 project target	70 target to date 36 achieved 140 project target	No target specified	Behind target
Investment Sector pilot	5 target to date 1 achieved 5 project target	165 target to date 36 achieved 305 project target	45 project target	Behind target
Surveyors Apprenticeship pilot	8 target to date 6 achieved 40 project target	15 target 6 achieved 95 project target	95 project target	Behind target
Composite Technologies pilot	Yet to commence delivery 15 project target	Yet to commence delivery 30 project target	Yet to commence delivery 30 project target	Not on track
NPL	Yet to commence delivery	Yet to commence delivery 40 project target	No target specified	Not on track
Overall Programme	161 achieved 93 cumulative project target to date 377 cumulative project target	231 achieved 322 cumulative project target to date 1077 cumulative project target 1500 original programme target	0 achieved to date 370 cumulative project target 1200 original programme target	

³ 'target to date' refers to planned outputs up to 31st March 2008

⁴ 'achieved' refers to actual outputs up to 31st March 2008

⁵ 'project target' refers to overall planned outputs over the lifetime of the project

Drawing on the data presented in Table 3.2 the following observations can be made.

People assisted in their skills development.

- Individual project performance has been mixed, with some projects exceeding their planned outputs by March 2008 and others falling short. Across the programme as a whole, the numbers of employees / learners that have been engaged with training to date stands at two-thirds of what was expected at this stage of the programme (231 achieved outputs against 322 planned outputs).
- The cumulative targets set for Round 1 and Round 2 projects of 1077 people assisted in their skills development is broadly in line with the original programme target of 1500 (bearing in mind that Round 3 projects will also contribute to this overall figure).
- However, in light of currently performance and what is know about projects plans for the remainder of the pilot period, the up scaling needed to achieve programme level targets is unlikely to be achieved.

Adults gaining a qualification at level 3 or above.

- Five of the ten projects have targets set against this measure and only in two instances are there plans to deliver full level three qualifications (Composites Technologies pilot, Surveyors Apprenticeship pilot).
- The cumulative target across the five projects aiming to deliver level 3 qualifications (in part or in full) is 370, around one-third of the original programme target of 1200 outputs. This shortfall is not unexpected given the programme's focus on the development of provision that is tailored and responsive to employer's needs. Arguably this programme target output is overstated given this.
- It is uncertain at this stage whether some projects will achieve their planned outputs on this measure: both projects that planned to offer full level 3 qualifications have yet to have their provision accredited.

Businesses assisted to improve performance.

- Although this is not a formal measure of the programme's performance, all projects have targets for the numbers of employers that they are seeking to actively engage in the delivery of their interventions.
- Projects have exceeded initial targets for engaging employers. 161 employers have been involved in the programme (until end March 2008) against a target of 93. This is accounted for by five projects that have exceeded their year one targets.
- Across whole programme, projects collectively intend to work with 377 employers. Although many have made a good start, there are no indications, for a number of projects, that preparations are in place to upscale activity to the level needed to meet the target.

3.3.2 Spend

Seven projects provided a breakdown of current expenditure. Overall, projects reported that they are on track with spend given their present stage of delivery. Only one project reported overspend and this related to project steering and marketing costs. Three

projects reported under-spend: two of these projects have yet to commence delivery; the third reported under-spend on anticipated training delivery budgets.

3.3.3 Achievement of match funding

Project were asked to provide data on the level of match funding planned and achieved to date. Table 3.3 summarised the information provided.

Table 3.3 Match funding				
		Planned match funding	Achieved match funding	Assessment
Engineering Project Control pilot	Actual	ECITB time: £4,000	ECITB time: £4,000	On target
	In kind	ECITB levy funding: £30,000	ECITB levy funding: £28,000	
Fresh Skills for Chefs	Actual:	None	N/a	Exceeding expectations for employer and other contributions but falling short on TSE staff time
	In kind:	Employers: £700 TSE staff time: £12,237 Other: £10,000	Employers: £6,912 TSE staff time: £2,189 Other: £15,562	
Marine CAD pilot	Actual	Employers: 30%	Employers: 30%	On target
	In kind	Employers: 30%	Employers: 30%	
NPL	Actual	None	N/a	On target at this early stage in the pilot
	In kind	Private sector companies: £27,000 Employers: £5,000 NPL: £45,000	Private sector companies: £2,000 Employers: nil NPL: £10,000	
Route into Radio	Actual	Intern contribution: £12,000	Intern contribution - £12,000	Meeting targets
	In kind	Employer facilities: £78,000	No information provided	
Surveyors Apprenticeship pilot	Actual	Employers: £18,000	Employers: £18,000	Meeting targets
	In kind	None	N/a	
Digital Horizons	Actual	Employers: between £300 and £750 per employer depending on size	Employers: between £300 and £750 per employer depending on size	Meeting targets
Investment Sector pilot	Actual	None	N/a	No information provided
	In kind	FE Colleges: £11,249 Employers: £22,018 Other: £2,250	No information provided	
Composite Technologies pilot	Actual			No information provided
	In kind		Private providers: £4,000	
RetailSmart				No information provided

The seven projects for which information was available report satisfactory progress with achieving match funding from partners and employers. Incomplete data on cost means it is difficult to ascertain the level of employer contribution towards training interventions.

3.3.4 Geographic spread of programme activity

Projects were asked, in so far as is possible at this stage of delivery, to provide an overview of the sub-regional distribution of their project activity. Table 3.3 provides an overview of the information received.

Table 3.3 Regional Distribution		
	% funding per county	Basis on which distribution determined
Engineering Project Control pilot	Berkshire: 5% Buckinghamshire: 2.5% Dorset: 10% Hampshire: 19% Surrey: 15% Outside of region: 48.5%	Participating employers located in these counties
Fresh Skills for Chefs	Buckinghamshire: 2% Hampshire: 4% Isle of Wight: 10% Kent: 12% Oxfordshire: 12% Surrey: 13% Sussex: 47%	Based on employers' location, but only includes chefs where the correct paperwork has been completed. Chefs who have benefitted but for whom paper work has not been filed are excluded from these figures.
Route into Radio	Kent: 33% Hampshire and Isle of Wight: 33% Surrey: 16.5% Sussex: 16.5%	Recruitment of interns and employers has been geographically clustered into one of three areas.
Marine CAD pilot	Training Course commenced late January 2008 so it is too early to say. Marine Regional Resource Centre is located in Southampton and therefore company interest is dependent on travel and accommodation for their staff. CATIA Course is of interest to Superyacht Designers, a large majority of whom are based in the Hampshire area.	
NPL	Delivery yet to commence	
Investment Sector pilot	No information provided	
RetailSmart	No information provided	
Surveyors Apprenticeship pilot	No information provided	
Composite Technologies pilot	Delivery yet to commence	
Digital Horizons	No information provided	

Based on the limited data available at this stage of the programme, it is possible to discern that:

- Beneficiaries (both employers and employees) are generally from the South East (with the exception of the Engineering Project Control pilot which appears to have recruited significantly from outside the South East).
- Beneficiaries are spread across the region except where the focus of the project has been around a sub-regionally based cluster of employers, as is the case for Route into Radio.

3.3.5 Costs

Set up costs: Development costs training activities vary greatly reflecting the different scale and complexity of Training Pools pilots. The Composites Technologies pilot and NPL pilot have proved relatively resource intensive in the development stage (estimated set up cost of £366,000 and £272,000 respectively), whereas Fresh Skills for Chefs, the Marine CAD pilot and Radio all reported set up costs of well under £20,000 (£5,500 actual cost; £7,251 actual cost; £17,500 estimated cost, respectively). For the remaining five projects, set up costs were not fully reported or not submitted.

Unit cost of delivery: Three projects were able to provide information on the actual cost of training an individual through the pilot. Fresh Skills for Chefs reported the lowest unit cost at £608; the Engineering Project Control pilot reported the cost of its five day training programme at £1,903 and the Marine CAD pilot £2,500. Route into Radio estimated the unit cost of their internship programme at £7,947 while the Composites Technologies pilot expects each module to cost £1,200 per individual giving a total cost of £7,200 for an individual having completed the six planned modules. Again five projects did not fully report or submit information on this.

Preparedness to pay: Few projects appeared clear about the costs that the market or public sector funders would be prepared to pay for their interventions. This is a crucial consideration for the sustainability of approaches post SEEDA funding. Few projects were able to offer views on what the LSC might be prepared to pay per learner. Those who did respond suggested it would be the entire course (Composite Technologies pilot and Fresh Skills for Chefs) or half of it (Engineering Project Control pilot). Projects that provided a perspective on what employers might be willing to pay suggested that employers would be willing to meet only a proportion of the unit delivery cost of their interventions (Fresh Skills for Chefs 15%, Engineering Project Control pilot and composite Technologies pilot 50%). The Surveyors Apprenticeship pilot suggested that employers would be prepared to pay £6,000 for the apprenticeship but it is not clear what proportion of the course costs this would cover.

3.3.6 Monitoring and evaluation

Projects were asked to indicate if they were monitoring any other outputs in addition to those that contribute to the SEEDA core outputs. Four projects describe the monitoring of measures additional to those required by SEEDA and provided the following information on this:

- Feedback from course participants and employers (Marine CAD pilot);
- Trainees undertaking work placement and CPD; trainees developing their job profile; trainees supported in mapping their career progression; (Route into Radio);
- Development of training material; pilots undertaken (NPL);
- Key project milestones such as starting master classes roll out and visits; concluding discussions with People 1st for a SE Skills Passport; creating Fresh Skills for Chefs Portfolio; holding award/celebration events and dissemination event; evaluating the effectiveness of the project; creating ten case studies (Fresh Skills for Chefs).

The measures described above are in the main tools for monitoring projects progress. This is little indication that projects have put measures in place that will collect data of

use in assessing the economic impact of interventions, identifying good practice and lessons.

Only two of the projects have appointed external evaluators; Route into Radio and the Digital Horizons. Both have allocated significant resource to this activity (£17,000 and £10,000 respectively). The remaining projects that have provided information state that internal evaluations will be carried out. Most projects indicate that evaluation costs will be absorbed into general project management costs with the exception of Fresh Skills for Chefs, and the Engineering Project Control pilot which have allocated £6,000 and £2,000 respectively to carry out evaluation activity.

3.3.7 Assessment of progress to date

As the data presented above suggests, progress and performance of pilots to date has been mixed. Projects can generally be described as falling into one of three categories:

- Projects that are 'on track' – Digital Horizons, Engineering Project Control, Fresh Skills for Chefs and Route into Radio are all meeting or exceeding their targets for employer and training beneficiary engagement and/or have delivered activity set out in their bid documents to time and broadly to budget.
- Projects experiencing recoverable delays – the Investment Sector pilot, NPL and RetailSmart have all experienced delays in the stage of preparing for delivery but indications at this point suggest that steps have been taken to avert further delays and the projects should proceed to plan for the remainder of the timeframe.
- Ability to complete delivery of the pilot potentially compromised – the Composite Technologies pilot, Marine CAD pilot and Surveyors Apprenticeship pilot are all facing obstacles that are preventing them from moving forward with delivery.

The factors that have influenced these variations in performance amongst the pilots are discussed in the following sections.

3.4 Challenges faced by pilot projects

The challenges faced by pilots have been both positive and negative: positive in the sense that they provide useful insights into the feasibility of delivering interventions that are seeking to address key skills gaps, and negative in that some of the challenges relate to the delivery of the pilots and in this sense detract for the 'testing' of interventions themselves. Key challenges identified from across all ten projects are outlined below:

Preparing for pilot delivery within the time frame allocated: Projects generally allowed six months to set up their approaches. This included the recruitment of employers and participants and the design and development of materials. This has been too short a time frame for many projects. It is particularly the case where:

- Development of materials has been a lengthy and complex process, either because of the need to ensure that materials meet appropriate standards for accreditation, or the sheer volume of material to be produced has taken longer than expected.
- The establishment of new working relationships with partners has been required. Collaborative development of materials has in some instances slowed progress. There are several examples of mis-communicated expectations that

has slowed marketing to and recruitment of employers and participants to pilot projects.

- Project managers for pilots brought strong sector expertise to the pilot, but less experience of managing publicly funded programmes and working with public sector providers.
- Several projects have yet to secure partners to ensure the continued delivery of their pilots.

Addressing / increasing diversity: One consequence of the challenges highlighted above has been that projects have not maintained a focus on diversity where this was intended. A partner of one project commented *'the chance to bring people into the industry that usually don't get access has been lost due to the short window of time for recruiting participants. Consequently we've tended to recruit people already on the periphery of the industry'*.

Achieving effective engagement of FE colleges and HEIs: Experiences across the pilot projects have been variable. While there are some strong and positive examples of FE and HE engagement, many projects have experienced difficulties resulting from providers' failure to deliver on initial commitments. This includes poor marketing of the pilot to employers, inability to commit technically qualified staff to the process of materials development, and not following through on the promise of provision of facilities and equipment for delivery. Commenting on FE engagement in particular, many pilot project managers pointed to an inability or unwillingness to share risk associated with the development of the project and a weak appreciation of the potential business benefit in the longer term of investment of time and resources upfront. Several pilot project managers pointed to the short term focus on targets and funding inherent in FE that has prevented some colleges taking the long view. There were fewer expectations of HEI engagement across the pilots. However, where this was a feature of proposed approaches, engagement has similarly been disappointing. Several project managers stated that HEIs had failed to make the most of opportunities to develop links with and learn from industry experience that the pilots offered them exposure to.

Generating employer buy in: A few pilots have experienced challenges in this respect. First, pilots have by and large found it difficult to attract a full range of their sector's employers. They have tended to focus either on micro-businesses / SMEs or larger companies. Currently these seem to be pragmatic choices based on what is most achievable (given existing contacts and knowledge) in the project time frame. Secondly, some projects have found it difficult to recruit employers to their pilots. This has been accounted for by pilot project managers as unwillingness to sign up to incomplete products and a cautious approach towards investment in the pilot by some employers (because of currently market conditions in some sectors).

3.5 Aspects of pilot projects that are working well

Partnership working: while in some pilots this has been a key challenge, for others it has proved to be a major strength. Partnership working has generally worked well where it has built on the foundation of previous joint working, but there are also examples of productive partnership working between partners collaborating for the first time. Key aspects include:

- The crucial role of the pilot project manager in facilitating collaboration between partners and managing conflict;
- A positive approach towards developing the programme resulting from partners sense of ownership and involvement and a willingness to 'go the extra mile' to ensure project success.

Involvement of private sector training providers: projects have largely been impressed with the commitment of private providers to pilot approaches and the quality of their inputs. They have brought to projects:

- An entrepreneurial spirit and an appreciation of risk taking associated with the development of pilot approaches;
- Recognition of the longer term business benefits of their involvement i.e. new products that they can take to market and a willingness to invest time and resources upfront to achieve this.

Generating employer buy in – although this has been a challenge for some projects, for others it has been a key element of the successful delivery of pilot approaches. Employer buy-in has successfully been achieved where:

- The rationale and business benefit of the pilot has been clearly articulated and is highly valued by employers;
- The shape and delivery mode of pilot interventions clearly fits with what is feasible for employer to commit time to and thus is attractive.

Box: 3.1 Employer experience of engagement with the Training Pools pilots

Sample of employers: In total, we asked 20 employers about their views of the training programmes on offer through Training Pools. This was intended to provide an initial indication of employers' experiences at this early stage of development. It should be noted that these were not evenly distributed across all 10 Training Pools programmes. No employers were spoken to in relation to the NPL pilot and Composite Technologies pilot as they had not finished developing the training.

The employers we spoke to were a diverse group, including both public and private organisations from across the different sectors that the training programmes related to. The size of organisations also varied from one or two staff employed, to well over a thousand either on site or nationally. However, nearly three quarters employed under 50 staff on site and nearly half employed fewer than 10 staff.

Training currently offered by employers: Separately from the Training Pools offer, the majority (16 out of 20) of employers had provided training for their employees over the past 12 months, though technical staff benefited most from training towards qualifications and training to achieve occupational standards (6 out of 16, with no other types of employees identified). Employers were most likely to have provided CPD training (provided by 11 out of 17 employers) rather than training towards a qualification or industry recognised occupational standards and it was split roughly evenly between internal and external delivery (53% delivered internally, 47% externally). Where training had been sourced externally, it was almost exclusively from private training providers (14 out of 17 employers).

Initial engagement with Training Pools: Employers were most likely to have heard about and engaged with the Training Pools programmes through a direct approach from the deliverer (15 out of 19 employers). Very few employers cited marketing or word of mouth (5 out of 17 and 3 out of 16 employers respectively). The main reasons for employers using Training Pools provision were:

- training being reasonably priced (17 out of 17 who answered agreed), and
- training being tailored to the specific needs of the business (14 of 17 who answered agreed).

The reputation of the training provider and the ability to access training not previously available were also important (14 out of 19 employers and 13 out of 17 employers respectively thought this was quite or very important). However, accessing training to meet industry standards or gain recognised qualifications were not seen as being a priority (cited by 7 out of 17 employers and 4 out of 17 employers respectively as being quite or very important).

Employers' views of Training Pools provision: Virtually all employers (15 out of 17 who answered) reported the quality of training as being 'very good' or 'excellent'. The reasons for this were:

- course coverage, which gave employees better knowledge and skills relevant to the sector (7 out of 17 employers)
- high quality tutors (6 out of 17 employers)
- providing employees with contacts and networking opportunities in some sectors (such as radio) (4 out of 17 employers)

While employers did highlight that there had been some 'teething problems', several were impressed by how responsive the delivery organisation was to the feedback they had given.

All 20 employers felt that the training they accessed represented 'very good' or 'excellent' value for money. Only a small minority (3 out of 15 employers) thought that the training cost the same or more than other comparable training.

Box 3.2 Training beneficiaries experience of the Training Pools pilots

27 individuals were spoken to across the eight pilot projects that had commenced delivery at the time of the interim evaluation. Their views on the training and the experience of being part of the pilot is summarised below.

Digital Horizons: participants interviewed had all become aware of the project either through marketing literature or a direct approach from one of the project partners. Their main motivation for taking part in the course was the opportunity to gain a strategic overview of industry challenges, opportunities and the future direction of cross-platform digital technologies. Participants were particularly keen on the approach offered by the project, a series of seminars and master classes which they identified would provide the opportunity to build relationships and trust with peers tackling similar creative and business challenges across different sub-sectors. Overall, participants interviewed were generally impressed by the content and delivery of Digital Horizons. The experience and professional background of course participants provided a good mix. The range and calibre of industry professionals involved in master class panels and seminars was excellent. Plenty of time was available for networking and identifying potential partners for collaboration and this was perceived as a key benefit of the approach. Positively, organisers responded to feedback from early sessions and introduced a more interactive style of delivery to the programme. However, more opportunities for participants to collaborate on project working would have been valued. The breadth of subject matter covered by the course was debated by most. Although enjoyable, the value of whole seminars on sub-sectors in which they had no present interest or knowledge was questionable. All were in no doubt that they would seek out training offered by the sector bodies involved in delivering the pilot again and stated that they would value the opportunity to keep the wider network generated by the programme active.

Route into Radio: trainees on this project are those that have previously been working in the radio industry on the fringes – volunteering or doing part time work for local or community stations. Most heard about it through their station managers where they were working who were encouraged to identify suitable candidates. Many interns had done media related training before but this was attractive for a number of reasons – it is radio specific, it has a huge amount of practical experience and especially, because it enables contact and networking opportunities with managers of radio stations. Interns have also benefited from the relationships with mentors in the stations during their placement, as well as structuring their work and allowing them to experience various aspects of the station, the mentors have been able to give career advice and point trainees in the direction of jobs that become available. The project has also included additional unanticipated elements such as a day at a production house to allow interns to practise these skills in preparation for their submission of one of their diploma units. Interns have appreciated this chance as well as the support and guidance from the course leaders in shaping their future career.

Surveyors Apprenticeship pilot: apprentices on the Asset Skills project have been recruited and selected by CSTT and placed with employers. They are currently undertaking a distance learning diploma through the College of Estate Management and a work-based learning NVQ. Apprentices were generally very positive about their opportunity to get into employment with minimal qualifications, which has been facilitated through CSTT brokerage. They welcomed the chance to do very practically based training and to learn in a work environment rather than pursuing the traditional academic degree route into the profession. Being able to combine working and studying also allows them to complete their training without debts. There are advantages too in getting a chance to try out a job, for certain types of employers, in a relatively risk free context. However, the distance learning element of the course has its drawbacks and requires participants to be very motivated and dedicated. Apprentices also commented on the varying levels of support in their workplace for their studies.

Engineering Project Control pilot: participants in the ECITB/Adept project controls training were given

an overview of the principles of a discipline that most had already been working in. The five day course provided them with a framework within which to understand how their role and the roles of colleagues fitted together which they hoped would enable them to better perform their jobs. Some participants also reported gaining some specific skills in planning and estimating. Undertaking the course contributed to the CPD hours of some trainees for achieving their engineering chartership. The course was criticised by some for being too much of an overview and not developing the skills learning beyond a superficial level. There were also questions about the extent to which the course was directly relevant to the core jobs that trainees were doing as many did not work in project controls.

Retail Smart: employees were only half way through the training programme, having completed an introductory module about the sector and general sales techniques. Probably as a result, the training was seen as providing a good general introduction but not being focused enough in terms of different types of products (learners spoken to came from an art gallery and a jewellery shop) or relating to the relative seniority and responsibility of each individual. However, the training was seen as providing a sound overview of good sales techniques.

Investment Sector pilot: employees had not completed the course yet, but felt that it had given them a broad introduction to the financial sector and where their company fits in. They felt that the workbooks were generally helpful but that interaction with the tutor was critical. They also identified that completing the course would aid career progression as a good way to demonstrate their interest and ability to learn both with their current employer and with other employers in the sector if they decided to move. The learners were not aware of any other similar training that is currently available.

Marine CAD Pilot: the six participants were working within the industry prior to the course. Approximately half attended both five day sessions with the remainder participating in only the first half of the course. All reported that the course had at least helped them to gain the foundations of using the Catia software and anticipated this training would either make them more employable or increase their wages. However some of those interviewed were yet to use the software professionally, and some would have received a variant of the training from the same provider had the pilot not been available. One of the six participants has now found work outside of the region.

Fresh Skills for Chefs: of the three participants interviewed, two had attended producer visits and two had attended master classes. All had learnt from their experience and initiated changes in their workplaces as a result of this: this included the introduction of new food preparation techniques, changing menu items and buying in produce from local suppliers. The main area for improvement highlighted was the need to allow sufficient time within master classes to practise what had been learnt.

3.6 Summary of key points

In terms of the process through which projects were selected, the following conclusions can be drawn:

- SEEDA's approach towards promoting the programme was effective in soliciting a relatively good response from a range of organisations across a variety of sectors;
- Despite the amount of interest in the programme, only half of the applications made were considered viable projects. Support offered to applicants was not considered to have significantly improved the quality of the bids submitted;
- The sector coverage of the programme does not adequately reflect all priority sectors in the South East. Some sectors have no project because of poor quality proposals;

- The process of project appraisal was considered to be largely robust and fair in testing and shaping bids and determining an allocation of funds. Concerns were only expressed about the strength of the technical assessment and strategic alignment.

In terms of project arrangements and delivery, the following conclusions can be drawn:

- Consortium arrangements vary considerably between pilots. Although no partners explicitly questioned the extent to which these are fit for purpose, it is legitimate to question the arrangement put in place by several projects based on the progress these projects have made to date and some of the challenges faced in engaging partners and employers.
- Positively there is evidence that employers are being consulted in all the pilots and projects have generally tailored employer involvement to what is most appropriate within the sector. This is reported to have been productive;
- Eight projects provide evidence of the in-depth employer engagement that should be expected in Training Pools consortiums: employers are being involved in product development in five projects and in delivery in three;
- There is evidence in a several pilots that projects have taken the opportunity to market test and modify approaches based on responses to this. This demonstrates good utilisation of the flexibility that the Training Pools programme affords;
- Progress made in delivering the pilots is mixed: four projects are on track either meeting or exceeding their milestones and/or targets; three have experienced delays which are recoverable; and three have problems delivering as planned. These delays in part relate to the lack of similar project management experience of some project leads;
- Planned and achieved outputs fall short of programme level targets set in the programme's planning phase. Arguably the programme level target set for adults gaining a qualification at level 3 or above was overstated given that the primary requirement of pilots was to develop tailored and responsive provision to employer needs and not accredited provision;
- Projects have set stretching targets for the number of beneficiaries engaged in their pilots. This is appropriate given the need to robustly evidence the viability of their interventions. Delivery against these targets has been mixed and over half of projects do not have measures in place to upscale delivery to the level needed to meet the targets established at the outset of their project;
- Many providers were unable to provide adequate data on the geographic distribution of their activity, detail of set up and unit costs and an indication of the sustainability of their interventions in terms of the preparedness of employers and funders to meet future costs. This suggests that core business planning processes have not been robustly carried out by some projects;
- The allocation of insufficient time to prepare for pilot delivery has been a key factor that has affected the performance of some projects;
- For many projects, effective engagement with some FE and HEI providers has proved problematic. Some of these providers have not demonstrated the willingness to share risk or take the long term view needed to develop innovative

products that will respond to employer needs. Private providers are stepping up to fill this gap in some projects;

- In relation to the intervention model, some aspects are working well in most projects: partnership working among consortium members, involvement of private sector training providers, and generating employer buy-in;
- Employer and employee feedback about the programme and pilots is generally positive.

4 IMPACTS OF THE PROGRAMME

In this chapter we draw on the interviews of project managers, partners, employers and employees as well as the monitoring returns to examine the impacts of the projects and how these compare to the expected impacts. We also assess to what extent the gross impacts so far have to be discounted and in what ways, as well as what evidence there is to demonstrate the programme's strategic added value. In the main this chapter can only draw on projects which have begun to deliver.

4.1 Direct impacts

4.1.1 *Employee / participant perspectives*

It is expected that employees will have gained new skills which will have enabled them to change the way they work. This is clearly the case in seven projects. For example:

- Fresh Skills for Chefs - attendees at the master classes have learnt and had practical experience of kitchen skills using fresh produce they did not have, such as preparing game or offal dishes or croissant making. Some have already reported that they have used these skills in their work;
- Surveyors Apprenticeship pilot: the trainees in this programme are very inexperienced, coming directly from school with a low skill base. Through the academic and work based elements of this course, they are learning the skills required of surveyors and will develop these techniques to achieve Technical RICS standards by the end of the two year training. The academic and practical elements of the apprenticeship are mutually reinforcing in the development of skills;
- Retail Smart - has provided staff with an understanding of the retail sector and given them knowledge of how to improve sales techniques through better communication with customers. One shop floor manager at Bluewater found the course a useful refresher that would give her the skills to be able to train inexperienced and new staff to improve their sales;
- Route into Radio: The development of skills has varied depending on individual learners' interest and consequent internship. It includes news and reporting, sales and marketing, research and programming skills. Learners have gained particular skills in relation to radio production through their internship which will be examined in the diploma unit requiring them to produce their own radio programme;
- Digital Horizons – a key skill learnt by participants (freelancers and micro-businesses) on the programme is how to critically appraise their current business model. Several participants pointed to the value of presenting business challenges and receiving feedback from peers and expert panel members. Participants have also gained an appreciation of how the industry fits together and future trends, the ability to identify ideas with market value and how to monetise these through product development. Participants have applied what they have learnt in pitching for new work and in reviewing business structure and direction;

- Marine CAD pilot – course participants have learnt the skills necessary to operate and apply the Catia CAD software package to the boat design process. Three of the four employees interviewed had already applied the skills they had learnt in the workplace;
- Engineering Project Control pilot: some employees reported gaining specific skills in relation to estimating, planning and costs. There was also some opportunity to develop 'soft' skills of team working and presentation.

Such changes can demonstrably improve productivity. For example, using a new kitchen skill can mean that staff time is used to make a product that was bought in or to prepare a dish with a higher margin. Chefs report that they have changed menus and increased sales and margins.

It is not just skills that employees and participants have learnt. Some have acquired knowledge and information which they have been able to use in their jobs. For example:

- Fresh Skills for Chefs - many who have gone on the food producer visits have learnt about local producers and supply chains and consequently placed orders and replaced existing suppliers, often larger wholesalers. Some of these have done so not just to improve quality and improve their menu marketing (local produce has a positive effect on sales of menu items) but also to improve their margins. Local suppliers can often be cheaper because they are selling directly. As a chef who had been using a Covent Garden wholesaler pointed out, it makes financial sense to use a good local supplier who can meet the wholesaler's quality and reliability standards because they are cheaper;
- Digital Horizons – networking opportunities at the heart of the programme have enabled participants to identify peers with whom to collaborate on product development, commissioners of products, and organisations that will fund product development. Programme participants have already started to collaborate on existing and prospective ventures. Commissioning contacts have for one participant led to work with a new client. Several others are now developing products for international markets having accessed funding to enable entry to overseas markets through contacts made on the programme;
- Investment Sector pilot – non-regulated staff in the financial sector identified that they previously had a relatively limited understanding of the financial sector and the products which their companies traded. Gaining a solid foundation of knowledge within the sector was useful in helping them to understand the products and how they could better support the technical staff that they work with;
- Route into Radio: one of the most valuable elements of the Route into Radio project, mentioned by everyone involved, was the opportunity it provided for developing contacts and networking. Developing a career in the radio industry is particularly contingent on knowing the right people and the programme has provided interns with direct access to a number of station managers. There are already examples of trainees finding paid work opportunities through the contacts made;
- Surveyor Apprenticeship pilot: apprentices have benefited from being able to experience the world of work in this project, getting a chance to try out various aspects of surveying and see what kind of specialism they would like to pursue;

They have also enjoyed the interaction with their fellow trainees in comparing notes about the type of organisations they are working for to guide their future career paths.

4.1.2 Employer perspectives

Employers were largely positive about the benefits to their businesses as a result of having employees participate in Training Pools pilots. A series of closed answer questions were posed to the 20 employers interviewed to gauge the degree of impact the programme has had to date. In summary:

- All employers thought that participating employees had gained new skills or were likely to. Thirteen employers said this had been achieved already. Three employers said employees were likely to gain new skills and four thought that this would probably be the case;
- Over three quarters also felt that the business now has, or is likely to have, staff equipped with technical skills or knowledge that have closed skills or knowledge gaps. Eight employers said that this was already the case. Eight said it would be likely or probably. Four employers did not think that staff would acquire skills or knowledge that would close existing gaps. These tended to be larger employers two of whom were involved in the Surveyor Apprenticeship pilot, and one employer from Route into Radio and the Engineering Project Control pilot respectively;
- However, just over half did not think that the business had been introduced to new working practices. Eleven employers said that employers had not, or were unlikely to bring back knowledge of new working practices. Four thought this would probably be the case and four said this was the case already;
- Similarly, half of employers did not think the business is now better equipped, or likely to be, to compete in existing markets. Ten employers thought they were no better equipped to compete in existing markets. Three employers said they definitely were. Five employers thought that this was likely or probably the case. Those responding positively tended to be medium size employers employing between 25 and 50 staff and involved in Fresh Skills for Chefs and Route into Radio;
- Three quarters, did not feel that the business is now, or likely to be, better equipped to enter new markets (15 employers). Two employers thought that they were definitely equipped to enter new markets, three employers thought that this was likely or probably the case.

Employers were less able to point to the tangible business benefits resulting from employees' participation in Training Pools pilots. Given that most project are in the delivery phase it is arguable too early to expect tangible business benefits to be in evidence. Just under a quarter (four employers) felt that any of the factors outlined above had the potential to impact on their businesses' 'bottom line'. One employer thought the training was likely to increase wages per head. Three employers thought the training might increase sales and three thought the training might increase profits. Employers who thought there was likely to be an impact said this was because of:

- Improved procurement through making contact with suppliers (Fresh Skills for Chefs);

- Greater use of cheaper ingredients with higher margins on sales (Fresh Skills for Chefs);
- Increased staff knowledge and staff becoming multi-skilled, so better able to do their job (Surveyors Apprenticeship pilot and Route into Radio);
- Better retention of staff (Route into Radio).

However, most employers said that it was too early to tell. Some also argued that they did not have a 'bottom line' (for example, local authorities whose employees were participating in the Surveyors Apprenticeship pilot) or that they would not expect any direct relation with the bottom line through the training.

There is some evidence from employers that their involvement in Training Pools pilots has had a positive impact on their attitude towards training. Six employers said they would provide more training for staff in the coming year, ten employers said they intended to provide the same amount and four employers expressed an intention to train less. Of those intending to train more, five out of six said that this was because of their positive involvement in a Training Pools pilot, whilst the decisions of the majority of those (13 out of 14) planning to provide the same amount or less training were not affected by their experience of the pilot. Employers planning to train less were micro-businesses. A need to focus on business development was cited as the main reason for the intention to train less in the coming year. Of the six employers planning to train more, three had participated in RetailSmart, and there was one each from the Investment Sector pilot, Fresh Skills for Chefs and the Marine CAD pilot.

4.1.3 Partner and lead organisation perspectives

For organisations involved in the development and delivery of pilots the impacts are less quantifiable. To date few training providers have been able to identify any change to demand for training provision, for example. However in a few cases they and other partners in provision have indicated initial benefits:

- Digital Horizons – the project was the first time that sector bodies in the South East had collaborated extensively on the development and delivery of a programme. These partners are now exploring other opportunities for joint working;
- Fresh Skills for Chefs - a provider and several food producer groups have made contact with new employers to add to their marketing and promotion and begun to work with each other; others are exploring joint initiatives;
- Route into Radio: Skillset as the SSC and lead body in this project has been able to extensively develop its relationships with regional radio stations in the South East through this project;
- Engineering Project Control pilot: ECITB has been enabled to develop demand for the project by subsidising employers' contribution in the pilot phase. This has already brought dividends by employers becoming repeat customers and sending staff on subsequent courses. It now puts ECITB and training delivery partner Adept, in a position to include an additional course in their repertoire to offer to levy paying employers. It also allows ECITB/Adept to offer the course to out of scope employers at a more profitable rate.
- Marine CAD Pilot - Intrisys, the training provider for the pilot, were able to use this project to develop a specific training course for the marine modules of the

software that they sell, distinct to their existing generic or other industry specific training courses. They have gone on to offer this course to other businesses nationally.

4.2 Net impacts

Some of the impacts have to be discounted because it is clear that they would have happened anyway or they have displaced other training which the employees would have done to acquire skills or knowledge. However some of the impacts have had knock-on effects that have benefited the region's economy. These are briefly discussed in turn.

4.2.1 Deadweight

The table below illustrates some causes of deadweight identified in some of the projects.

Table 4.1 Deadweight			
	Acquiring but not using any skills gained	Acquiring but not using new knowledge	Not acquiring new skills or knowledge
Digital Horizons	The opportunity to apply new skills learnt (e.g. re-focusing of business objectives) has not yet arisen for many participants.	Market environment and existing workload meant that many participants will not have had the opportunity to turn new contacts / potential collaborators into business opportunities	Not all course content was relevant to all participants therefore some participants perceived that they did not acquire new skills or knowledge. Some participants were already very familiar with content relating to their own industry, however reviewing this has been a useful reinforcement.
Fresh skills for chefs	Not evident so far but possible	Some chefs may not be the buyer so they have to pass on what they have learnt to the head chef or HQ (although some may be buyers in the future)	Some chefs are already familiar with local producers but the visit has introduced them to some new producers (so speeding up the process) and new products resulting in sales
ECITB	Trainees have learned skills (in costing, estimating and planning for example) but some of those taking the course are not working in project controls jobs, or not working on the types of roles in project controls that would allow them the opportunity to implement these skills	The knowledge that participants said they gained was in relation to having a better appreciation of how project controls operates. The value of this knowledge may be questionable if participants aren't working in project controls.	Some participants on the course commented that much of the content was too basic for their level – particularly in relation to costings and calculations elements – so they didn't gain anything new from this
Marine CAD pilot			Some participants of the course were not new to 3D modelling programmes. This course has only helped them move to a different computer programme rather than to a new way of working. This will mitigate the productivity and competitiveness benefits from the course.

4.2.2 Substitution and displacement

There is some but limited evidence that the Training Pools projects have displaced other training. The likelihood of this falls into three categories:

- Minimal risk of substitution or displacement – a number of projects developed offers that are completely new to the market place in terms of content and mode of delivery (e.g. Route into Radio, Digital Horizons, Fresh skills for Chefs, Composite Technologies pilot). Partners, employers and employees / participants have indicated that they had not accessed nor were aware of anything comparable. Other pilots, although based on approaches already being trialled, are new to the region (e.g. Engineering Project Control, Surveyors Apprenticeship pilot);
- Potential for substitution or displacement - partners of a number of projects pointed to existing provision that broadly addressed the skills gaps that their pilot aimed to address, but stressed that the Training Pools funded pilot was an improvement on the existing market offer. For example, RetailSmart and the Investment Sector pilot have moved away from unpopular full NVQ level 3's which cover some of the same ground but are much less focused and too long for employers to show interest in them;
- Risk of substitution or displacement – for one project there is evidence from an employer and employees that the project has displaced other training provision (Marine CAD pilot).

4.2.3 Leakage

Evidence of leakage from the region is, at this stage, minimal. All the businesses and employees consulted as part of this evaluation study worked and lived in the South East. It was evident from interviews with pilot project managers that effort had been put into ensuring that employers they targeted met this criterion. The only project that appears to have directly worked with employers from outside the region is the Engineering Project Control pilot and only one example of an employee having left the region was identified during the course of the evaluation. Indeed for Route into Radio, partners said that the quality of the training experience offered by the pilot was providing an incentive to participants to seek work in the region. For several projects it is clear that that some form of leakage of project funding has occurred as training has taken place in central London locations. This was mainly as a response to logistical problems faced in maximising access to participants coming from different parts of the region (Digital Horizons, Surveyors Apprenticeship pilot).

4.2.4 Multipliers

Wider impacts have been reported in only one project which add to the value of the impacts achieved. In Fresh Skills for Chefs, the following are evident:

- Local suppliers have increased their sales replacing in many cases out of region and out of UK suppliers of fresh produce (including vegetables and fish) and of prepared foods (where fresh produce has replaced manufactured food);
- Others have been persuaded to change suppliers. In one hotel, the bar manager has changed to a local beer and cider producer which has also brought higher margins.

4.3 Maximising gross impacts

It is clear from conversations that some projects could consider action to avoid some of the discounting of impacts during the rest of their delivery of their projects. In the main this is a matter of targeting and restricting entry to some of the training on offer.

For example, providers working on the Fresh Skills for Chefs project could try to ensure that they discouraged non-buyers from the producer visits and skilled chefs from the master classes. Digital Horizons screened applicants to ensure their businesses were sufficiently established thus giving them experience to share with other participants. They also ensured that the applicant had a clear rationale for how they could commercially benefit from the programme and expressed an intention to take forward what they had learnt.

Managing entry and access can be easier when a course is oversubscribed.

4.4 Strategic added value of the programme

The concept of strategic added value provides a useful measure of some of the less tangible impacts of a programme. In the context of Training Pools this term is being used to assess the value derived from the fact that funding for this programme has been provided by SEEDA as opposed to another body, the programme's regional focus, and the consortium approach that has sought to bring together sector bodies, providers and employers in collaborative partnerships.

For many projects strategic added value is as yet hard to discern because of the stage reached so evidence is limited. More examples of strategic added value would be expected as the projects draw to a close. This section of the report drawn on the views of stakeholders involved the project appraisal process, project deliverers, their partners and SEEDA staff.

The assessment in this section is made against the framework devised at the outset of the evaluation (Appendix 2) and considers each of the following features in turn: leadership and initiative; influence; catalyst and leverage; and, engagement.

4.4.1 Leadership and initiative

All the lead bodies and partners to pilot projects were very supportive of SEEDA's involvement in the development of training provision through the Training Pools programme. It was considered that leadership and initiative has been demonstrated by SEEDA in the following ways:

- Creating a programme that is unique in the funding market place;
- Providing an opportunity to develop truly demand led solutions – focusing on the need to add value to businesses and not accredited outcomes where employers do not value these;
- Risk taking – providing pilots with the opportunity to innovate and test what works without an overly strong emphasis on generating outputs;
- Demonstrating support to regional employers and sector bodies, including those not previously championed, such as in the retail and financial services sectors.

Pilot projects have generated strategic added value through demonstrating their leadership and initiative in the following ways:

- Bringing competitive employers together to share knowledge and experience that has informed the development of provision (Investment Sector pilot), enhanced industries' capability to attract applicants of calibre (Route into Radio), and enhanced the capability of SMEs in particular to respond to local (RetailSmart) and globally competitive markets (Digital Horizons);
- Motivating employers to play key roles in the training solutions delivered. For example, the provision of facilities (Fresh Skills for Chefs) and offering mentoring and coaching (Digital Horizons and Route into Radio);
- Influencing training providers to develop provision that is responsive to employer demands and appropriate to their needs – in particular encouraging FE colleges to move towards a master class format (Fresh Skills for Chefs) and demonstrating strong and iterative collaboration between a private training provider and sector employers (Investment Sector pilot).

4.4.2 Influence

Relatively few projects have reached the point where they have been able to affect other strategies, qualifications and training programmes. To date the following can be pointed to:

- RetailSmart – the provision developed for the pilot offers a flexible approach towards achieving a level 3 Award (combining self-managed distance learning with tutor led workshops). It is envisaged that the pilot will provide the business case to Edexcel and the QCA to enable the award to be placed on the NQF. The foundations for this have been laid and Edexcel has already offered its support for the pilot;
- Fresh Skills for Chefs – is using the pilot to support the role out of the People First skills passport. The project also intends to promote the adoption of master classes through a South East Hospitality Academy as well as country food groups and colleges where they can be self sustaining;
- Route into Radio – Skillset is exploring the potential to transfer the model to other regions. The pilot has trialled the application of an existing qualification (City and Guilds Media Techniques Diploma) to the radio industry.

Most pilots have demonstrated that they have applied and tested an innovative product which is not otherwise available in the market. Where pilots have promoted their work to a wider audience this has served to positively showcase the skills and talent in the region and demonstrate SEEDA's support for innovative skills related activity.

4.4.3 Catalyst/leverage

Projects that have reported to date appear to be generating match funding that they set out to achieve. Several projects, Retail Smart and Fresh Skills for Chefs have been more successful in generating employer match than originally expected largely because of their ability to undertake more activity with employers at this stage in project delivery than they originally envisaged.

At this stage there is no strong evidence that suggests how most individual pilots will continue to be supported once SEEDA funding ends. The exception to this is the Engineering Project Control pilot which plans to continue to deliver provision through the industry levy and enhanced employer contributions.

A number of projects are in discussions with relevant skills academies about the possibilities of embedding the pilot within their offer (Composite Technologies pilot, RetailSmart) and other projects have plans to lobby the LSC for mainstream funding (RetailSmart). However the success of these outcomes is dependent on the pilots providing a strong business case for the wider adoption of provision. Lead bodies of other pilots have expressed confidence that employers will bear a larger proportion of the cost of provision and are planning to market their provision at more commercial rates (e.g. Marine CAD pilot, Surveyor Apprenticeship pilot). In Fresh Skills for Chefs, for example, colleges and food producer groups have indicated that they would continue to invest in these if the take up and the impacts are achieved, each seeing potential benefits in doing so.

Initial indications from employers suggest that their experiences have generated an interest and potential commitment to the types of provision trialled by the pilots.

- All employers said that they were either very likely to (16 employers) or would probably (4 employers) work with the Training Pools pilot training provider again.
- A large majority of the employers that responded said that they would be prepared to pay or pay more to access the training once SEEDA funding ends (14 employers against three who would not pay more). Those employers that said they would not pay were likely to be smaller employers (two had less than 10 staff and one had 30).
- The majority said that they would be more likely to work with publicly funded training providers in the future (probably 11 / very likely three), although some were less likely to (probably not five / very unlikely).

4.4.4 Engagement

At this point, the positive effects of enhanced engagement are starting to emerge across a number of projects. Notable examples include:

- In Fresh Skills for Chefs, employers are collaborating with providers and food producer groups to develop local programmes of master classes and word of mouth is attracting new employers and bringing employers to existing networking events. It is expected that seasonal menus linked to fresh produce and local suppliers will be available for future activities and down loading which will assist colleges and food producer groups;
- Route into Radio – Skillset’s role as an independent broker in the industry at a regional level has brought the various sub-sectors of radio (BBC, commercial, community) together to work collaboratively in a way that had not previously happened. This has brought about agreement in relation to developing a structured entry pathway into a career in radio.

4.5 Summary of key points

In terms of the impacts generated from Training Pools projects to date it is possible to conclude that:

- Pilot approaches are generating positive impacts for individuals participating in training. These are being achieved through the acquisition of new skills but also new knowledge and information. The extent of these impacts does vary across projects;

- There is potential and in some instances evidence that skills and knowledge acquisition is leading to demonstrable improvements in productivity –this is more evident in some projects than in others;
- Employers are largely positive about the benefits of the training to their businesses, acknowledging the skills gained and their value in relation to skills and business needs;
- There is some evidence that employers plan to train more as a result of their involvement in a Training Pools project (five employers) and no evidence that employers view of training had been adversely affected because of their involvement;
- Under half of the employers felt that the training had so far introduced new working practices or better equipped the business in the market place;
- Training Pools pilots have not yet generated benefits to the business bottom line for employers. Few employers were able to identify the potential for future impact. Many however, also said that it was too early to judge the potential contribution that could be generated from training;
- Partners, including training providers, see potential benefits from their involvement in the programme but these are generally not yet achieved;
- Impacts can be offset in several projects by a little deadweight, substitution and displacement. There is limited evidence of leakage. These factors are not possible to quantify at this stage in project delivery.
- There is very limited evidence that multipliers are counterbalancing factors that need to be discounted. Only one project was able to provide any substantial evidence of this.
- There is evidence that the programme is yielding strategic added value; all told there is a good range of wider emerging impacts. However in most instances further work is needed to ensure these deliver the potential benefits that are envisaged.

5 CONCLUSIONS AND RECOMMENDATIONS

This final chapter of the report summarises the evaluation's conclusions, presents recommendations to inform the future decisions about the programme, and identifies some lessons for SEEDA's future funding of skills programmes. In this chapter we address the three specific aims set out for the evaluation. These are:

- To review and assess the rationale, design and processes put in place to establish the programme;
- To assess the effectiveness and efficiency of programme and project delivery; and
- To evaluate the programme's outputs and outcomes, paying specific attention to net economic impact and strategic added value.

5.1 Establishment of the programme

Overall, the programme has a clearly articulated and robust rationale that draws on the potential for skills to contribute to productivity and competitiveness gains, makes the case for focusing on skills gaps at the intermediate level, and evidences links into the regional skills agenda as articulated in the RES.

In terms of programme design, the consortium model that is at the centre of the Training Pools approach has been a key strength.

- Overall the enhanced employer engagement that is central to the model has been adopted across the pilots.
- Pilots have adapted the model to suit the specifics of their intervention and the nature of the employer and provider base they have engaged with.
- Pilots have demonstrated that the model has the potential to deliver on the specific aims that the Training Pools programme was set up to achieve: enabling businesses to strengthen their influence on what provision is required and how this is shaped to meet their skills needs; and facilitating collaboration between businesses and training providers to develop the most relevant and useful provision. This evaluation has found evidence of greater collaboration between employers and some evidence of improved working between employers and providers.

The recruitment of potential projects to the programme was largely left to market response. The consequence of this was a variable response in terms of the quality and focus of pilot bids. The programme would have benefited from greater targeting in order to ensure that:

- Pilots were funded in sectors that provided the greatest potential to achieve productivity and competitive gains by investment in skills acquisition at level 3;
- Businesses targeted were those most likely to achieve productivity gains as a result of their involvement.

The programme has sought to respond to market failures resulting from employers' underinvestment in training and perceived supply side gaps. Arguably there has been

too strong a focus on the latter and a lack of critical challenge to appraise the extent to which addressing supply side failure offers the potential to truly deliver on employers' demands for training interventions that clearly provide a business benefit. Employer investment is key to sustainable intermediate level training; the ability of some projects to address this is currently questionable.

It is also evident, based on the experience and progress made by projects to date that bidders would have benefited from greater support to ensure that the market failure identified as part of the rationale was the *right one* and that the intervention logic clearly responded to this. For example, one project correctly identified that supply side market failure was a cause of the shortage of skills staff, but failed to identify the specific cause of market failure as the capacity of existing providers to deliver appropriate provision. Consequently the lead body placed insufficient emphasis on building the capacity of the provider in question and as a consequence the project is falling short of its objectives.

It is clear from the intervention logic of individual pilots that not enough attention has been given to how approaches will be sustained and the potential risk factors that might act as barriers to this.

In accounting for these shortcomings, consideration should be given to the project appraisal process. Although this process was largely robust and fair in testing and shaping bids, there was arguably insufficient attention paid to three key factors:

- Financial viability and sustainability of proposals – and in particular the business case made by potential bidders. The appraisal process should have more clearly determined the set up cost of pilots and the potential scale of delivery in order to assess the potential sustainability and financial viability of proposed approaches;
- Risk assessment - stronger focus could have been placed on verifying the market failure and proposed intervention logic to address this;
- Technical assessment of bids – greater consideration could have been given to verifying the robustness of proposed delivery mechanisms, particularly in projects where partners were to play a key delivery role.

5.2 Delivery of the programme

In terms of planning their interventions:

- The short duration allocated by projects to prepare for pilot delivery has proved a key challenge in some. This is particularly the case in pilots that are pursuing more formal qualifications and where the design of materials has been largely a consultative process organised through committee.
- Strong partnership working has aided the efficiency of the planning process. A number of projects have effectively capitalised on the requirements of the bidding process to lay the foundations of partnership working needed to move smoothly through the planning stage. Where pilots have built on prior experience of joint working this has also been an asset.

In terms of the delivery of pilots:

- Most projects are delivering their pilots within acceptable margins of cost and timescale;
- Stretching targets were set at the programme level and by individual projects. This is appropriate given the need to robustly evidence the viability of Training Pools interventions. However, performance has fallen short. The scale of intervention and approaches planned by pilot projects does not mirror the output related expectations of the programme. Performance against targets to date has been mixed and over half of projects do not have measures in place to upscale delivery to the level needed to meet the targets established at the outset of their project.
- A significant number of the challenges that projects have faced result from shortcomings in the early stages of developing their approaches: weaknesses in the rationale and intervention logic of a number of projects have been exposed. A key objective of the programme however is to test the viability of approaches and in this sense valuable lessons can be learnt from this experience at the programme level;
- Less beneficial have been delivery challenges that have resulted from ineffective project management. These have served to detract from the 'testing' of interventions.

5.3 Impact of the programme

Training Pools pilots are generating positive impacts for both employees and employers. These include the acquisition of new skills, knowledge and information that are improving individuals' ability to work more productively in some instances and also have the potential to provide business benefits.

There is little evidence to date however, that Training Pools interventions are impacting on businesses' bottom line. Skills are one of the many factors that contribute towards productivity; therefore a degree of proportionality is required in drawing conclusions about the success or failure of pilots because of this.

It is essential however, that pilot projects are equipped to collect data on the relevant measures that will indicate whether an economic impact has been achieved, and the key factors that need to be discounted in order to assess the net economic impact of interventions. There is little evidence that all projects have the necessary systems in place to capture this data.

Finally, in terms of the sustainability of pilot approaches, the majority of projects point to the importance of the Training Pools pilot in providing the evidence needed to make the case for the mainstreaming of their approaches and in terms of building a persuasive argument that will attract the interest of employers. The scale of some pilot projects (in terms of the number of employers or employees engaged) is small or uncertain at this stage. A key concern needs to be the ability of projects to influence the supply side and employers given the small scale on which their interventions have been tested.

5.4 Recommendations

There are a number of key recommendations that the SEEDA team managing the Training Pools programme should consider taking forward. These are limited at this

stage in delivery to suggestions that assist pilots to deliver on and evidence their proposed outcomes.

- Most projects have yet to firm up their plans for evaluation. This provides the opportunity for SEEDA to provide the advice and support that is needed to ensure that the project level evaluation is sufficiently focused on evidencing the impact of the pilots and that measures are put in place to ensure monitoring and evaluation data collected will provide the basis for a full assessment of economic impact in the final programme level evaluation. Projects should be encouraged to appoint independent evaluators if this is feasible given their stage of delivery. The focus of project level evaluation should be on the robust assessment of additionality and value for money as well as identifying more general lessons and elements of good practice.
- A number of projects are either behind schedule or stalling. SEEDA contract managers should maintain a close watching brief over these projects and work closely with projects to assess what steps can be taken to ensure the delivery and 'testing' of pilot approaches. In some instances, it may be necessary to rationalise the scope of pilots in order to ensure a degree of 'testing' takes place.
- An assessment of value for money should be included in the final programme evaluation. In order to achieve this the following steps will need following:
 - Collation of robust cost data by projects in order to full ascertain actual set up and unit costs of interventions, as well as stronger evidence of what employers and other funders would be willing to pay for the intervention and a clear indication of the volume of delivery needed to make an intervention sustainable and whether there is actual market demand to achieve this.
 - An assessment of the outcomes the pilot has generated that where possible compares the quality and quantity of outcomes achieved by the pilot with similar training initiatives present in the sector. Project level evaluators with sector knowledge would be best placed to conduct this.
 - An assessment of 'customer' satisfaction following the completion of interventions conducted through a beneficiary survey. This can be conducted at programme level.

The interim evaluation of the Training Pools programme also provides useful insights that SEEDA may wish to consider in the future planning and development of skills related initiatives. These lessons are as follows:

- Development of an intervention logic – with any programme, a useful starting point is the development of a clear intervention logic. This has the benefit of providing a framework for evaluating a programme and generating the criteria against which potential bids can be assessed.
- The link between skills and productivity is complex – therefore to achieve the greatest benefit from an intervention a process must be put in place by which assumptions around market failure are tested, and proposed intervention logics challenged. This could be integrated into the bid appraisal process but would be more usefully employed earlier on in programme development through for example, workshops or briefing sessions with potential applicants.

- Target setting – the experience of Training Pools suggests that two key factors should be borne in mind in future programmes: the first relates to the deliverability of targets once a programme moves from the scoping phase into detailed planning following the selection of projects. Assessing potential performance against targets at this stage will indicate whether targets should be reviewed or steps taken to ensure projects meet their commitments to deliver. Secondly, there is an argument of particular relevance to pilot programmes to suggest that the period over which outputs and outcomes are attributed to a programme should extend beyond the programme funding period in order to capture the full value of the investment in establishing the initiative.
- By their nature, demonstration programmes are likely to have, and should adopt, a greater level of risk than other programmes. They therefore require a more hands on approach towards programme management than other programmes. For some pilot projects this might mean closer scrutiny and monitoring. In most cases what is required are opportunities for pilots within a programme to share their experiences of challenges and lessons to assist others in overcoming problems as these arise.
- Assessing the capability and capacity of project leads and partners – close attention to the details of how interventions are to be managed and delivered is required in order to ensure robust piloting. Employing independent sector expertise can provide stronger scrutiny in the bid appraisal process while conducting interviews with shortlisted bidders provides the opportunity for a more general assessment to be made.
- Evidencing experiences – pilots are run to test and also *demonstrate* whether approaches do or do not work. Demonstration of success or failure requires close attention to the lessons learnt, the assessment of impacts and added value. Therefore it is essential that measures to robustly evaluate at the programme and project level are established at the outset. Independent project level evaluation is particularly important in generating the detailed information that employers will want to know before they invest in an approach and in terms of generating a credible evidence base from which pilots can go on to lobby for further supply side support.
- A strategic steer – it is useful in programmes that seek to test and innovate to involve a group of stakeholders with the knowledge and experience to provide a strategic steer throughout the programme. This has a number of uses: it can ensure that a programme remains routed within the strategic aims and objectives that led to the programme rationale at the outset and also provide a mechanism for disseminating and spreading good practice established by the programme and potentially provide the linkages needed to sustain successful approaches.

APPENDIX 1 – RESEARCH TOOLS

Interim Evaluation of the Training Pools Programme

Interview Schedule: Project Deliverers

Begin by explaining the objectives of the study:

- *Review and assess the rationale, design and process put in place to establish the programme*
- *Assess the effectiveness and efficiency of programme delivery*
- *Evaluate the programme's outputs and outcomes, exploring economic impact and strategic added value together with an overall assessment of the programme's performance to date.*

Explain that views are expressed in confidence.

Other aspects of the study include:

- *A review of bid documents and monitoring data*
 - *Interviews with SEEDA staff*
 - *Project and programme partners and stakeholders (gather contact details for up to 6 partners and project stakeholders if not received already)*
-

1 Rationale, approach and planning

1.1 How did the project first hear about the Training Pools Programme and what was their motivation to apply for funding?

- Was the Training Pools programme perceived to offer something that other programme don't?

1.2 Explore the rationale underpinning the project and the specific intervention.

- What specific challenge had the project sought to address?
- What evidence is there of this? (were employers consulted? What sector intelligence was used e.g. the SSA or other sources etc.)
- Is there any evidence of adverse equalities impact?
- Why was the particular approach chosen? (how does it sit alongside what is already in the market place?)

1.3 Project planning and partners

- Who was involved in pulling the project specification together?
- Why were specific partners chosen? (had the project provided an opportunity to work with new partners?)
- How was the intended scale of the programme determined (i.e. number of employers, employees that the project intended to work with)

- Employer contribution (?)

2. Progress to date

2.1 At what stage in the delivery cycle is the project? Review the main tasks carried out so far.

- Are you satisfied with the progress you have made?
- Are their aspects of development and planning that have progressed better or less well than you expected? Why is this? (e.g. explore employer engagement in project development, materials development, recruitment of key staff etc.)
- Has the project been successful in securing the match funding specified in the initial bid from others? (any particular issues relating to this)

2.2 Review project outputs to date (Review data collected on the project pro-forma and discuss the main output measures that the project is monitoring)

- Is the project on track with project delivery? (Employers engaged; training sessions delivered; employees trained)
- Is the cost of delivery in line with expectations (see cost section in the pro-forma)
- What's worked particularly well?
- What specific challenge have been faced and how are these being addressed?

3. Outcomes and impacts

Review the main outcome and impact measures that the project is monitoring. Explore the evidence that this provides then discuss more generally experience of outcomes and impacts.

3.1 Is there any evidence to date of the project's impact on the employers it is working with? (use prompts only after initial response)

- Higher productivity of trained employees
- Impact on the business's bottom line
- Skills gaps closed
- Greater competitiveness in existing markets – intention to enter new markets
- Access to provision that otherwise wasn't available in the market place

- Changing perceptions of public sector funded training
- Preparedness to meet the full cost of future training
- New employers have been recruited to the programme
- Additional commitment from employers to education / training / CPD

3.2 Is there any evidence to date of the project impact on the employees that it has engaged with? (use prompts only after initial response)

- Achievement of qualifications (industry recognised / or level 3 accredited qualifications)
- New or improved skills
- Greater productivity
- Opportunities / evidence of progression in the workplace or labour market
- Motivation to invest in further CDP
- Overcoming adverse equalities impact

3.3 What have been the main benefits to your own organisation? (use prompts only after initial response)

- Expanded portfolio of training delivery
- New employer relationships or more effective relationships
- New partner relationships or greater collaboration
- Potential impact on organisations own business development process – direction of travel

3.4 What impact has the project had on the partner organisations that you are working with? (use prompts only after initial response – see 3.3)

4. Additionality

4.1 How has the project created additionality? (use prompts only after initial response)

- 'Packaged funding more effectively
- Developed activity that would have otherwise been slower, not as thorough, would not have taken place
- Formed new relationships with partners, employers resulting in new areas of collaboration

4.2 Have any risks or negative impacts been encountered as a result of the delivery of this project?

- Has the activity substituted or displaced other similar activities being undertaken by other training providers – or is it likely to?
- Has (or is) the activity substituted any aspects of employers own CDP / training activity – or is it likely to?
- Have employers lost employees as a result of their acquisition of improved skills – or are they likely to?
- Would employers have paid a market rate for the training?

4.3 What do you think would have happened in the absence of the programme? (would the same activities have been generated over a longer time frame, not at all, would employers have found alternative solutions?)

4.4 Has the fact that this project has been part of the Training Pools programme funded by SEEDA made any difference in terms of how the project was planned, delivered, or the degree of networking and support that you have received?

- Has there been scope to innovate that might not have been afforded by other funders?
- Has there been opportunity to exchange learning with other projects?
- Has it influenced the employers you have worked with or the areas in which you have worked?
- Has it influenced how you intend to take the project forward?

5. Next Steps

5.1 What measures have been put in place to sustain the project activity or mainstream its outcomes once SEEDA funding draws to a close?

- Access to alternative funding streams (via FE / FE budgets)
- Integration with sector skills infrastructure such as Skills Academies
- Accreditation by awarding bodies
- Preparedness of employers to meet the cost of training (associated moves by the project to lower the unit cost potentially)

Interim Evaluation of the Training Pools Programme

Interview Schedule: Project Partners

Begin by explaining the objectives of the study:

- *Review and assess the rationale, design and process put in place to establish the programme*
- *Assess the effectiveness and efficiency of programme delivery*
- *Evaluate the programme's outputs and outcomes, exploring economic impact and strategic added value together with an overall assessment of the programme's performance to date.*

Explain that views are expressed in confidence.

Other aspects of the study include:

- *A review of bid documents and monitoring data*
 - *Interviews with SEEDA staff*
 - *Project and programme partners and stakeholders (gather contact details for up to 6 partners and project stakeholders if not received already)*
-

1 Nature of involvement and views on overall approach

1.1 What is the nature of your involvement in the project? How did this come about?

1.2 Has the project's approach made sense in the context of the challenges faced by employers in the sector and the regional context of the South East?

1.3 Does the project address market failure?

2 Progress to date

2.1 What are your views on the progress made by the project to date?

2.2 Has it operated effectively? How and why?

2.3 What do you think the project has done well?

2.4 What particular challenges has it faced and what steps have been taken to overcome these?

3 Outcomes and Impacts

3.1 Is there any evidence to date of the project's impact on the employers it is working with? (employers spend, employer behaviour etc.)

3.2 Is there any evidence to date of the project's impact on the employees that it has engaged with?

3.3 What's been the benefit to your organisation from having been involved in the project? What's your involvement brought to the project?

4. Additionality

4.1 How has the programme created additionality?

4.2 Has the project displaced existing training and employer interventions?

4.3 What do you think would have happened in the absence of programme funding?

4.4 Do you think the project has benefited having been funded as part of the SEEDA Training Pools Funding Programme?

5. Next Steps

5.1 What measure have been put in place to ensure the sustainability of the projects outcomes? Do you think this is sufficient / will be effective?

Interim Evaluation of the Training Pools Programme

Interview Schedule: Stakeholders

Begin by explaining the objectives of the study:

- *Review and assess the rationale, design and process put in place to establish the programme*
- *Assess the effectiveness and efficiency of programme delivery*
- *Evaluate the programme's outputs and outcomes, exploring economic impact and strategic added value together with an overall assessment of the programme's performance to date.*

Explain that views are expressed in confidence.

Other aspects of the study include:

- *A review of bid documents and monitoring data*
 - *Interviews with SEEDA staff*
 - *Project and programme partners and stakeholders (gather contact details for up to 6 partners and project stakeholders if not received already)*
-

1. Involvement in the project selection process

- 1.1 How did you become involved and what was the rationale for your involvement in the selection process for projects?
- 1.2 What are your views on the quality and focus of bids received for Training Pool funding?
- 1.3 Were there any sectors / organisations that didn't apply from which you would have liked to have received bids? What is your rationale for this?
- 1.4 Was there a sufficient mix of skills around the table when making the decision about which projects to fund? What did the different parties bring? How did this strengthen the decisions made?
- 1.5 What contribution do you think that the projects selected will make to the regional skills agenda?

2. Progress, Outcomes and Impacts (if the interviewee is aware of progress)

- 2.1 Overall, what are your views on how projects are currently performing.
- 2.2 What aspects of the programme are going particularly well
- 2.3 What specific challenges are being faced? Are measures in place to address these?
- 2.4 What are the emerging benefits for:
 - Employers
 - Employees
 - Delivery organisations and partners

3. Strategic Added Value

- 3.1 In your view what is the added value of SEEDA supporting this sector skills development initiative? (prompts to be used only after initial response)

- Leadership – e.g. funding sector skills agenda
- Initiative – taking the lead on funding skills gaps

3.2 Has the programme been able to influence the policies and programmes of others (e.g. LSC, SSCs, qualification bodies) – how has or will this be achieved?

3.3 Is there any evidence to suggest that the Training Pools programme will leverage additional investment into the region?

3.4 Is there a benefit to projects derived from the fact that this particular programme funding has come through SEEDA? (e.g. in terms of coordination, facilitating partnerships for delivery, sharing learning).

Interim Evaluation of the Training Pools Programme

Interview Schedule: Employers

Begin by explaining the objectives of the study:

- *The study is being carried out for SEEDA (RDA in the South East).*
- *'SEEDA funding is contributing toward the delivery of x project, with which you are involved.*
- *The purpose of our visit is to gather information on how employers are involved, your views on the quality of provision and the business benefits of engagement*

Explain that views are expressed in confidence.

The checklist can be delivered in 20 minutes

Section A Employer receives training

1 Nature of involvement with the project		
1.a Involvement in the design and development of the product delivered by the project		1.1a
1.b Company is involved in the delivery of the product together with the project		1.1b
1.c Company receives / is a beneficiary of the product		1.1c
2 Employer background		
2.2a Confirm the nature of the business		2.2a
2.2b How many people do you employ on this specific site?		2.2b
2.2c And how many people does your company employ nationally?		2.2c
3 Training Profile		
3.1 Aside from the training provided by Project x, have you provided any training for your employees over the past 12 months	Yes No	3.1
3.2 What types of training was provided and for whom:		
3.2a Generic Skills (team working, leadership, planning, time management, customer service H&S etc.)	Managerial staff Technical staff Operatives or non skills staff All staff	3.2a
3.2b Training towards qualifications – HND /Diplomas/ NVQs / Modern Apprenticeships	“	3.2b
3.2c Training for staff to achieve occupation standards relating to their job (industry recognised)	“	3.2c

3.2d Training for staff to update their skills (CPD)	“	3.2d
3.3 Roughly, what percentage of the training you provide is delivered internally and how much is training that you pay a person from outside your organisation to deliver?	% Internal % External	3.3
3.4 When you pay for training where do you most commonly go?	HE FE Private training provider Not for profit / voluntary sector	3.4
3.5 Broadly speaking which group of employees most often receive training?	Managerial Staff Technical Staff Operative or non-skilled staff Equality split	3.5
4 Experience of Project X – ALL EMPLOYERS THAT HAVE USED TRAINING / QUALIFICATIONS / OTHER PRODUCTS & SERVICES DELIVERED BY THE PROJECT		
4.1 How did you hear about the training provision offered by project x?		
4.1a Marketing literature provided by the project / delivery organisation or partner?		4.1a
4.1b Direct approach from the project / delivery organisation or partner?		4.1b
4.1c Experience of working with the project previously		4.1c
4.1d Word of mouth from other employers		4.1d
4.1e Other – please specify		4.1e
4.2 Which factors influenced your decision to use training offered by project x?	Very important Quite important Neither important or unimportant Not at all important	
4.2a The reputation of the training provider	“	4.2a
4.2b The ability to offer training that is tailored specifically to the businesses needs	“	4.2b
4.2c The opportunity to access training / qualification that have not been available previously	“	4.2c
4.2d The provision is reasonably priced	“	4.2d
4.2e The opportunity for training to take place on-site at the	“	4.2e

employers premises		
4.2f The opportunity to access training / CDP in new ways e.g. e-learning, mentoring.	“	4.2f
4.2g The opportunity to access training that will generate a productively boost or competitive advantage to the company.	“	4.2g
4.2h The opportunity to access training that meets industry standard	“	4.2h
4.2i The opportunity to access training that leads to a recognised qualification at Level 3 or Level 4	“	4.2i
4.2j Comment	Free Text	
4.3 How many employees have taken part in training delivered by Project x?	Record Number	4.3
4.4 What has the training comprised of?	Text response For verification only	4.4
4.5 What is your view on the quality of the training?	Excellent Very Good Fair Poor	4.5
4.6 Please describe why	Text response	4.6
4.7 Was the training value for money?	Excellent Very Good Fair Poor	4.7
4.8 How does the cost of training compare with other comparable training that you have purchased recently?	More expensive On a par Cheaper	4.8
5 Business Benefits – has your involvement impacted on your business in any of the following ways, or is it likely to?		
5.1a Participating employees have gained skills and experience that are valuable to the business	Yes – impact No – impact Yes – likely to	5.1a

	Probably likely to Not likely to	
5.1b The business now has staff equipped with technical skills or knowledge that have closed skills or knowledge gaps	“	5.1b
5.1c The business has been introduced to new working practices	“	5.1c
5.1d The business is now better equipped to compete in existing markets	“	5.1d
5.1e The business is now better equipped to enter new markets	“	5.1e
5.2 Have any of these factors had an impact on your business's 'bottom line'? If 'yes' – follow on with questions	Yes / No	5.2
5.2a Increased wages per head	Yes – impact No – impact Yes – likely to Probably likely to Not likely to	5.2a
5.2b Increased sales	“	5.2b
5.2c Increased profits	“	5.2c
5.3 If impact is 'yes'. Discuss: How or by how much has the intervention impacted? Why and how has the training made the difference? Comment:	Free Text	5.3
5.4 If answered 'yes' or 'probable' to likely impact explain why and how the intervention is likely to make a difference and over what timeframe? Comment	Free Text	5.4
6 Net impact – has the company experienced any of the following as a result of accessing provision offered by Project x		
6.1 Have you lost any employees as a result of their acquisition of new skills?	Yes No	6.1

6.2 Have you stopped purchasing similar training provided by other providers?	Yes No	6.2
6.3 Have you stopped delivering similar training that you previously delivered in house?	Yes No	6.3
6.4 Comment	Free Text	6.4
7 Future intentions – based on your experiences so far		
7.1 Would you work with the training provider again?	Very likely Probably Probably not Very unlikely	7.1
7.2 Would you consider approaching other colleges, universities and publicly funded education providers in the future?	“	7.2
7.3 Will you avoid using colleges, universities and other publicly funded education providers in the future?	“	7.3
7.4 Would you be willing to pay more / pay for the training once SEEDA funding ends?	Yes / No	7.4
7.5 How much would you be prepared to pay?	Free Text	7.5
7.6 To what extent does the training represent a good investment of time and resources?	Strongly agree Tend to agree Tend to disagree Strongly disagree	7.6
7.7 In terms of training at your company, in the next 12 months are you likely to ...	Train more Train less Carry out the same amount of training	7.7
7.8 Has this decision (5.7) been influenced because of your involvement in the project?	Yes No	7.8
7.9 Are there any remaining gaps in training / CPD provision that need plugging in order for you to improve the competitiveness of your business? (focus on provision not already in the market place –	Free Text	7.9

and discuss at what level this training needs to be provided).		
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Section B – Employer was involved in the design and development of the product

1. How did you get involved?
2. Why did you get involved (perceived benefits)?
3. What has involvement meant in practical terms (how much time has been invested – what particular task has the employer been involved in)
4. To what extent do you think employer involvement has influence the design of produced developed by Project X? How has it influenced them?
5. What have the benefits been to you, as an employer?
6. How has your involvement benefited Project X?
7. Would you get involved in this type of collaborative activity again? (why or why not?)

Employers that were offered but declined the opportunity to take part in the programme

1. How were you initially approached about participating in the programme?
2. What influenced your decision not to get involved?
3. Is there anything that the project could have delivered / done differently to influence your decision?

Interim Evaluation of the Training Pools Programme

Interview Schedule: Employees

Begin by explaining the objectives of the study:

- *The study is being carried out for SEEDA (RDA in the South East).*
- *'SEEDA funding is contributing toward the delivery of x project, with which you are involved.*
- *The purpose of our visit is to gather information on how employees were involved, your views on the quality of provision and the business benefits of engagement*

Explain that views are expressed in confidence.

1. How did you get involved?
2. Why did you get involved (career progression, employer requested participation etc.)?
3. What has been involved in practical terms (time commitment – number of training sessions attended)
4. What are your views on how the course / training package has been delivered?
5. What aspects have worked well from your perspectives?
6. Are there any areas in which there is room for improvement?
7. How will the course / training help you in your role at work?
8. Have you gained new or improved skills? Or Are you likely to gain new or improved skills?
9. Are there any longer term benefits from having done this?
 - a. Have you wages improved or are they likely to improve because of this training experience?
 - b. Have you or will you gain a qualification? How important is this?
 - c. Will your participation in the course make you more employable?
10. If you hadn't taken part in this specific course / training are there others that could have provide comparable experience and skills development?
11. Do you live in the South East?

APPENDIX 2 – STRATEGIC ADDED VALUE FRAMEWORK

Direction – Leadership / Catalyst	<ul style="list-style-type: none"> ▪ Showcasing of projects - innovative approaches - on a national basis Demonstration of transferability of approach and benefits to other sectors / Improved synergy between employers and supply chain ▪ Collaborative action of competitive employers to jointly contribute to learning products and solutions – or share experience and knowledge ▪ Support for innovations that will enable SE based business to enhance their future competitiveness and growth ▪ Training providers are influenced to develop skills development programmes that are more responsive to employers demands and appropriate to employees needs. 	Number of projects that can demonstrate this and the number of instances in which this has been achieved.
Influence	<ul style="list-style-type: none"> ▪ Intelligence generated by the project influences policy makers and relevant strategies (skills strategies, SQS) ▪ Successfully developed and trialled qualifications are taken on by national bodies – potentially for role out and funding ▪ Products generated by the programme achieve national application by employers working across different regions ▪ The application and ‘testing’ of innovative products to skills gaps. 	Number of projects that can demonstrate this and the number of instances in which this has been achieved.
Catalyst / Leverage	<ul style="list-style-type: none"> ▪ Match funding generated for the programme from other sources ▪ Additional value brought to interventions through leveraging in the involvement of other key partners ▪ Continued investment in Training Pool initiatives and products by employers and public sector funders. 	Number of projects that can demonstrate this and the number of instances in which this has been achieved.
Engagement	<ul style="list-style-type: none"> ▪ Greater coordination and cohesion in the regional supply side offer 	Number of projects that

	<ul style="list-style-type: none">▪ Greater collaborative working between employers (e.g. through their involvement in project steering groups) and public sector partnerships▪ Employers champion the initiative and promote to other employers▪ Cross-regional partnerships (for development and delivery of products) enable information exchange – potential for adoption across other regions▪ Dissemination of project materials and outcomes.	<p>can demonstrate this and the number of instances in which this has been achieved.</p>
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