Skills Priority Programme Review
Final Report
Skills Priority Programme Review – Final Report

Authors:
Dr Andrew Engeli  Wavehill Social and Economic Research
Philip Wilson  Wavehill Social and Economic Research
Kimberley Wigley  Welsh Government
Hannah Davies  Welsh Government

Available at: https://gov.wales/statistics-and-research/evaluation-skills-priority-programme/?lang=en

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

For further information please contact:
Kimberley Wigley or Hannah Davies
Social Research and Information Division
Knowledge and Analytical Services
Welsh Government
Cathays Park
Cardiff
CF10 3NQ
Tel: 0300 025 0508
Email: Kimberley.Wigley@gov.wales or Hannah.Davies018@gov.wales
# Table of contents

List of tables and figures ........................................................................................................... 2
Glossary ...................................................................................................................................... 3

1. Introduction ............................................................................................................................. 5
2. Aims and Research Questions ............................................................................................... 9
3. Methodology .......................................................................................................................... 11
4. Findings .................................................................................................................................. 13
5. Conclusions ............................................................................................................................ 39
6. Recommendations .................................................................................................................. 41
List of tables and figures

Table 4.1: Strand 1 Planned and Delivered Activities..................................................14
Table 4.2: Strand 2 Planned and Delivered Activities..................................................15
Table 4.3: Strand 3 Planned and Delivered Activities..................................................16
Table 4.4: Proposed Financial Targets from original operating plans.........................17
Table 4.5: Actual spend from original operating plans.............................................17
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIM</td>
<td>Business Implementation Modelling</td>
</tr>
<tr>
<td>CPD</td>
<td>Continuous Professional Development</td>
</tr>
<tr>
<td>ES</td>
<td>Essential Skills</td>
</tr>
<tr>
<td>ESF</td>
<td>European Social Fund</td>
</tr>
<tr>
<td>ERDF</td>
<td>European Regional Development Fund</td>
</tr>
<tr>
<td>EW</td>
<td>East Wales (region of European funding)</td>
</tr>
<tr>
<td>FD</td>
<td>Foundation Degree</td>
</tr>
<tr>
<td>FE</td>
<td>Further Education</td>
</tr>
<tr>
<td>FEI</td>
<td>Further Education Institution(s)</td>
</tr>
<tr>
<td>HA</td>
<td>Higher Apprenticeships</td>
</tr>
<tr>
<td>HE</td>
<td>Higher Education</td>
</tr>
<tr>
<td>HNC</td>
<td>Higher National Certificate</td>
</tr>
<tr>
<td>HND</td>
<td>Higher National Diploma</td>
</tr>
<tr>
<td>ILM</td>
<td>Institute of Leadership and Management</td>
</tr>
<tr>
<td>ILT</td>
<td>Information Learning Technology</td>
</tr>
<tr>
<td>IQA</td>
<td>Internal Quality Assurer</td>
</tr>
<tr>
<td>IT</td>
<td>Information Technology</td>
</tr>
<tr>
<td>LMI</td>
<td>Labour market intelligence</td>
</tr>
<tr>
<td>RLSP</td>
<td>Regional Learning and Skills Partnerships</td>
</tr>
<tr>
<td>RSP</td>
<td>Regional Skills Partnerships</td>
</tr>
<tr>
<td>PfG</td>
<td>Programme for Government</td>
</tr>
<tr>
<td>SPFP</td>
<td>Sector Priorities Fund Pilot</td>
</tr>
<tr>
<td>SPP</td>
<td>Skills Priorities Programme</td>
</tr>
<tr>
<td>Acronym</td>
<td>Description</td>
</tr>
<tr>
<td>---------</td>
<td>-------------</td>
</tr>
<tr>
<td>SSC</td>
<td>Sector Skills Council(s)</td>
</tr>
<tr>
<td>STEM</td>
<td>Science, technology, engineering and mathematics</td>
</tr>
<tr>
<td>TNA</td>
<td>Training Needs Assessment</td>
</tr>
<tr>
<td>WBL</td>
<td>Work-based learning</td>
</tr>
<tr>
<td>WWV</td>
<td>West Wales and the Valleys (region of European funding)</td>
</tr>
</tbody>
</table>
1. **Introduction**

**Programme Aim**

1.1 The Skills Priorities Programme (SPP) has been designed to allow the Further Education sector to respond to and develop provision to address job specific, higher-level skills gaps, at a regional level as identified by Regional Skills Partnerships. It also supports Further Education Institutions to develop the skills base of their staff through continued professional development activity.

**Background and policy context**

1.2 Use bold to emphasise text The Programme for Government (PfG), *Taking Wales Forward*, was published on the 20 September 2016 and sets out the priorities for the Welsh Government over the next five years. In addition, the direction set by the Policy Statement on Skills (published January 2014) remains valid given the long-term challenges for Wales in raising overall skills levels, engaging more employers to invest in training, improving routes into higher learning and supporting people into better-paid employment.

1.3 The SPP is focused on responding to regional demand and aims to expand the capability of the Further Education (FE) sector to deliver job specific higher level skills learning, as identified within the ‘Regional Employment and Skills Plans, which are produced by the three Regional Skills Partnerships (RSPs) and informed by employer-led intelligence. RSPs are at the centre of our skills policy direction as Welsh Government embeds an employer informed, demand led system at a regional level to inform prioritisation of funding, aligned to key sectors, the needs of employers and the skills requirements of infrastructure projects.

1.4 The programme supports the Diamond Review - 'Review of Higher Education Funding and Student Finance Arrangements in Wales' (September 2016) recommendation to ‘increase the resources currently provided in the Skills Priorities Programme, enhancing colleges’ capacity to provide employment-focused level 4, 5 and where appropriate, level 6 qualifications’1.
1.5 SPP continues to provide the mechanism for enhancing the capacity of the FE sector to provide employer-endorsed higher-level skills, linked to the priorities identified by the RSPs aligned to investment in growth opportunities, including the priorities identified by Enterprise Zones, City Regions/Growth Bids and potential cross-border collaborations.

1.6 Although the RSPs produce Regional Employment and Skills Plans on an annual basis, published in July each year, the Welsh Government would not expect key priorities identified in the plans to change significantly. However, the funding proposals should be reviewed in response to the new Regional Employment and Skills Plans within the two year operating period and any revisions/ new priorities discussed and agreed with Welsh Government officials.

Programme Delivery

1.7 The programme focuses on two Strands: Higher Level Skills delivery and Capability Development. This reflects the need for the programme to focus on delivery, achieving key outcomes and implementing good practice learnt from previous innovative delivery. The two inter-related Strands of activity are outlined below.

**Higher level skills delivery (Strand 1)**

1.8 Delivery of relevant higher levels skills and qualifications for employed individuals aged 19 years and above.

1.9 Specifically, activities funded under this Strand focus on:

- Delivery addressing immediate higher level skills deficits highlighted within the RSP’s “Regional Employment and Skills Plan”
- Provision supporting demand-led progression of individuals from Level 3 to Level 4, 5 and where appropriate, Level 6, leading to the achievement of full or part qualifications;

1.10 It is important to note that activity does not displace other public funded skills provision or ESF funding.
**Capacity Development (Strand 2)**

1.11 Under this Strand, support focuses on enhancing the FE sector's capability to deliver Continual Professional Development responses to employer's emerging needs for skills and qualifications at higher levels, ensuring that the skills set of teachers, assessors and trainers can keep pace with employer requirements.

1.12 Specifically, activities funded under this Strand will focus on:

- Relevant Continual Professional Development (CPD) for tutors, trainers, and assessors directly aligned to the delivery of the activity outlined within Strand 1.
- Supporting collaborative development of new methods and systems for the delivery of training to participants, so that the training offer available to employers can be widened and reflective of their needs.
- Relevant industrial/sector updating for tutors, trainers and assessors through secondment into a suitable industrial setting; and
- Supporting collaborative joint working and sharing best practice across learning providers to develop regional responses to the skills needs of employers.

1.13 It is important to note that any CPD must be directly related to, and support higher-level skills delivery, funded through Strand 1. Therefore, a maximum of 40% of the overall funding can be allocated to Strand 2.

1.14 There are six performance indicators are recorded:

- Number of learners gaining part qualifications to progress beyond Level 3.
- Number of learners gaining full qualifications to progress to beyond Level 3.
- Numbers of FE staff participating in relevant higher-level skills curriculum development activity.
- Achievement of ‘approved centre status’ to deliver and accredit higher level skills in relevant vocational area(s).
- Numbers of FEI tutors, trainers, and assessors participating in relevant CPD aligned to deliver activities under Strand 1.
- Numbers of FEI tutors, trainers and assessors participating in relevant industrial/sector updating through secondment into a suitable industrial setting.

1.15 Additional outputs include:

- Dissemination of curriculum development achievements together with relevant resource materials to other FE providers.
- Recording of CPD undertaken so that it is recognised as part of practitioners’ annual 30-hour entitlement.
- Evaluation of practitioner feedback on the value and relevance of CPD undertaken.
- Feedback from learners and employers on the quality and relevance of higher-level skills provision, as part of institutions’ existing Learner Voice and Employer Voice mechanisms.
2. **Aims and Research Questions**

2.1 In November 2016, Welsh Government appointed Wavehill and York Consulting to undertake an independent review of the Skills Priorities Programme. This research covers both the pilot year of delivery (2015-16), and the following year of delivery (2016-17).

2.2 The evaluation aimed to review the effectiveness of the Programme to date, evidencing benefits and lessons learnt, and inform the focus of future delivery.

2.3 The Research questions included:

- To what extent has the programme developed an innovative response to the emerging needs of employers for skills and qualifications at higher levels?
- How successful has the programme been in developing new qualifications previously not available to employers in Wales; in up-skilling, re-skilling and multi-skilling the current work force to raise skills levels for Level 2 to Levels 3 and 4; in targeting areas of training delivery new to Wales?
- What impact has the CPD for tutors, trainers and assessors had on the capability and quality of higher-level skills delivery?
- How has delivery been aligned to other FE regional skills delivery and how well have other WG interventions been complemented?
- How well have learning providers worked together, sharing lessons learnt and best practice, and facilitated joint working?
- To what extent has SPP added to the number and quality of collaborations and partnerships in skills delivery (e.g. between providers, with employers, etc.)
- What lessons can be learnt from previous delivery and how can these inform development of the 2017-18 programme?
2.4 The research questions for 2016-17 delivery included:

- To what extent has the programme delivered a truly regionally focused approach, which is aligned to the three ‘Regional Skills Partnerships’ (RSPs)?
- How successful has the programme been at addressing immediate skills deficits as highlighted in the ‘Regional Employment and Skills Plans’?
- To what extent has the programme provided a response to national demand?
3. **Methodology**

3.1 Fieldwork for this programme review was undertaken by Wavehill and York Consulting, in consultation with the SPP programme management team and with the cooperation of key stakeholders. In Phase 1 of the fieldwork undertaken in early 2017, interviews were held with:

- stakeholders from the programme management team and Welsh Government (four interviews)
- other stakeholders from the skills and employability ecosystem, including the Regional Skills Partnerships (RSP) and Sector Skills Councils (SSC) (three interviews)
- representatives from the lead FE institutions from the delivery consortia (four interviews)
- representatives from partner FE institutions in the delivery consortia (nine lecturers from two partner FEIs)
- Stakeholders from the business community who have been programme beneficiaries. (two interviews)

3.2 In Phase 2 of the fieldwork, undertaken in summer 2017 after the presentation of initial findings from Phase 1, further rounds of interviews were conducted.

3.3 One of the key findings from the Phase 1 research was that there have been few businesses who knew they were beneficiaries of the programme and who could provide an informed perspective of programme delivery in one to one semi structured interviews. As previously highlighted, most of the FE institutions contacted were unable to provide contact details of businesses with whom they have directly engaged under Strand 1 of the programme delivery. In cases where business contacts were provided, it was found that those contacted were uninformed about SPP as a stand-alone programme, and unable to distinguish it from other joint activities in which they have engaged with FE institutions.

3.4 Therefore, in Phase 2 of the fieldwork, the decision was taken to also engage with a sample of delivery staff from FE institutions who have been beneficiaries of the Continuous Professional Development (CPD)
opportunities that FE institutions have undertaken under SPP. Thus in Phase 2 interviews were held with:

- a further sample of representatives from partner FE institutions (three interviews)
- front-line delivery staff from FE institutions (four interviews)
- a further sample of stakeholders from the wider skills and employability ecosystem (two interviews)
- Stakeholders from the business community (three interviews).

3.5 In Phase 2 of the fieldwork, the focus of the interviews was mostly (but not uniquely) on programme outcomes and distance travelled since the previous round of delivery.
4. Findings

Implementation

4.1 In terms of implementation of SPP, there has been a clear preference among delivery partners for Strand 2 and Strand 3 activities. From the outset, many FE providers chose to avoid Strand 1 provision, the most frequently cited reason being that there is a strong sense of overlap among providers with ESF or ERDF funded training programmes. Comments such as “to be honest, Strand 1 hasn’t been very useful to us”, “we looked at it, looked at the timescales, said we cannot do it because it conflicts with Upskilling @Work”, or “guidance has relaxed a little bit on ESF, which means that there are fewer crumbs for SPP to pick up” are indicative of the challenges that FE have felt in trying to envisage a place for delivery under Strand 1. In contrast, the reaction to Strands 2 and 3 has been very positive, with FE institutions finding ways to deliver activities under those areas.

4.2 In Table 3.1, the activities that were planned for Stand 1 in each region (as understood through reading of the project plans) and the activities that were delivered as of 31st March 2017 are laid out (taken from progress reports). The same with Strand 2 and Strand 3 activities are laid out in tables 3.2 and 3.3.
### Table 4.1: Strand 1 Planned and Delivered Activities

<table>
<thead>
<tr>
<th>Strand 1</th>
<th>North</th>
<th>West</th>
<th>East</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned</td>
<td>4 new part-time HE programmes/academic resources, 10 bespoke training packages.</td>
<td>Business Implementation Modelling (BIM) awareness and implementation, Software engineering units, delivery of CACHE L4 in Playwork, customised Business Improvement Techniques to meet employer demand to increase productivity/economic growth.</td>
<td>Delivery of higher-level skills for employers not eligible for Upskilling@Work.</td>
</tr>
<tr>
<td>Delivered</td>
<td>Activities within the Business and Management and Health and Care sectors delivered. Activities have exceeded targets.</td>
<td>Over 50 SPP training programmes across Wales contributing towards productivity growth, using range of marketing/media channels to promote to employers. Sector development in software engineering, Building Information Modelling (BIM).</td>
<td>There was no activity delivered relating to this Strand.</td>
</tr>
</tbody>
</table>
Table 4.2: Strand 2 Planned and Delivered Activities

<table>
<thead>
<tr>
<th>Strand 2</th>
<th>North</th>
<th>West</th>
<th>East</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned</td>
<td>HAs (Life Sciences, Catering), update Apprenticeship tests/learning resources, FDs (range of subjects), Development of HE Curriculum, digital literacy resources to support HAs, Translation of materials, online study skills tools, bilingual online CV/video evidence resources.</td>
<td>TNA/employer visits across 4 different sectors, development of new units/higher level/HA provision in over 20 different sectors/subjects.</td>
<td>Higher-level curriculum development, Higher-level provision development, new qualifications accredited, partnership development.</td>
</tr>
<tr>
<td>Delivered</td>
<td>Successfully delivered new Higher Apprenticeships; developments in HE curriculum through online resources; internally developed online study skills tool; digital CV tool created.</td>
<td>Activities have included a range of Higher Apprenticeships, higher-level skills, research to support standards development, marketing to businesses to identify those interested in innovative developments.</td>
<td>Activities have included: increasing the number of new accredited qualifications; achieving approved centre status to deliver higher level skills in vocational areas; expanding the number of FE staff engaged in activity focused on developing higher level skills curriculum</td>
</tr>
</tbody>
</table>
### Table 4.3: Strand 3 Planned and Delivered Activities

<table>
<thead>
<tr>
<th>Strand 3</th>
<th>North</th>
<th>West</th>
<th>East</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned</td>
<td>Accreditation (IQA, ES), workplace experience/staff placement days, ILT/eLearning CPD champions/events, teaching assistants/study skills, staff training (IT, digital literacy, ILM, higher-level skills development).</td>
<td>Digital literacy capacity assessment, work placements across arrange of sectors, staff completing relevant units to their field, CPD in a range of specific sectors, employer visits to identify potential demand for new qualifications.</td>
<td>Higher level CPD and capacity development, staff dissemination events.</td>
</tr>
<tr>
<td>Delivered</td>
<td>Implementation of a range of CPD activities which includes: various types of accreditation (IQA, Digital, HE); staff enrolled on PGCE or Prepare to Teach course; work placements; CPD in ILT; training in bilingual delivery; sector champions.</td>
<td>Delivery of a range of CPD activities including: higher-level skills development across a range of sectoral subjects (including digital literacy, STEM, BIM), work placements, master classes.</td>
<td>Staff: gained recognition to deliver higher-level skills in relevant curriculum areas; completed a range of CPD; started qualifications during the project.</td>
</tr>
</tbody>
</table>

### 4.3

In terms of programme financial performance, the original proposed operating plans totalled more than the actual budget of £4.5 million, although the North Wales bid was revised downwards. The Welsh Government has experienced problems in getting reports from the projects on time. As they have asked for monthly reports, projects have reported that it can be difficult to get up to date information within the timescale from the partners; one project commented that “by the time one report is completed another is due”. In Table 3.4, the proposals for programme spend for Financial Year 2016-17 are shown.
### Table 4.4: Proposed Financial Targets from original operating plans, (£’000s)

<table>
<thead>
<tr>
<th></th>
<th>North</th>
<th>West</th>
<th>East</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>WWV</td>
<td>EW</td>
<td>WWV</td>
<td>WWV</td>
</tr>
<tr>
<td>Strand 1</td>
<td>44</td>
<td>-</td>
<td>172</td>
<td>46</td>
</tr>
<tr>
<td>Strand 2</td>
<td>443</td>
<td>291</td>
<td>427</td>
<td>464</td>
</tr>
<tr>
<td>Strand 3</td>
<td>919</td>
<td>664</td>
<td>300</td>
<td>389</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,406</strong></td>
<td><strong>955</strong></td>
<td><strong>900</strong></td>
<td><strong>900</strong></td>
</tr>
</tbody>
</table>

Source: Operating Plans 2016-17

Note: these were revised following bidding; North Wales was over bid and revised to 1,800

### Table 4.5: Actual spend from original operating plans, (£’000s)

<table>
<thead>
<tr>
<th></th>
<th>North</th>
<th>West</th>
<th>East</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>WWV</td>
<td>EW</td>
<td>WWV</td>
<td>WWV</td>
</tr>
<tr>
<td>Strand 1</td>
<td>6</td>
<td>-</td>
<td>112</td>
<td>-</td>
</tr>
<tr>
<td>Strand 2</td>
<td>159</td>
<td>260</td>
<td>464</td>
<td>505</td>
</tr>
<tr>
<td>Strand 3</td>
<td>618</td>
<td>640</td>
<td>305</td>
<td>297</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>783</strong></td>
<td><strong>900</strong></td>
<td><strong>881</strong></td>
<td><strong>802</strong></td>
</tr>
</tbody>
</table>

Source: SPP Final Reports 2017

#### 4.4 In terms of spend:

- **East Wales:** no spend under Strand 1. Both Strands 2 and 3 were close to budget with an underspend of £297k.
- **West Wales:** Strand 2 accounted for more than 50% of actual spend. Spending (£881k) was marginally below budget (£900k).
- **North Wales:** there has been limited spend under Strands 1 and 2, while Strand 3 accounts for three quarters of total spend in the region.
**Provider perceptions of implementation**

4.5 In general, there were several themes that ran throughout provider interviews about implementation: timescales, delivery model (consortia), engagement with businesses, and role of intermediaries such as the Regional Learning and Skills Partnerships and Sector Skills Councils.

**Timescales**

4.6 Almost uniformly, there was agreement that the programme suffered from problems with timescales, from the timing of programme announcement through to implementation and project reporting. It was noted that by the time the call came out for proposals, colleges were already winding up the academic year, and core staff were just about to go away on leave. This posed two challenges for creating and writing funding proposals: coordination and support.

4.7 Coordinating across institutions was harder, given that key staff were unavailable or were heavily engaged in end of year activities, and there was less administrative and managerial support to go round for those who were engaged in the bid formulation. Comments such as “it was a bit last minute and not easy to do over the summer” summarise the general feeling about the lack of time for creating thoughtful and innovative bids. In mitigating the impact of the timescales, it should be noted that the previous familiarity between institutions working through consortia eased some of these issues in terms of start-up timescales.

4.8 It should be noted that this issue is familiar to project managers and stakeholders, and largely was out of the control of that group. In the stakeholder interviews, all showed an awareness of the challenges posed by tight timescales to the FE providers, and all expressed sympathy for the position in which FE providers found themselves late in the summer of 2016. It was also noted that there has been active discussion on how to ease the problem of timescales, including putting out the call for proposals earlier in the calendar year and trying to maximise the time that colleges/consortia have to respond to it.

4.9 The other key problem of the timescales for SPP is the one-year delivery cycle. More than any other aspect of the programme, this elicited the most critical comment from FE lead and partner institutions. We would identify this as comment without malice, as most of the managers inside provider institutions are fully aware that the current one year delivery cycle is imposed by the requirement for yearly
contracts with Welsh Government; however, all pointed out that, coupled with the timing of the call for proposals, the ramping up of activities at the start of the academic year, and the very nature of the academic calendar itself, this effectively meant that the programme is being delivered within six to seven months at the most. One provider suggested that the late scheduling meant they missed the summer as a prime opportunity for staff development through employer placements.

4.10 Comments such as “we have only really just got going with delivery, and now pretty much everything is going to have to stop again” or “we have only been able to engage with 50-60% of those we could have if the programme had a longer delivery time” indicate that the short delivery time had a tangible impact upon the ability of FEI to achieve their delivery KPI’s. The fact that money has gone unspent indicates that there may be a shortfall between the programme aspiration of achieving a sustainable skills ecosystem and the current perception of start – stop short delivery cycles. In one case, an FEI provider had avoided Strand 1 provision due to the timescales (“we looked at it and said that we cannot do it because of the timescales involved”). In other cases, it was explicitly noted that the timescale prevented the adequate provision of delivery staff, as hiring would take too long into the actual delivery window.

4.11 Uniformly, there was support expressed for moving to a two-year (or even three-year) programme cycle, although some of the interviewees noted that it might make delivery provision more complicated. For example, the programme manager at one of the FEI told us that, while a two-year cycle would be welcome, “we cannot forecast employers skills needs two years ahead”. Stakeholders pointed out that the two-year cycle might have some complications with the way that contracts are currently written with FE institutions. They noted that it might also have some consequences for the way that programme monitoring and evaluation is currently configured.

**Delivery through consortia**

4.12 In general, there appears to be a very high level of acceptance of the model adopted in the current round of SPP of delivery through consortia. Almost all of the interviewees noted that the consortia have emerged on the backs of existing relationships forged through collaboration on ESF-funded programmes such as Upskilling at Work and Skills for Industry, There appears to be a shared sense that
these relationships are mature and whatever the issues that may have historically existed, they have been ironed out and no longer pose a challenge to cooperation.

4.13 Some issues that were raised regarding the consortium model concerned the leadership of the consortium in question and the funding model employed by SPP in 2016-17. Regarding the former, it was noted by one college that, while they felt that they have an excellent relationship with the lead college (and it was emphasised that this was both a personal relationship between the respective managers and also an institutional relationship between the colleges) that perhaps delivery suffered as the lead college was also lead on other (ESF-funded) programmes, thus unevenly distributing administrative burden. In this instance, it was felt that a sharing of lead role across programmes might have been beneficial to the operation of the consortium.

4.14 With regards to the funding model of SPP, it was clearly an issue that had been discussed between FE leads, providers, and SPP programme managers. The impression from the totality of the interviews was that the issue had been in some senses discussed and ‘put to bed’. The degree to which the funding model has been contested by individual FE institutions is not surprisingly correlated with consortium size; the larger consortia felt that the distribution of five equal amounts of £900,000 had favoured the small and discriminated against the large, but there was also recognition that some sort of funding model had to be implemented. There was some support for having funds distributed in other ways, although little support for going back to a one-on-one model with competitive bidding. The shared sense is that this was too onerous in administrative terms and did not create the desirable level of cooperation among area institutions. Examples were provided in more than one instance in which ‘on the ground’ agreements had been passed between FEI to adapt provision to the local business and skills needs topography. It was feared that these sorts of understandings might not exist if the funding model were to revert to a purely competitive one-to-one basis.

Engagement with businesses

4.15 All of the interviewees showed a high level of awareness of the programme aim of connecting training provision supply and demand in a more effective and more targeted fashion, adapted to local needs. Indeed, there was a very high level of appreciation among the interviewees for the goal of having FE closer to businesses and more fine-tuned in terms of the offerings of training providers. Candidly, many
of the FE providers seem aware of previous failings, such as offering courses that are not well adapted to local skills needs and area skills priorities.

4.16 It should be noted that SPP is only one part of the rethinking of skills provision on the part of FEI; as one interviewee put it (paraphrased), FEI have been fairly bad in the past about insisting that their offerings are what are needed rather than tuning them to local business needs, and that in a resource-scarce environment, many FEI had been simply unwilling or unable to change course. SPP has represented a fresh opportunity to rethink skills provision, to recalibrate courses and WBL-offerings, and to find a new mechanism by which to align supply and demand.

4.17 It was emphasised by many interviewees that, while SPP did not invent the process of FE engagement with local businesses, it provided new opportunities for doing so, and in ways that are much more flexible than ESF programmes. Several colleges attributed their successes at business engagement in skills provision to Strands 2 and 3 of SPP delivery, under which they have explored new kinds of work-based learning (WBL) arrangements, new ways of upskilling academic staff, and new forms of collaboration.

4.18 Particularly prevalent is the blending of work-based learning (WBL) and CPD, under which FEI’s have experimented with shorter or longer periods of staff placements within local businesses. In one instance, a programme manager had spent several days on short placements with local businesses, with the dual goal of both understanding the core skills needs of the businesses themselves and gaining insights into the practical applications of those skills that could then be transferred back into classroom learning. In another instance, a college was able to create a sustained programme of placements of different academic staff within one company in order to gain hands-on experience in electric and hybrid car repair, which could then be transferred back onto the FEI campuses.

4.19 Many FEI’s have developed their own business engagement units within the institutional architecture, and we detected a relationship between these units and the creative use of the opportunities provided by SPP to deepen engagement with businesses. The definition of Strand 2 activity remained, at best, unclear to the interviewees. One interviewee stated, “if the goals of skills provision is to adapt to changing local skills needs, then everything that we do is innovative, isn’t it? That was the problem in the past, not being willing to change what we are doing, and now you can’t suddenly tell us to stop changing or that somehow innovation is just
one thing”. However, there is little doubt that a large slice of the enthusiasm that was detected for SPP stems from the flexibility that FEI have found within the programme to substantially reshape their patterns of engagement with businesses.

4.20 In the Phase 2 interviews, as reported in more detail in Section 4, it was detected that one of the shifts through SPP has been the broadening of business engagement among the staff within individual FE institutions. Delivery staff who may not previously have had much of a role in business engagement or labour market intelligence have been brought into closer and more sustained contact with at least some local employers.

4.21 It was frequently emphasised, particularly in the more rural areas where business densities are lower, that the process of engagement is long and painstaking – again, echoing concerns about the limited and pressed timescales of SPP in the current and previous round of delivery. When asked about the role that the regional learning and skills partnerships (RLSP) have played in shaping business engagement and the understanding of local area skills needs, the initial reaction of our sample tended to be that the RLSP play an important role. However, once probed at this simple statement, more complex reality was found.

4.22 There was a perception among most FEI that the RLSP provide useful higher-level information and intelligence about wider area needs and future and emerging demands, but that they do not provide much actionable information. For example, one programme manager stated, “The [RLSP] doesn’t tell me anything on a day to day basis about who I should talk to or who wants to talk to me”. Furthermore, almost everyone interviewed at some point mentioned the relative youth of the Regional Skills Partnerships (RSP), and the relative lack of definition about their sustained role in the skills provision architecture. Two FEI programme managers in different regions pointed to the lack of staff within the RSP; one stated, for example: I’m sorry, but when you have three people working in the [RSP] …. It doesn’t matter how much information you put into a plan, it’s not really going to tell me anything about what is going on with my local employers that I don’t know … it takes a long time to really know employers and their needs, it doesn’t happen overnight, we are in the position of trusted advisors really because, well, we have gained that trust over a long period of time, often years.
Role of intermediaries (the RSP and SSC)

4.23 A series of interviews in the RSP and the Sector Skills Councils was undertaken to understand whether RSP and SSC felt that they had had an adequate role in shaping the implementation of SPP and business engagement. Although there were some significant differences across the three RSP, the common thread was that the RSP have a major role to play in SPP implementation, and that the role needs to be enhanced and even institutionalised. Two of the three RSP contacts were highly aware of the Skills Priorities Programme and able to sharply delineate its offer from other skills programmes, whereas the manager that was interviewed at one of the RSPs was less knowledgeable about SPP, confusing it with other programmes or previous skills provision offers. Among the two that were aware of SPP as a distinct programme, one manager was highly knowledgeable about the form and content of the programme (at least, as outlined in the call for proposals). They had been heavily involved with the response on the part of the consortia to the call for proposals and had been involved in the meetings in June and July 2016 in the region to tailor the response to Welsh Government for skills provision falling under SPP. The other manager was less familiar with the contours of the programme, and more conversant with the general orientation and goals of SPP.

4.24 One manager was critical of FEI for having failed to respond to changing demands for skills provision in the past. In this particular instance, the interviewee provided a specific example of a need for higher-level skills in one sector and where a local FEI had closed the last course in the area, meaning that those seeking skills were having to travel to other regions to get qualifications. Interviews with the RSP and FEI in this particular region gave the impression that SPP has been injected into a landscape where the links between the RSP and FEI are still in the process of definition. It is not suggested that the relationships are poor, and specific examples were given of institutional links between FEI and the RSP. However, the patterns of emerging cooperation are still too early to have meant a deep involvement of the RSP in SPP implementation.

4.25 One manager attributed the lack of engagement with RSP in the implementation of SPP as a result of the compressed timescales and the demands on the FEI to respond quickly to the call for proposals. This interviewee was, in contrast to the previous case, sympathetic to FEI in their attempts to engage with local businesses and design adapted skills provision.
The other manager expressed disappointment that after heavy initial engagement, the FEI and the consortia seemed to disappear from the radar, and, after those initial design discussions, there had been little if no contact with the RSP. The interviewee attributed this to a culture among FEI that discourages intermediaries from being involved in skills provision and training programmes, and a lack of a clear directive from SPP to do so. The interviewee judged the FEI as acting very instrumentally towards the RSP (“they just wanted us to tell them who needed what, once the money came through all engagement with us ended”). However, this manager recognised that the priorities of the RSP are different from the FEI providers (“this programme [SPP] is a short-term tactical intervention; the [RSP] is more strategic”).

Among all the RSP, there is a shared recognition that they are relatively new players, and that the definition of their exact intermediary role in skills provision will take some time yet to refine. There is optimism that the RSP will deepen their role with FEI and can play a more active part in brokering the connection between supply and demand:

*we’re a part of the changing conversation moving from a supply side to a demand side driven programme of skills provision*”

the [RSP] is permeating into so many policy areas, we are on a journey.

However, there is still recognition that the colleges may have neither the time nor the incentive to collaborate more deeply with the RSP in the implementation phase under the current programme structure.

It was noted, for example, that in ESF funded programmes, where there was a requirement for the RSP to be central in the programme design and implementation, that the RSP had been involved in setting up support groups in skills priority areas and then ‘handing them off’ to FE providers, and that the RSP had become a forum for ongoing discussions about programme implementation, employers interests., but that SPP had fostered no such similar connection. One interviewee stated that this collaboration within ESF was mandated as part of the programme architecture: “if they could not have invited us, they wouldn’t have”.

Regarding SPP, it is clear that the RSP feel, in general, that they have a role to play that is not being fulfilled. There is also a feeling that FEI will not include the RSP in a structural role if they are not mandated to do so by the SPP programme.
requirements/design: “Colleges didn’t work with us on SPP in the same way [as ESF] because control was in their hands and they just didn’t want to”.

4.31 At the level of the SSC, there is awareness of SPP. In one instance, there was a deep discussion of how to collaborate on training delivery through SPP. In general, the role of the Sector Skills Councils has been shortened by a perceived shift of emphasis in Wales away from sector skills delivery towards regional partnership delivery (contrary to Scotland and Northern Ireland, it was noted in the interviews) and the subsequent loss of jobs and resources.

4.32 Whereas the RSP are regarded, both by themselves and by the FE, as new, emerging, and institutionalising stakeholders in skills provision, the SSC are perceived as being less influential, having lost staff and resources. In the one instance, activities that had been designed under the Skills Priorities Fund Pilot (SPFP) were targeted by the SSC to be transferred to FE under SPP, but “the SPP lead colleges were not interested in it”. In this particular instance, the SSC eventually found a way into dialogue with an FEI, after feeling generally ignored, to complete the work started under SPFP relating to a level 4 award qualification. This experience is representative of the way in which the SSC feel that they have been marginalised in skills provision in general, and placed on the sidelines of SPP in particular.

4.33 In Phase 2 of the fieldwork, stakeholders from the RSP were interviewed, who seemed pleased that there is a renewed emphasis on enhancing links between the consortia and the RSP and that FE institutions may be participating more directly than before in feeding into the preparation of the employability and skills plans. Indeed, in at least one case, the new plan submitted to Welsh Government in mid-2017 has incorporated an SPP element into it. However, there is a perception now that “too much now is happening too fast”, and that the FEI and RSP are struggling to keep all the elements of their planning in play.

Employers’ perceptions of implementation

4.34 The wish for ‘business improvement’ and greater efficiency – in line with growth – has driven employer engagement in the SPP programme. Many businesses have had previous positive experiences in sourcing skills development through the FE sector (in terms of HNC courses and Apprenticeship provision) and in other publicly-funded workforce development programmes, including Jobs Growth Wales. It is of
note that all the businesses contacted had relationships with more than one college (not necessarily through SPP), and that engagement that had occurred through SPP was part of a broader pattern of networking by businesses in the search for skills provision and WBL. Some of the businesses also cited on-going relationships with Welsh Government (for example, through the WG Life Sciences Unit).

4.35 Employers who participated in the research have between 6 and 12 staff currently participating in the training, delivered both at the college and in-house (WBL). In one case apprentices (on formal FE frameworks) comprised around 10% of the current workforce. In another case, there was also a previous relationship with the specific training provider that had been contracted to deliver the training, which was an additional incentive to engage with the programme. Each employer spoke of very tight ‘margins’ and the difficulty for their business in allocating funds and resources for training. In one case, a recent improvement in productivity has enabled them to take on extra staff, to enable internal staff to access training. In all cases, employers were quick to cite the difficulties of sourcing training (and this is exacerbated for businesses located in rural areas, in Gwynedd for example), and in some cases had either resorted to using non-local (English) training providers or knew of others who were doing so.

4.36 In each case they are looking to respond to a requirement for ‘business improvement’, including higher levels of quality and efficiency; described by one of the employers as “21st Century Skills” - linked to an increasing demand for their products. In all cases, there has been a previous commitment to internal training and the involvement with the SPP programme has moved the business from growing “organically” to a more strategic approach to staff training, aligned with business development / improvement. While their training needs have also been ‘responsive’, driven by industry regulations, there is an explicit aim to move from ‘traditional manufacturing’ to products that incorporate higher levels of innovation and design, with increased production efficiency and product quality. In each case, the employer also spoke about addressing a need for ‘soft’ skills and outcomes, including staff “commitment” and empathy”, and deeper understanding of business needs, processes and objectives.

4.37 There was a very strong agreement that business priorities have been reflected in the design of this Strand of delivery under the SPP. All agreed that their needs for business improvement and the practical and strategic needs of the business were
clearly understood by the college provider and the trainers involved: “we were listened to and understood…it can't just be a bunch of academics.” Reflecting the sense of being understood, one of the businesses interviewed noted that engagement under SPP was “much better than we have experienced from other providers, there was less pressure and it was much more informal. The fact that it was one to one support was massively valuable.” Another employer interviewed noted how the provider had understood both the business needs and “manufacturing profile.” In one case, the employer stated that they had not been previously aware that this type of training was available through the FE sector.

4.38 They also noted that the training course in business improvement had been tailored specifically to manufacturing businesses and that this context was understood by the delivery provider, with the opportunity for on-going dialogue with the provider which has been incorporated into the delivery.

4.39 All spoke of the effectiveness the delivery, including the mix of classroom sessions with (flexible) in-house delivery, as a way to consolidate the skills / knowledge gained and to transfer this knowledge (and practice) into the workplace. According to one interviewee this in-house support “has enabled staff to consolidate learning and new skills within the business process, the model of learning by doing is very useful…the method is very effective”.

4.40 The employers interviewed were very satisfied with the support received and the relationship with each provider. However, one pointed to a potential issue in the future marketing of the programme and engagement of employers, in that they had become aware of the programme (by chance) through an industry forum, rather than being informed directly. It was felt that their existing links with FE Apprenticeship Programmes and their former involvement in Jobs Growth Wales programme should have led to a more pro-active and targeted approach: “we were already in the market, so how have we missed this?” This led to a delay in starting on the programme and has curtailed their involvement and the number of staff that have been able to participate, “we were hoping to get more modules done, but the funding will not allow this”. Another referred to “too much, repetitive, paperwork” and the need to simplify this.

4.41 Finally, from a business perspective, it is not always possible or desirable (from the employers’ perspective) for businesses to know the differences between SPP and other skills-provision support programmes, whether those are ESF funded or not,
and to know the intricacies of the offer. Even some of the most well-informed of the employers we interviewed were not aware that the support that they had received came through SPP, although they knew that support had been provided through a Welsh Government-backed programme. However, when prompted (and as discussed below) they have been keen on the activities and training delivered under SPP. As one interviewee noted, “colleges are interested in giving qualifications, employers are interested in gaining skills”, and there is a strong perception that SPP has had more flexibility in the delivery model than ESF funded programmes.

Programme Outcomes

4.42 One of the key findings from the Phase 1 research was that there have been few businesses who knew they were beneficiaries of the programme and who could provide an informed perspective of programme delivery in one to one semi-structured interviews. Therefore, in Phase 2 of the fieldwork, it was also decided to engage with a sample of delivery staff from FE institutions who have been beneficiaries of the Continuous Professional Development (CPD) opportunities that FE institutions have undertaken under SPP, as described in Section 2 above.

Stakeholder community

4.43 From the perspective of the stakeholder community, it is clear that SPP has a big role to play in both addressing gaps in existing skills provision and potentially replacing ESF- and ERDF-funded programmes as the UK leaves the European Union and loses access to those funding sources. Perhaps the most pointed questions that brought up in our interviews, ones that can and will be asked of any government-funded skills training programme, are:

- Would these activities have happened anyway without SPP?
- What are the impacts of CPD?
- How effective has it been in businesses?
- Has delivery been too focused on ‘the easy stuff’ to the detriment of the more complex delivery?

Providers

4.44 As previously reported, there is little doubt that from the FE provider perspective – and it is emphasised that this is a perspective - that SPP has had an impact:

[SPP is] a really valuable programme of funding that has made a really big difference in a really difficult time of funding.
4.45 When the range of projects is considered, there are some clear differences between the three regions. Some of these differences relate to the RSP priorities while others relate to different approaches to delivery (Tables 3.1 and 3.2 above on pages 1 and 2). For example:

- West Wales developed an employer responsive programme in Strand 1.
- Some regions (West/East) have used funding in Strand 2 for employer engagement/TNA activity and relationship building rather than direct development of delivery materials/learning programmes. East Wales used funding to support LMI analysis work.
- Strand 3 activities were similar across the regions.

4.46 Monitoring delivery against planned activity is unclear based on plans and monthly update reports, due to the lack of clarity about detailed activities. This makes it hard to be sure how effectively individual projects within the programme Strands have performed. There is an awareness of transferring funds between headings, which suggests some project areas have struggled compared with others.

4.47 It is possible that consortia are not so aware of how each has developed project activities in different areas where differences identified above exist. Indeed, one interviewee noted, “perhaps other areas have found more use for Strand 1, I don’t know. It would be really useful to be able to share information and practices across the consortia”. Sharing this information may help ensure all areas have a clearer understanding of the range of activities and maximise the use of SPP funding.

4.48 When asked about tangible impacts, many cited capacity building and CPD as the two most high level obvious outcomes of engagement with SPP. Colleges gave examples of new initiatives in Digital Literacy, more foundation degrees in aerospace, higher level apprenticeships in catering, life sciences, and hospitality management as evidence. Some colleges provided hundreds of days of opportunities for CPD under SPP, and all of the colleges interviewed were able to provide evidence of staff development and training.

4.49 These activities have not gone without their own set of problems. One of the issues brought up by a number of those interviewed relates to the displacement effects of CPD on such a large scale. Either colleges found themselves (a) challenged to find adequate delivery staff, as current staff were taking advantage of CPD placements being offered through SPP, or (b) finding that the secondment of the more skilled
and interested academic staff to WBL placements under CPD left them with lower skilled staff actually delivering in their absence.

4.50 In addition, one FE programme manager was forceful in comments about the potential leakage of that CPD investment if funds are not available to retain retrained and up-skilled staff. A common observation was the lack of funds to purchase equipment and infrastructure necessary to support the newly-trained staff. Some concrete examples cited were the inability to find funds to purchase new software licenses for software relating to construction and building design, and the inability to purchase a hybrid vehicle for campus-based automotive repair courses.

4.51 In phase 2 of the fieldwork, signs were detected that colleges were making progress on developing Strand 1 delivery activities and engaging more deeply with the business community over cooperative delivery activities under SPP. In North Wales, for example, one FE institution has identified the marine engineering sector as an area to collaborate with employers, and has identified a number of jobs in the sub sector that are skills-based. Other sectors targeted are car manufacturing and advanced manufacturing within the aerospace supply chain. There were also examples offered where engagement with the business community has strengthened the delivery of engineering courses by including new elements in Hydraulics and Pneumatics, and the revision of curricula in welding and IT.

4.52 Nonetheless, the interviews that were conducted tend to reinforce rather than dispel the previous finding that Strand 1 activities tend to:

- Build upon previous relationships that colleges have developed with key local employers rather than opening new channels with employers that have not been previously engaged in skills delivery activities;
- Feed into CPD activities and curricula reform/course introduction within the colleges.

4.53 In all the interviews, the discussion over Strand 1 activity led to the exploration of CPD within the FE institutions themselves. The framework for the current round of delivery (2017-2018) places a ceiling on the programme resource that can be directly used for CPD. However, it is clear that the line between what counts as direct CPD, and what counts as other activity but whose main benefit to the participating FE delivery institution is CPD, is somewhat blurred.
4.54 However, it is quite telling that the FE institutions report that the flexibility afforded by the SPP delivery model – as compared to European-funded programmes – make it a popular delivery vehicle, and the overlap of CPD and other activity should not be seen as a weakness; indeed, it can be considered as an additional programme benefit. Colleges perceive that, while it may be hard to quantify direct engagement activities with businesses under Strand 1, there has been a massive impact upon the delivery staff within the FE institutions. It is important to note that FE colleges across Wales have a variety of institutional mechanisms to foster closer contacts with local employers and to gather Labour Market Intelligence (LMI) that is important for the shaping of their offer. However, what SPP has done is to allow colleges to spread out that engagement deeper into their delivery staff, and to widen the engagement with employers among their staff. It was advised that SPP has helped foster a dialogue not only between the Business Engagement Teams within the colleges and local employers, but also now between lecturers and employers. This has the effect of making the colleges “seem more human and approachable”. There has also been a peer effect among the staff themselves, with dialogue and sharing between staff that would not have taken place without SPP.

4.55 There has also been progress since the Phase 1 of the fieldwork in the development of new degree options and modules. Foundation degrees are being developed in areas such as:

- Sports Coaching
- Leisure
- Offender Management (related to the new prison in Wrexham)
- Social Care
- Agriculture
- Animal Care
- Computing
- Event Management
- Food
- Dental Care
- Creative and Cultural
- Construction
- Leisure Management
- Hospitality
• Childcare
• Life sciences
• Medical legal areas
• Retinal nursing
• Civil engineering
• Data analysis

4.56 Higher National Diplomas (HND) and Higher National Certificates (HNC) are also areas in which SPP has contributed to the offer from FE skills and training providers. In addition to the sectors that have been identified above, there are HND and HNC courses being developed in business management, teacher training, special needs education, and hotel and restaurant management.

4.57 Under SPP, FE institutions have also been able to strengthen the delivery of their courses to students, particularly in the form of tools and assessment aids for learners. For example, one college has developed an online study tool that is designed to assist student learning and to improve performance on assessed exercises. Another tool that has been developed is an online footprint management tool for those who may be gaining qualifications in areas where one’s public profile can be sensitive, i.e. education and offender management. Yet another example is a new tool that allows students to collaborate with tutors in monitoring their progress.

4.58 Overall, the second round of interviews with FE providers confirmed the findings from Phase 1. FE institutions are generally very happy with SPP and find that it is one of the most useful programmes at their disposal to be able to “plug the gaps” that they perceive to be left by European funded skills and employability programmes. There were some frustrations voiced at the timing of the Request for Proposals issued by Welsh Government, and that the guidance for proposals under the next round of delivery was also slower in arriving than was desirable. However, the fact that the programme has now moved to a two-year model largely offset those frustrations, and mitigated the resource impacts on FE institutions of having to discuss and prepare bids when much of the staff within those institutions had finished their work for the academic year. It was noted in one interview that bids might have suffered as a result of not being able to talk with staff who might have been involved in the delivery of 2016-2017 activities but whose contracts may have expired.
4.59 Finally, FE institutions recognise that one of the benefits of SPP has been to strengthen their engagement with the Regional Skills Partnerships. While noted this as one of the potential strengths of SPP in our emerging findings, it is also recognised that there were incentive structures for FE institutions under previous rounds of delivery that may not have pulled them towards sustaining that engagement after bid preparation. It was previously noted that FEI perceived engagement with the RSP as only important at bid preparation stage, and that afterwards FE institutions had tended to drop that engagement. It appears that FE institutions have recognised the need under the next round of delivery to align closely with the RSP skills plans, and to be more closely engaged on a sustained basis with the RSP.

4.60 On the part of the FE, there was some concern that the skills plans were late in preparation, thus making it hard to align more closely with them. There is a strong feeling within FEI that the RSP and the FE institutions move at a different rhythm. Nonetheless, beyond the skills plans themselves, there appears to be the start of a deeper and more sustained collaboration between the FE colleges and the RSP that is more directly focused on the objectives enshrined in SPP.

Employers

Phase 1

4.61 Employers spoke of the benefits gained from the programme for SMEs with constrained budgets for training and development, allowing them to do more training for more staff, aligned to their business improvement objectives, as highlighted in the following statements:

“cash is always tight; it has enabled to train more staff, in the skills required”

“SPP has allowed us to do more, and faster”

4.62 Each has seen early signs of improvement in efficiency and effectiveness for the staff participating in the SPP training. It appears in each case that the programme is enabling the business to build on, develop, and increase their existing training programmes, in line with their strategic objectives.

4.63 One of the employers cited major improvements in the business over the past 5 years in relation to productivity and quality and that SPP has helped them to build on this, engaging more staff in business improvement techniques and processes:
“it’s all about engaging people in improving systems and processes in the workplace, some staff are now starting to look at efficiency issues [pro-actively]”.

4.64 One employer spoke of “pure enlightenment…a huge cultural change. It is massive for the business” and that it would help to “take the company forward, to be more competitive” and that a range of ‘soft’ outcomes were evident in terms of trained staff being more able to ‘challenge’ and to see and feel a sense of “ownership” in the wider business objectives.

4.65 Another spoke of the business “making significant improvements to efficiency and effectiveness” and now being able to take on new staff as a result. They also hope to see more impacts in the future “including reduction of waste and improvements in quality and delivery times…releasing extra cash back into the business”. In this case, the employer cited that they were now in line for two major contracts that would not have been achievable prior to their involvement in the programme.

4.66 Employers spoke of the early signs of, and potential for, cultural change resulting from this training support. According to one, “people are feeling ownership…a big cultural change” and the ‘testing’ element is considered an important factor in this, enabling staff to “own the training”. The learning of “soft skills” has also been very important”. According to another, “it’s all about changing the culture…the day to day work and continuous improvement”. One noted that they would also hope to see continued cultural change and impact from the development of soft skills “commitment and pride”, to help to raise the business profile. Another referred to the development of a “learning culture” among the staff who have participated in the programme.

4.67 Each also spoke of the added value of the SPP. One respondent stated that without SPP support “we would have had to free up resources to develop this…a possible reorganisation”. Another stated that “without this kind of support we wouldn’t have been able to make this investment, monthly cash-flow is too tight to do so.” In a third case it had enabled them to employ new staff in order to release existing staff for training. One employer was planning to engage with the Investors in People programme, with the confidence to go “straight to Platinum.”

4.68 Another concluded that “all SMEs need Business Improvement assistance…it’s a big issue for SMEs, we can’t survive without this assistance, to be able to compete and grow.”
Phase 2

4.69 In Phase 2, a further sample of employers that had been identified to us by FE institutions were engaged.

4.70 Reflecting evidence from Phase 1 interviews, it was shared that the engagement processes have been informal in general, and in several cases operated through personal connections or even friendships. In one instance, a placement had been arranged after an individual had commissioned clothing for a wedding, and then wanted to arrange a placement for themselves with the clothing article designer.

Employers interviewed seemed to have good knowledge of the FE institutions with whom they have worked, and consider those institutions to be good working partners, “it’s very important to make links with our community, we would gladly work with the college and other staff again”. It was also mentioned that as a result of SPP, there has been an increased interest in the company.

4.71 While employers were not generally able to name SPP without prompting from the interviewers, once made aware that the placement had been delivered under the SPP they were uniformly positive. Echoing some of the Phase 1 findings reported above, businesses told us that they had benefitted from staff placements within their companies, and that these had had a tangible effect on upskilling their existing workforce.

4.72 The words ‘innovative’ and ‘creative’ were applied to the acquisition of new skills and competencies, and employers appear to genuinely appreciate the fact that they can see real benefit and added value to hosting such placements. Thus it is reasonable to conclude that the sense that employers host WBL placements as a ‘favour’ to local FE institutions is very much a minority view, and that the majority of employers see WBL placements as being of value to them as well as to the individuals placed. When probed about the exact skills acquired, many employers cited the “soft skills” that we referenced in the emerging findings from Phase 1 fieldwork.

4.73 In one case, the contrast was made between short duration WBL placements under SPP and apprenticeships. In this instance, the employer reported to us that they had previous experience of apprenticeships that had not been particularly positive. We were told that, from past experience, “sometimes if an individual comes in as an apprentice, it can be a very frustrating situation as it can feel like ‘the blind leading
the blind’ as they have had no industry experience before the apprenticeship”, whereas the placement of a college lecturer brought mutual benefit. Thus, highlighting the upskilling of the existing workforces as being one of the tangible outcomes of delivery under SPP.

4.74 It is worth noting that, upon contact, two of the employers identified by FEI declined to pursue an interview about their participation in the delivery of SPP. In one case, the reason was that it would “be a waste of your time” as the placement had been achieved as a “one off gesture” to a local college, and the contact had no knowledge of SPP or any details about the placement itself or the outcome. In the second instance, the reason was that the (potential) interviewee had no idea about SPP as a programme, and that the placement that had been identified had only lasted one and a half days before the student quit. While this is not typical of WBL placements, it does underscore the potential reputational damage to both SPP and FE-led skills and employability programmes if such incidents are not carefully managed and debriefed. There is no evidence from this report as to how the FE institution that sponsored the placement handled the incident, nor do we know what happened to the student concerned, but the strong impression that it had created a negative feeling on the part of the employer.

**Delivery**

4.75 Interviews with nine lecturers from two partner further education institutions were conducted. The purpose of these interviews was for lecturers to provide evidence into the operation of the SPP. Through these interviews, the following was explored:

- The execution of the programme – which includes personal views on the delivery of the programme, benefits and challenges, and any potential risks
- The design of the programme – focusing on the reasons for the programme, the commitment of FEIs to workforce development.

**SPP Opportunities**

4.76 Generally, the lecturers had experienced CPD opportunities before the SPP, but the SPP helped lecturers to experience more CPD in a more organised way. Two individuals mentioned that this experience was the first that they had experienced and as such were appreciative of the opportunities.
Regarding the structure of the placements, all opportunities were either communicated by managers via directors and/or through email. Placements tended to range from between one and five days.

It was the responsibility of lecturers to make contact with employers or training providers. All nine individuals require their training to be signed off by a senior member of staff e.g. managers. Lecturers spoke very highly of the way their FEIs supported them through these opportunities. In some cases, the training was vetted, by the FEI, to see if it was suitable for the lecturer. One lecturer stated that “they arranged for me to be off timetable and timetabled someone to cover in my place”. With regards to the provision of opportunities another lecturer mentioned that “they’ve [the FEI] been 100% helpful in the whole experience. From the moment I started, they’ve put me on any course I wanted to do – giving me time off work to do this – I can’t fault them”.

There was a consensus, from lecturers, that the main aims of the SPP were to help staff refine their skills and to keep updated with changes in their relevant industries. In relation to his teaching background, one lecturer said that SPP was “an opportunity to develop myself, to gain an insight into how real life works”.

Other views on the rationale of the programme included:

- Keeping up to date with new industry practices
- Gaining practical experience
- An opportunity to develop links with local companies
- Help improve teaching delivery

**Benefits**

**Individual**

Each of the nine lecturers highlighted specific benefits of the programme – both at an individual level and for the FEI as a whole.

At an individual level, lecturers were confident that as a result of the SPP:

- Knowledge of their industry has been refined and/or increased
- Their quality of teaching has improved
- The learning experience of students have improved
- Their self-confidence has improved.
Recalling the benefits of the SPP, one lecturer mentioned that “It has helped me to understand different strategies of teaching, how to adapt my approach for students”. While another lecturer stated, “Student interest has been maintained at a high level. They appreciate and take more seriously what you have to say, when you have experience”.

**College**

Those who were interviewed also highlighted the benefits, at an aggregated level, for their FEI. Though they could not speak for each member of staff, they were confident that staff enjoy and are fully on board with the SPP.

The benefits to colleges can be split into two categories: the links between local employers and improvements in the quality of teaching. Several lecturers mentioned that as a result of the SPP, better links have been made with students and employers, but also with the FEIs and businesses. A lecturer added that “through our learning and experiences, we are now able to offer new qualifications which are supported by local business. Without this training, this may not have happened or not have happened soon”.

While most of the lecturers mentioned that their quality of teaching has improved (as a result of the SPP), they also believe this to be true for their respective FEIs. Through the SPP, staff were able to inform students about changes in industry and provide advice on what it will take to succeed in that industry. One lecturer said, “It has allowed the college to see problems and challenges the industry faces, which therefore allows us to consider any changes needed to the curriculum and training”.

**Risks/Areas for improvement**

Overall lecturers were very happy with the SPP and were confident that the programme ‘works’. Nonetheless, there were two suggestions as to how the SPP could be improved:

- **Length of placement** – There were suggestions that lecturers would benefit more, if placements were longer. “More time on the placements would provide more learning, whilst being able to better share best practice”.

- **Range of opportunities** – The spectrum of opportunities proved to be an area for improvement. It is believed that some of the CPD is generic and that lecturers would benefit from more subject specific training.
5. Conclusions

5.1 This report has drawn on a variety of sources to review the performance and implementation of the Skills Priorities Programme. In this chapter the main conclusions are drawn out followed by some recommendations for Welsh Government to consider in the next chapter.

5.2 There is a high level of satisfaction among FE providers with the Skills Priorities Programme. FEIs emphasised that the main benefit of SSP has been the opportunity for teaching staff to complete CPD activities, which they perceive as having been beneficial to their teaching and students’ learning. FEIs also consider the flexibility and adaptability of SPP, compared to ESF funding, to be a major advantage. FE providers have mainly interpreted the place of SPP in their skills offer as filling gaps in ESF funded provision. Existing co-operation through ESF-funded activities has facilitated the consortium model and has stimulated inter-FE patterns of learning and knowledge transfer. Nonetheless, there is little cross-consortia learning and sharing of good practice to this point.

5.3 All who were involved in the 2016-17 round of delivery considered the one-year call-to-completion cycle to be problematic. The shift to a two-year cycle for 2017-19 has been broadly welcomed. Timings for bid submission and approval remain important influences on success of these programmes, especially when delivered over a single year.

5.4 Less delivery has taken place under Strand 1 than expected, due to:

- Perceived overlaps with ESF programmes
- Short timescales
- A perceived lack of potential learner beneficiaries, as beneficiaries are already being reached under ESF
- A perceived greater return on investment from Strand 2 and Strand 3 activity

5.5 The shortfall in Strand 1 activity left money unspent from the initial budget allocations during 2016-2017. FE institutions have learned from this experience as reflected in their planning for 2017-2019. Indeed, while the consortia-based funding model was contested by some, it may not be as big an issue as previously thought since colleges have still money unspent from their budgets.
5.6 There is a perception in the stakeholder community that there may be some displacement effects associated with SPP. Colleges struggled to find adequately skilled staff to replace those undertaking CPD placements. Stakeholders also reported a lack of engagement with employer representative groups and employers.

5.7 The Regional Skills and Learning Partnerships and Sector Skills Councils have been on the periphery of SPP, in contrast to their more central role in ESF funded programme delivery. However, there is evidence that this is changing in the planning for delivery for 2017-2019.

5.8 The shortfall in delivery under Strand 1 makes it hard to identify businesses who have deeply engaged under that element of the programme; however, businesses are benefitting from SPP and are pleased with the engagement, although not always able to attribute the service provision they have received to SPP by name. Employers specifically cite internal upskilling as one of the tangible benefits of engagement with SPP.

5.9 Co-investment remains a challenge, after a legacy of many years of essentially free skills provision.
6. Recommendations

6.1 From Phases 1 and 2 of the review, and building on the emerging findings previously shared with the programme management team, the report makes the following recommendations:

- Welsh Government should do more to advertise the programme, as promoting these opportunities can at times prove challenging.

- Welsh Government should communicate and distinguish the SPP from similar programmes. This has the potential to help employers better identify the programme and the benefits thereof; and

- Welsh Government should consider operating a more structured and consistent system of data collection regarding outputs and outcomes emerging from activity to support ongoing monitoring and evaluation, as the results reported in the final reports were hard to compare across Wales.