



Llywodraeth Cymru  
Welsh Government

RESEARCH, DOCUMENT

# Evaluation of the Flexible Skills Programme: final report (summary)

The review was expected to consider the outputs of the Flexible Skills Programme (FSP) to date, the outcomes and impacts of the FSP to employers and employees and the possible improvements to the FSP in future.

**First published:** 9 July 2024

**Last updated:** 9 July 2024

**This document was downloaded from GOV.WALES and may not be the latest version.**

Go to <https://www.gov.wales/evaluation-flexible-skills-programme-final-report-summary-html> for the latest version.

Get [information on copyright](#).

# Contents

[Research aims and methodology](#)

[Main findings](#)

[Recommendations](#)

[Footnotes](#)

[Contact details](#)

**This document was downloaded from GOV.WALES and may not be the latest version.**

Go to <https://www.gov.wales/evaluation-flexible-skills-programme-final-report-summary-html> for the latest version.

Get [information on copyright](#).

# Research aims and methodology

The review was expected to consider:

- the outputs of the Flexible Skills Programme to date, including the number of employers and training interventions supported, and the types of training interventions delivered
- the outcomes and impacts of the FSP to employers, including economic outcomes, business impact, relationships formed or strengthened with learning providers and what employers would have done without the programme
- the outcomes and impacts of the FSP to employees, including any employment and skills outcomes and impacts for individuals
- possible improvements to the FSP in future, including consideration as to whether the design and intervention rate for the programme is appropriate, the availability of Welsh medium courses to meet demand, the flexibility and responsiveness of the programme to business need, the efficiency of the customer journey in accessing FSP support and lessons learned for future skills interventions.

The review was undertaken between December 2023 and April 2024.

The methodology involved desk-based research and fieldwork with a wide range of contributors including employers and employees of businesses in receipt of FSP funding.

## Main findings

The review found that the FSP has remained strongly aligned with the Welsh Government's skills policy priorities since its establishment. although it seems to

**This document was downloaded from GOV.WALES and may not be the latest version.**

Go to <https://www.gov.wales/evaluation-flexible-skills-programme-final-report-summary-html> for the latest version.

Get [information on copyright](#).

be somewhat under the radar and is not explicitly mentioned in current overarching national policy documents.<sup>[footnote 1]</sup> It features prominently in a number of key sectoral policy documents, particularly for Advanced Manufacturing and Engineering<sup>[footnote 2]</sup> and Creative<sup>[footnote 3]</sup>, and fits with the priorities set out in a number of other policy documents particularly those relating to Digital<sup>[footnote 4]</sup> and Net Zero.<sup>[footnote 5]</sup>

The design and structure of the FSP enables it to support business development projects in strategically important companies based in Wales as well as drive the focus on priority skills across key employers more broadly. Its design allows it to listen to industry representatives and to adapt and evolve continuously. As such it responds well to the needs of key industries and sectors. The FSP does not stand still, and there is clear evidence that the team is making continuous improvements to its design and structure whilst keeping the administrative burden as lean and light-touch as is possible.

The FSP complements the wider skills offer of Welsh Government well and no major duplication was identified. If anything, businesses often value the flexibility and the ability of the FSP to fund bespoke training support (with its 50 per cent intervention rate) more so than the 100 per cent contribution provided by other schemes, such as the Personal Learning Accounts, suggesting that this approach responds well to the needs of businesses.

Companies deemed to be strategically important by Welsh Government were found to value the strong relationship that exists between them and the Employer Engagement team and feel that the design of the FSP allow them to commission tailored training to fill gaps and move the business forward at a quicker pace and at a greater scale. The potential availability of FSP funding also plays an important role in the Welsh Government's offer for companies looking to invest in Wales.

To date, promotion of the FSP has been primarily through word of mouth or via an existing relationship with a Welsh Government contact, but there is evidence

that increasing numbers of employers are being informed about the programme via online information and promotional literature. There is a risk over the coming years that the FSP, with its modest budget, could be over-subscribed which would result in the Welsh Government having to re-design the programme, for example by prioritising the support, tightening the eligibility criteria or lowering the cap on the funding available per employer.

Feedback from employers about the application process and the subsequent claims process is overwhelmingly positive and the FSP is a stand-out exemplar of how a programme should be managed. Minor issues have been raised in terms of clarity and interpretation around some eligibility criteria or a misunderstanding of how the programme operates – mainly from those companies who have not had direct initial interaction with the Employer Engagement team.

The delegated authority provided to the Employer Engagement team to make funding decisions, and the ability to over-programme the funding annually contributes to the smooth running of the programme. The requirements placed upon applicants are broadly commensurate to the amount of funding being claimed, and the FSP has purposely and purposefully streamlined the process whilst ensuring due diligence. However, for employers who tend to claim year-on-year it would be useful to capture feedback and evidence of outcomes and impacts from previous funding commitments.

The FSP has secured good geographical coverage across Wales, with demand from south east Wales being particularly high, in line with the regional distribution of businesses in Wales. The support via the Business Development stream, the Advanced Manufacturing and Engineering strand and the Digital strand are in particularly high demand by companies. Funding for tourism and hospitality companies seems to be of lower financial value with a relatively low demand for the funding and could be de-prioritised now that the direct impact of Covid has diminished, whilst demand for Export strand training support is low. The monitoring information data, and the evidence gathered during our

evaluation suggest that there will be growing demand for both Creative and Net Zero over the coming years.

Very few partnership projects request the full amount of training funding available, suggesting that the cap could be decreased to £20,000 in future.

The FSP has supported almost 200 applications in the last two years, from 144 businesses, which means that around 25 per cent are repeat applications by businesses. The FSP does not have the tracked data on actual spend (and delivery) to allow us to draw any specific value for money conclusions, but on the basis of information provided in the successful applications over 8,000 training interventions<sup>[footnote 6]</sup> were planned which results in an average cost to the Welsh Government of £384 per intervention.

The evidence gathered during the evaluation strongly demonstrates that the FSP is contributing to upskilling the workforce and is helping advanced manufacturing and engineering companies in particular to improve efficiency and competitiveness and secure a stronger future in their region.

It is not possible to report upon programme level outcomes and impacts, as the FSP team are not collecting any monitoring data from supported employers at the moment to allow for analysis of jobs created or improvements to turnover or profitability, but there is some anecdotal evidence from businesses that FSP funded training contributes to these improvements in some instances.

There is evidence that the FSP enables employers to deliver more training than would otherwise be the case. Companies utilise the funding to double the training being provided rather than use the FSP to halve the cost of training they would have provided anyway. The FSP also appears to enable employers to fund training that aligns with the longer-term strategic planning and needs within companies. Without the FSP, training budgets would be mainly focused on funding statutory training and training needed to deliver business as usual provision. The addition of FSP funding therefore seems to impact positively on

the rate at which businesses can achieve improved productivity and profitability. There is also evidence that the FSP is making an important contribution to improving management and leadership skills in companies that have identified this as a priority within their current circumstances.

Employees value the investment made in them as a result of the additional training made available due to the FSP support. This has a positive and direct impact on staff morale and in some cases there is evidence that FSP-funded training has contributed to the retention of staff. The evidence also shows that employees perform better and take on more responsibility at work as a result of undertaking FSP-funded training, but there is less evidence of any direct impact on pay and promotion.

Several case study businesses highlighted the impact of leadership and management training not only in enabling them to make best use of new technology and production processes, but also in responding to succession planning issues that arise from an ageing workforce or to pressures on existing workforces.

Whilst the FSP provides employers with the flexibility to choose their own training providers, there is evidence that this has enabled employers to demand training that is more bespoke to their needs, or is delivered on-site, which in turn enables a greater number of staff to take part. Whilst it has not been possible to undertake a detailed analysis of the geographical location of all training providers, the evidence gathered via the surveys and the deep dives of case study employers suggests that a high percentage of training provision is sourced from within Wales. The FSP also helps to develop or improve existing relationships between employers and Wales-based training providers, and inadvertently opens up new opportunities to roll-out training originally developed to respond to the bespoke needs of FSP funded employers.

The FSP is a highly regarded programme that is managed exceptionally well and achieves positive impacts on Wales-based businesses. There is good

practice and lessons to be learned from its implementation and impact that should be communicated and replicated more widely across the Welsh Government.

## Recommendations

Strategic level and operational recommendations for future FSP delivery are made below:

### Operational Recommendations

#### Recommendation 1

The FSP team should continue to discuss the needs of the sector with appropriate industry representatives and adapt the criteria accordingly on an annual basis. There are no obvious gaps in the current provision, but we suggest that the Export and Tourism/Hospitality strands could be phased out over coming years.

#### Recommendation 2

We recommend that the FSP lowers its cap on partnership project funding to £20,000. It should also consider a minimum application level of £1,000 to avoid too many small-scale applications that are not cost-effective for the team to administer.



### **Recommendation 3**

The Welsh Government should ensure that FSP eligibility criteria is clearly explained in the guidance and on promotional materials. Communication with successful applicants should also highlight the ability to amend and adapt training provision where needed (e.g. if the training provider or date for the training changes).

### **Recommendation 4**

One of the key strengths of the FSP is its light-touch request for information from applicants. However, there would be merit in requiring some basic evidence of outputs, outcomes and impacts achieved either from all successful applicants (by an end of year survey for example) or at least from those who apply again for funding (via a specific question on their application forms) so that evidence of FSP impact is gathered on an on-going basis.

### **Recommendation 5**

The Welsh Government should consider whether any funding agreed can be made available to companies for 12 months from the date of approval rather than place a requirement for it to be spent by the end of Welsh Government financial years to support their planning and to take into account the time it takes to arrange and diarise training provision around day-to-day demands in some sectors.

### **Recommendation 6**

The FSP should maintain Leadership and Management training as a cross-

cutting theme where it supports associated technical investment (e.g. in new software or processes) and also where a clear case is made for it to respond to future planning/succession needs.

## **Strategic recommendations**

### **Recommendation 7**

Considering the light-touch nature of the administration of the FSP programme by a small team of people, the adaptability and flexibility of its approach, the success it achieves from a 50 per cent intervention and the positive impacts reportedly achieved by employers, there would be merit in the Welsh Government considering expanding the promotion of and budget for the delivery of the FSP programme. In doing so, additional capacity to engage with SMEs could also be factored into the implementation model.

### **Recommendation 8**

The FSP is an exemplar programme, particularly in the way it has sought to respond to demand and need and has streamlined its administration accordingly and appropriately. Opportunities should be sought for the FSP team to share its approach (including the over-programming element) more widely and the Welsh Government should seek to replicate this type of approach more widely across its other funding programmes designed to support the needs of Wales-based businesses.

## Footnotes

[1] Such as [Programme for Government: update, Stronger, fairer, greener Wales: a plan for employability and skills](#) and [Economic mission: priorities for a stronger economy](#)

[2] [A Manufacturing Future for Wales: A Framework for Action](#)

[3] [Creative Skills Action Plan \(Creative Wales\)](#)

[4] [Digital Strategy for Wales](#)

[5] [Net Zero Skills Action Plan](#)

[6] This is each training session attended rather than each individual trained. An employee attending more than one training session will be counted each time as a 'training intervention'

## Contact details

Report authors: Heledd Bebb, Nia Bryer and Tanwen Grover, OB3 Research

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

For further information please contact:

Sean Homer

Email: [kasemployabilityandskillsresearch@gov.wales](mailto:kasemployabilityandskillsresearch@gov.wales)

Social research number: 50/2024

Digital ISBN 978-1-83625-208-5

This document was downloaded from GOV.WALES and may not be the latest version.

Go to <https://www.gov.wales/evaluation-flexible-skills-programme-final-report-summary-html> for the latest version.

Get [information on copyright](#).



**This document may not be fully accessible.**

For more information refer to our [accessibility statement](#).

**This document was downloaded from GOV.WALES and may not be the latest version.**

Go to <https://www.gov.wales/evaluation-flexible-skills-programme-final-report-summary-html> for the latest version.

Get [information on copyright](#).