

## Supporting Business through Recovery

Interim Evaluation – SDS Confidential

August 2011



**EUROPE & SCOTLAND**  
European Social Fund  
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## Executive Summary

### Background

In April 2010, Skills Development Scotland launched the **Supporting Business through Recovery** (SBTR) programme following a successful application for funding from the European Social Fund (ESF). A framework was subsequently developed to meet the monitoring and evaluation requirements set out in the ESF approval documentation. The framework sets out a commitment by SDS to deliver an interim evaluation at the end of first year and this document reports on the key findings from this. It covers all SBTR activity across Scotland, though it was only the Lowland & Upland Scotland project approval that specified that evaluation was required as a condition of grant.

### Aims & Objectives

**Supporting Business through Recovery** is a two year programme made up of initiatives designed to help alleviate the impact of the recession by providing a range of additional training opportunities and incentives to employers to invest in staff training. It has two key aims:

- To provide additional opportunities for summer leavers from school, college and university to enter positive destinations; and
- To provide support to businesses to train existing staff.

The programme is made up six initiatives, each with different objectives aligned to meeting the overall aims of the programme. These include additional MAs for 16-19 year olds and key sectors, an Employer Recruitment Incentive, Targeted Pathways, Flexible Training Opportunities and the Low Carbon Fund.

### Methodology

There have been three main stages involved in the interim evaluation:

- 1. Analysis of monitoring information focussing on:**
  - Progress towards targets
  - Profiling of beneficiaries – both individuals and businesses
  - Identification of any areas where the programme is falling short of target
- 2. Survey of project managers and other stakeholders to gather feedback on:**
  - Progress towards targets and views on areas of over / under-performance
  - Aspects of the programme that are working well and any that are not going so well
  - Recommendations for future development
- 3. The development of a series of recommendations in relation to the targets / priorities for Year 2 based on the evidence gathered in Stages 1 & 2.**

### Findings: Review of Performance

#### Overview

- Over 23,000 individuals received support for training through the programme during 2010/11, including almost 16,000 Modern Apprentices.

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- All of the start targets were either met or exceeded with the Employer Recruitment Incentive, Flexible Training Opportunities and Targeted Pathways initiatives in particular over-delivering in relation to the number of trainee starts achieved.
- Actual expenditure on delivering the programme was found to be lower than anticipated during 2010/11. In relation to initiatives where payments are made retrospectively to employers after training has taken place (e.g. Flexible Training Opportunities and Low Carbon Training Opportunities), this can be attributed to delays between training being approved, delivered and claims being made. In the case of MAs, which account for the largest share of SBTR expenditure, the MA frameworks being undertaken were found to have a longer delivery timeframe than was originally anticipated and expenditure should therefore be spread over three years instead of two as in the original bid.
- To address this, and ensure that the overall profile of spend more accurately reflects that in the original funding application, a 12 month extension to the end date of the programme to March 2013 has been agreed. The resultant re-profiled expenditure will more closely reflect the actual to date and anticipated expenditure profile to the end of the extended project.

### Additional MAs for 16-19 Year Olds

- The programme provided 11,000 additional MAs for 16-19 year olds during 2010/11, **thereby helping to address the anticipated 'summer spike' of school and college leavers** with high levels of uptake within most of the identified hotspot areas.
- These additional MAs are employed across a range of sectors with particularly high uptake within **construction, retail and other personal service sectors, including care**.
- They are concentrated within **skilled trades, service sector and administrative jobs** with relatively low representation within managerial or operative / elementary occupations.

### Additional MAs for Key Sectors

- The programme supported almost **5,000 additional MAs within occupational frameworks that support key sectors** during 2010/11.
- The typical key sector MA is **male, aged 20-39 and employed in managerial or skilled trade occupations** within the construction, tourism or transport sectors.
- Uptake of the key sector MAs has been **highest within Highland and Forth Valley and lowest within the Borders, West of Scotland and Aberdeen City & Shire**.
- The key sectors with the highest levels of uptake have been **construction, hospitality & tourism and transport & logistics**.
- Individuals employed in **managerial** occupations account for the highest share of additional MAs for key sectors.

### Flexible Training Opportunities

- A total of 5,726 Flexible Training Opportunities were approved during 2010/11 - **15% higher than target of 5,000**.
- Despite the broadening of the eligibility criteria to include all firms with up to 150 employees, the vast majority of participating companies **have fewer than 50 employees** and an annual turnover of less than £1m.

- Business in **professional, scientific and technical industries** have accounted for the highest share of FTOs, followed by **construction** and **retail** – industries more traditionally associated with vocational training.
- The type of training funded through the programme has been very varied with **business skills, accounting, IT, leadership & management and operative** courses accounting for the highest shares.
- **There appear to be high levels of additionality associated with the programme** with just 7% of participating business saying they would continue with the training in the absence of the funding.

### Employer Recruitment Incentive

- Scottish Businesses received incentives to recruit almost 1,300 MAs from identified priority groups during 2010/11 – **27% higher than target of 1,000 for the year.**
- The majority of these were **males aged 16 or 17 and graduates of Get Ready for Work.**
- The top three MA frameworks for ERI trainees were **vehicle maintenance and repair, construction and administration.**
- More than one in every three ERI recruits live in areas ranked amongst the 15% most deprived in Scotland suggesting that the programme is **delivering employment and training opportunities to many young people likely to be facing multiple barriers to work.**

### Targeted Pathways

- A total of 950 young people aged 16-19 received training through the Targeted Pathways programme during 2010/11 – **19% higher than the target of 800 for the year.**
- The majority of trainees were aged 16 or 17, suggesting that **many are going into the programme directly from school.**
- The occupations of trainees have been varied with **administration, retail & customer services, engineering and hospitality & tourism** accounting for the highest shares.
- Targeted Pathways trainees are **disproportionately concentrated within deprived areas** when compared to the Scottish population as a whole.

### Low Carbon Fund

- A total of 636 individuals received approval for training through the Low Carbon Fund during 2010/11 – **broadly in line with the target of 650 for the year.**
- The majority of Low Carbon Fund trainees are **men employed in building services or construction companies with turnovers in excess of £1m.**
- Take up of training through the Low Carbon Fund has been highest across the **central belt, the East coast and Highlands.**
- The training approved through the fund has been relatively high value resulting in average claims of **£377 per training episode.**

## Findings: Feedback from Project Managers

- SDS Project Managers identified **cross-directorate working, achievement of targets, commitment of staff and the provision of additional opportunities for young people** as the key successes associated with Supporting Business through Recovery.
- The challenges identified with delivering the programme included the **limited lead-in times available for each of the new initiatives, a perceived lack of promotional / marketing activity and the difficult economic climate**.
- In relation to the FTO delivery model, the **lack of resource for external contract management** was identified as a specific challenge as it proved costly and inefficient to do this internally, though some of the additional staff costs were able to be claimed.
- **Limited resources available to small firms**, both in terms of time and money, was identified as a challenge to the uptake of FTOs, particularly as the onus is on them to book the training, pay for it upfront and complete a detailed application form.

## Findings: Feedback from Partners

- The programme was identified as having provided partners with a much broader range of skills and training programmes to take to employers, **which has in turn helped to strengthen their relationships with businesses**.
- Partners identified the **encouragement of businesses to continue to invest in workforce training in the current climate and the provision of support specifically targeted at small businesses** as two of the key successes of the programme.
- A **period of stability in the eligibility criteria and a need for more high profile advertising** of the schemes to raise awareness, particularly amongst the small business community were two areas for improvement identified by partners.

## Conclusions

- **Supporting Business through Recovery performed well in relation to the trainee start targets for 2010/11**. However, the longer than anticipated lead-in times associated with the new initiatives meant that the achievement of the trainee start targets did require considerable effort in the final quarter of the year.
- Whilst the trainee start targets were met, **expenditure was lower than anticipated in 2010/11**. This was mainly the result of the delay between training being approved and claims being made and the long timeframes over which payments for MA frameworks are made.
- The programme provided **almost 12,000 training and employment opportunities to young people aged 16-19** and can therefore be considered to have performed well in relation to the objective of **providing additional opportunities for summer leavers to enter positive destinations**.
- The programme supported **over 11,000 existing employees within Scottish businesses to participate in training** during 2010/11. It can therefore also be considered to have performed well in relation to its second objective of **providing support to businesses to train existing staff**.

## Recommendations

### Recommendations specific to Supporting Business through Recovery:

The additional MAs that were made available through the programme have all started and the focus for these will be on continuing to deliver them effectively. As they form part of the core SDS service offer, and therefore have a well established delivery model, the recommendations have focussed on the newer initiatives.

- **Recommendation 1:** It is recommended that SDS work with the Scottish Government to identify additional targets for 2012/13 in light of the 12-month extension to the contract that has been agreed. However, these should only be agreed where sufficient funds are available and time limited to ensure that they do not result in any additional liabilities for SDS beyond the end of the programme.
- **Recommendation 2:** Consideration should be given to increased marketing and promotional activity for the new initiatives, focussing on raising awareness of opportunities amongst the small business base. There is a marketing budget available that could be used for this and if it is not, these funds should be re-directed to other activities.
- **Recommendation 3:** A review of the eligibility criteria used to assess Flexible Training Opportunities and Low Carbon Fund applications should be carried out to ensure a continued focus on non-statutory courses.
- **Recommendation 4:** A period of stability in the eligibility criteria for each of the new initiatives is recommended. This will help avoid confusion amongst the partners and stakeholders, particularly those involved in promoting the programmes.
- **Recommendation 5:** It is recommended that the issues identified with the Flexible Training Opportunities database are addressed ahead of the final evaluation, which is scheduled for June 2012.

### General recommendations for future initiatives of this type:

- The lead in times associated with the launch of new initiatives should be taken into account when new programmes are being planned. This should be reflected in the trainee start targets and forecast expenditure.
- Partners and stakeholders should have the opportunity to be involved in all stages of the process from initial design through to implementation. This is particularly true when they will be the main route through which the programmes will be promoted.
- When new initiatives are launched, appropriate performance monitoring systems should be established from the outset to ensure that all monitoring and evaluation requirements can be met.

## 1. Introduction

### 1.1 Background

In April 2010, Skills Development Scotland launched the **Supporting Business through Recovery** (SBTR) programme following a successful application for funding from the European Social Fund (ESF). A framework was subsequently developed to meet the monitoring and evaluation requirements set out in the ESF approval documentation. The framework sets out a commitment by SDS to deliver an interim evaluation at the end of first year and this document reports on the findings from this. It should be noted that the evaluation covers all SBTR activity across Scotland, though it was only the Lowland & Upland Scotland project approval that specified that an evaluation was required as a condition of grant.

### 1.2 Aims, Objectives & Targets

**Supporting Business through Recovery** is a two year programme made up of a range of initiatives designed to help alleviate the impact of the recession by providing a range of additional training opportunities and incentives to employers to invest in staff training. It has two key aims:

- To provide additional opportunities for summer leavers from school, college and university to enter positive destinations; and
- To provide support to businesses to train existing staff.

The programme is made up of a total of six initiatives, each with different objectives aligned to meeting the overall aims of the programme. These are listed in the table below, along with the initial participation targets.

<b>Supporting Business through Recovery</b>			
<b>Programme</b>	<b>Objectives</b>	<b>Highlands &amp; Islands Targets</b>	<b>Lowland &amp; Upland Scotland Targets</b>
<b>Additional Modern Apprenticeships (16-19 year olds)</b>	To increase the number of opportunities available for school leavers to enter positive destinations with priority given to key target groups including care leavers, young offenders and graduates of Get Ready for Work.	2010/11 = <b>1,100</b> 2011/12 target will be contingent on liability	2010/11 = <b>9,900</b> 2011/12 target will be contingent on liability
<b>Additional Modern Apprenticeships (all ages)</b>	To provide additional employment and training opportunities to people of all ages, focussing on the GES key sectors	2010/11 = <b>500</b> 2011/12 target will be contingent on liability	2010/11 = <b>4,500</b> 2011/12 target will be contingent on liability
<b>Flexible Training Opportunities</b>	To encourage small businesses to invest in skills and training for their existing workforce	2010/11 = <b>500</b> 2011/12 = <b>500</b>	2010/11 = <b>4,500</b> 2011/12 = <b>4,500</b>
<b>Employer Recruitment Incentive</b>	To encourage employers to provide training and employment opportunities to young people facing barriers to the labour market	2010/11 = <b>200</b> 2011/12 = <b>200</b>	2010/11 = <b>1,800</b> 2011/12 = <b>1,800</b>
<b>Targeted Pathways</b>	To improve career planning and vocational skills of young unemployed people to help them compete more effectively in the labour market	2010/11 = <b>80</b> 2011/12 = <b>80</b>	2010/11 = <b>720</b> 2011/12 = <b>720</b>
<b>Workforce Development Fund</b>	To market test new skills enhancement programmes, focussing on key emerging and growth sectors - initially Low Carbon	2010/11 = <b>70</b> 2011/12 = <b>70</b>	2010/11 = <b>580</b> 2011/12 = <b>580</b>



The additional Modern Apprenticeships and Employer Recruitment Incentive represent variations on the existing MA programme, with a focus on key target groups and occupational frameworks, whereas the Flexible Training Opportunities, Targeted Pathways and Low Carbon Fund are new initiatives<sup>1</sup>. Further details relating to each of the individual initiatives that make up the Supporting Business through Recovery programme can be found in Appendix A.

### 1.3 Methodology

There have been three main stages involved in the interim evaluation:

1. **Analysis of monitoring information focussing on:**
  - Progress towards targets
  - Profiling of beneficiaries – both individuals and businesses
  - Identification of any areas where the programme is falling short of target
2. **Survey of project managers and other stakeholders to gather feedback on:**
  - Progress towards targets and views on areas of over / under-performance
  - Aspects of the programme that are working well and any that are not going so well
  - Recommendations for future development
3. **The development of a series of recommendations in relation to the targets / priorities for Year 2 based on the evidence gathered in Stages 1 & 2.**

### 1.4 Report Structure

The remainder of this report is structured as follows:

- **Chapter 2** provides a detailed review of the performance of each of the six initiatives that make up the programme based on analysis of MIS data;
- **Chapter 3** reports on the key findings from the survey of SDS staff;
- **Chapter 4** details the key messages arising from the survey of partners and key stakeholders; and
- **Chapter 5** sets out some conclusions and recommendations for the future development of the programme and other initiatives of this type.

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<sup>1</sup> *The Targeted Pathways programme was initially piloted in 2009/10 and has been subject to internal evaluation*

## 2. Review of Performance

### 2.1 Overview

#### 2.1.1 Trainee Start Targets

Table 1 provides an overview of performance across each of the Supporting Business through Recovery trainee start targets. It shows that:

- An additional **10,951 16-19 year old MAs** started during 2010/11, broadly in line with the target of 11,000;
- Similarly, **4,949** trainees started on **MAs for Key Sectors**, only slightly below the target of 5,000;
- The target of 5,000 **Flexible Training Opportunities** was exceeded by 15% with a total of **5,726** trainees approved through the programme during 2010/11;
- The **Employer Recruitment Incentive** supported **1,272** MA starts – 27% higher than the target of 1,000 for the year;
- There were **950 Targeted Pathways** trainee starts during 2010/11, around a fifth higher than the target of 800; and
- A total of **636** training opportunities were supported through the **Low Carbon Fund**, 98% of the target of 650.

	<b>2010/11 Target</b>	<b>Total Approved</b>	<b>% Target Achieved</b>
Additional MAs (16-19 year olds)	11,000	10,951	100%
Additional MAs for Key Sectors (all ages)	5,000	4,949	99%
Flexible Training Opportunities	5,000	5,726	115%
Employer Recruitment Incentive*	1,000	1,272	127%
Targeted Pathways	800	950	119%
Low Carbon Fund	650	636	98%

\* Original ERI target for 2010/11 was 2,000, but a change to 1,000 was agreed with the Scottish Government

**Overall, Supporting Business through Recovery performed well in relation to each of the trainee start targets for 2010/11.** All of the targets were either broadly met or exceeded, with the Employer Recruitment Incentive, Flexible Training Opportunities and Targeted Pathways in particular having over-delivered in terms of the number of starts achieved.

**Appendix H** contains case study examples of individuals who have participated in each of the initiatives included within the Supporting Business through Recovery programme. These demonstrate the impact and benefits that these initiatives have had at an individual level.

## 2.1.2 Expenditure

In addition to trainee start targets, forecast expenditure across each of the Supporting Business through Recovery initiatives was detailed within the original ESF application. **Whilst all of the start targets were broadly met or exceeded in 2010/11, expenditure was lower than expected.**

In relation to the additional MAs for both 16-19 year olds and Key Sectors, this can be attributed to the fact that **milestone payments for most frameworks are paid over a period of 3-4 years.** To address this, and ensure that the overall profile of spend more accurately reflects that in the original ESF application, SDS will submit a Notification of Change (NOC) requesting a 12 month extension to the end date of the programme taking it to March 2013. This has already been agreed in principle with the Managing Authority.

In terms of the other initiatives, the lower than anticipated expenditure during 2010/11 can be explained by:

- The **average cost per training episode being lower than expected** for Flexible Training Opportunities, Targeted Pathways and the Low Carbon Fund;
- In relation to the Flexible Training Opportunities and Low Carbon Fund initiatives, there is a **delay of approximately three months between training being approved and claims being made.** This resulted in claims for many of the training places approved in 2010/11 not being made until 2011/12;
- The **lowering of the Employer Recruitment Incentive target** from 2,000 to 1,000; and
- The **later launch of the Low Carbon Fund** in November 2010.

SDS will re-profile the expenditure across each of the initiatives to reflect these factors. As with the additional MAs, this will show some expenditure moving into the 2012/13 financial year, as applications approved towards the end of 2011/12 are subject to the same payment delays.

The remainder of this chapter looks at the characteristics of individuals and businesses that have taken up the training opportunities available through each of the initiatives that make up the programme. This will highlight the sectors, occupations and areas where demand has been high and provide insight into where take up has been lower than anticipated. **It should be noted that this analysis was carried out during February / March 2011 when the end of year figures were not yet available.**

## 2.2 Additional MAs for 16-19 Year Olds

### 2.2.1 Overview

Table 2 shows the total number of additional MA starts recorded by the **end of January 2011**. It shows that:

- the LUPS target of 9,900 had almost been met two months ahead of the end of the year, with just 137 places left to fill;
- Progress towards the H&I target was further behind with 254 places to fill before the end of the year; but
- **Overall, the programme was on course to achieve the 11,000 target.**

	<b>2010/11 Target</b>	<b>Total Starts</b>	<b>% Target Achieved</b>
Highlands & Islands (H&I)	1,100	846	77%
Lowlands & Uplands Scotland (LUPS)	9,900	9,763	99%
<b>Total</b>	<b>11,000</b>	<b>10,609</b>	<b>96%</b>

*\*Figures refer to total starts by the end of Jan-11*

Table 1 in Appendix B provides a summary overview of the gender, age, industry and occupation of individuals that had taken up the additional MA places by the end of January 2011. It shows that:

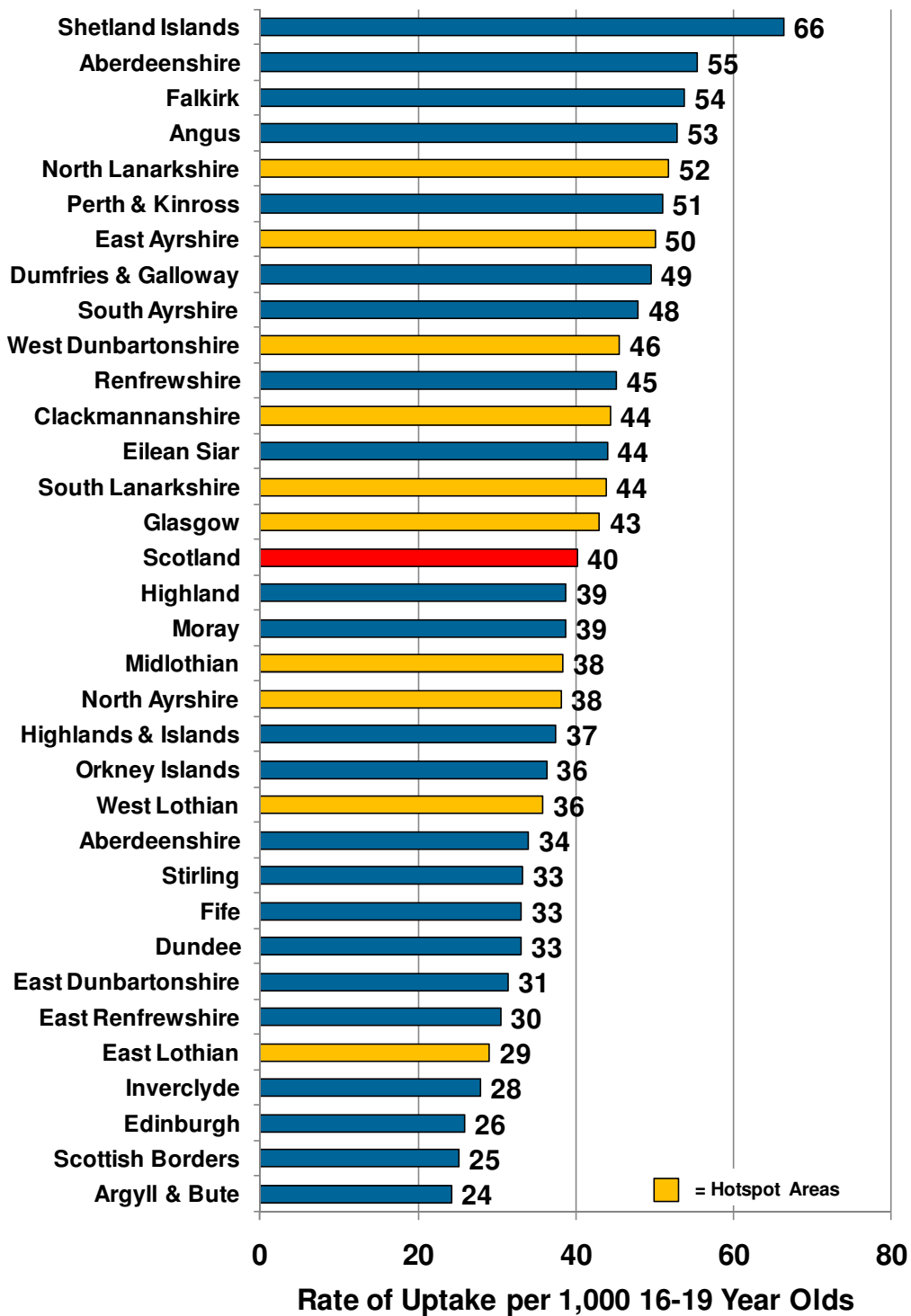
- The **gender split was fairly even** with males accounting for 55% of the total and females 45%;
- The **construction** sector accounted for the highest share (18% of the total), followed by **retail & customer service** (15%), **administration** (13%) and **sport, health & social care** (11%); and
- The majority of places were taken by individuals in **skilled trades** or **mid-level service sector** occupations; and
- Over half (58%) of trainees were at **VQ Level 3** and 42% were at **VQ Level 2**.

### 2.2.2 Uptake by Local Authority

The chart on the next page shows take up of additional 16-19 MAs by local authority, based on the home address of trainees<sup>2</sup>. Across Scotland as a whole, **the rate has been 40 per 1,000 people aged 16-19**. However, there has been considerable variation in levels of uptake across the country with Shetland, Aberdeenshire and Falkirk having rates more than double those of Argyll & Bute, the Scottish Borders and Edinburgh.

<sup>2</sup> See Appendix C for a map of uptake by Local Authority

## Uptake of Additional MAs (16-19) by LA



Prior to summer 2010, the Scottish Government carried out analysis to identify areas at risk of becoming 'hotspots' for an anticipated summer spike of school and college leavers<sup>3</sup>. A total of 17 local authorities were identified, 10 of which demonstrated cause for concern across more than one indicator – these are highlighted in yellow on the chart.

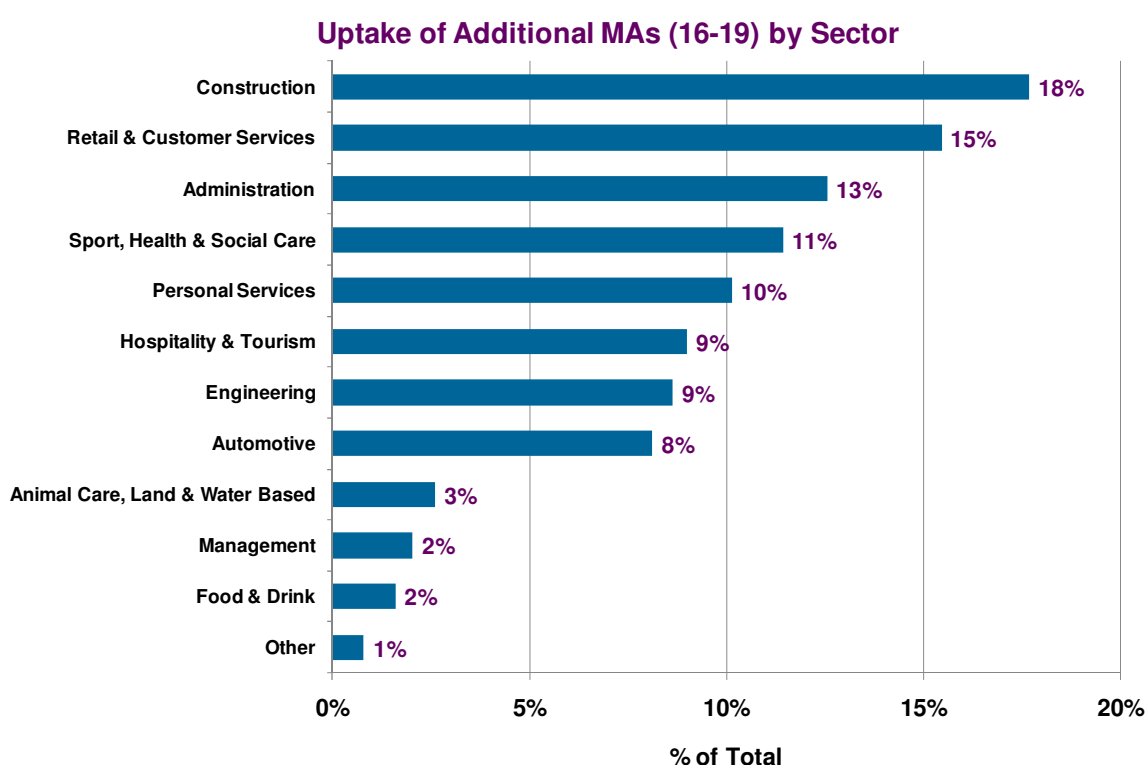
<sup>3</sup> See Appendix D for further details

The majority of the ‘hotspot’ areas highlighted have had rates of uptake above the Scottish average, **suggesting that the programme helped address the anticipated summer spike of school and college leavers**. However, each of the three Lothian councils and North Ayrshire had below average uptake of the 16-19 additional MAs despite being designated hotspots.

One explanation for the high levels of variation in uptake is likely to be differences in the industrial structure and labour market conditions within each local authority area. The following section looks at uptake of the additional MAs by industry and occupation.

### 2.2.3 Industry & Occupation

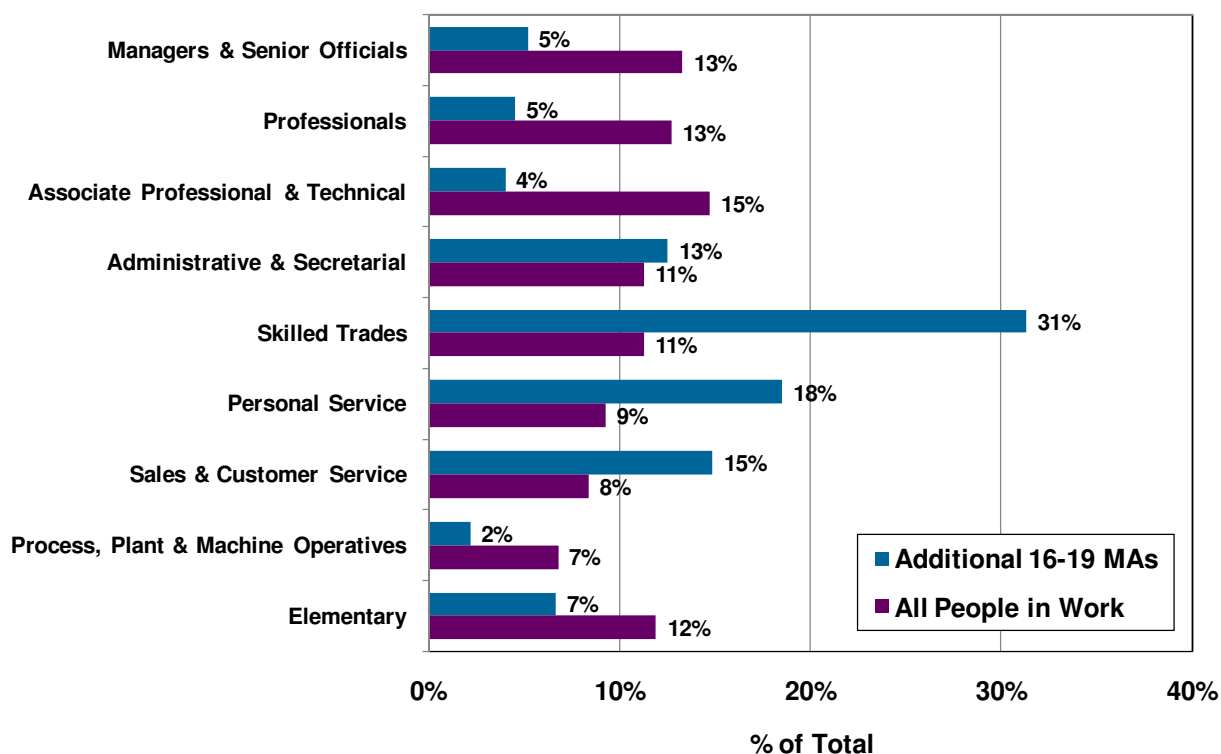
The chart below shows the industry of employment of the additional MAs for 16-19 year olds. It shows that **construction, retail & customer service** and **administration** combined accounted for almost half (46%) the total. The remainder were spread across a range of other sectors with services particularly well represented.



The chart on the next page compares the occupations of the additional 16-19 MAs with those of all people in work across Scotland. It shows that:

- Almost one in every three (31%) additional MAs were in **skilled trade** occupations, much higher than the 11% of all people in work;
- The additional MAs are also over-represented within **personal service** and **sales & customer service** occupations with around double the proportion in these jobs relative to all people in work;
- By contrast, relatively low proportions of the additional MAs are in **managerial and professional** occupations, compared to all jobs in these occupations;
- Similarly, at the other end of the occupational scale, the additional MAs are under-represented within **operative** and **elementary** occupations.

### Uptake of MAs by Occupation



#### Summary – Additional MAs for 16-19 Year Olds:

- **The target of 11,000 starts was on course to be met** with 96% achieved two months ahead of the end of the year;
- The programme appears to have **helped address the anticipated ‘summer spike’ of school and college leavers** with high levels of uptake within most of the identified hotspot areas;
- However, **uptake has been low within some hotspot areas** including the three Lothian authorities and North Ayrshire;
- The additional MAs are employed across a range of sectors with particularly high uptake within **construction, retail and other personal service sectors, including care**;
- They have been concentrated within **skilled trades, service sector and administrative jobs** with relatively low representation within managerial or operative / elementary occupations.

## 2.3 Additional MAs for Key Sectors

### 2.3.1 Overview

Table 3 shows the number of additional MAs for key sectors that had been taken up by the end of January 2011<sup>4</sup>. Around half (47%) of the target of 5,000 had been met at that point, with H&I slightly ahead of LUPS in terms of progress towards their individual targets. **An additional 2,600 starts were required through February and March to meet the target.**

<b>Table 3: Additional MAs for Key Sectors (all ages)*</b>			
	<b>2010/11 Target</b>	<b>Total Starts</b>	<b>% Target Achieved</b>
Highlands & Islands (H&I)	500	302	60%
Lowlands & Uplands Scotland (LUPS)	4,500	2,044	45%
<b>Total</b>	<b>5,000</b>	<b>2,346</b>	<b>47%</b>

\*Figures refer to total starts by the **end of Jan-11**

It should be noted that, at the time when these figures were collected, all additional MAs aged 16-19 had been counted within that category regardless of whether or not they were employed in one of the key sectors. Once the target of 11,000 additional MAs for 16-19 year olds was met, all new MA starts within key sectors were then counted within this category. Combined with the fact that they were contracted later than the 16-19 MAs, **this explains why progress towards the target appeared to be falling short at the end of January 2011 relative to that for 16-19 year olds.**

Table 2 in Appendix B provides a summary overview of the gender, age, industry and occupation of individuals taking up the additional MAs within Key Sectors by the end of January 2011. It shows that:

- **Men accounted for the largest share (70%)** of the total;
- **The majority were under the age of 40**, with 50% aged 20-29 and a further 22% aged 30-39;
- The **construction** sector accounted for the highest share (25% of the total), followed by **hospitality & tourism** (21%), **management** (14%) and **transport & logistics** (11%);
- Most of the places were taken by individuals in **managerial, skilled trade or operative** occupations; and
- The majority of trainees (71%) were at **VQ Level 3**.

**In summary, the typical key sector MA is male, aged 20-39 and employed in managerial or skilled trade occupations within the construction, tourism or transport sectors.**

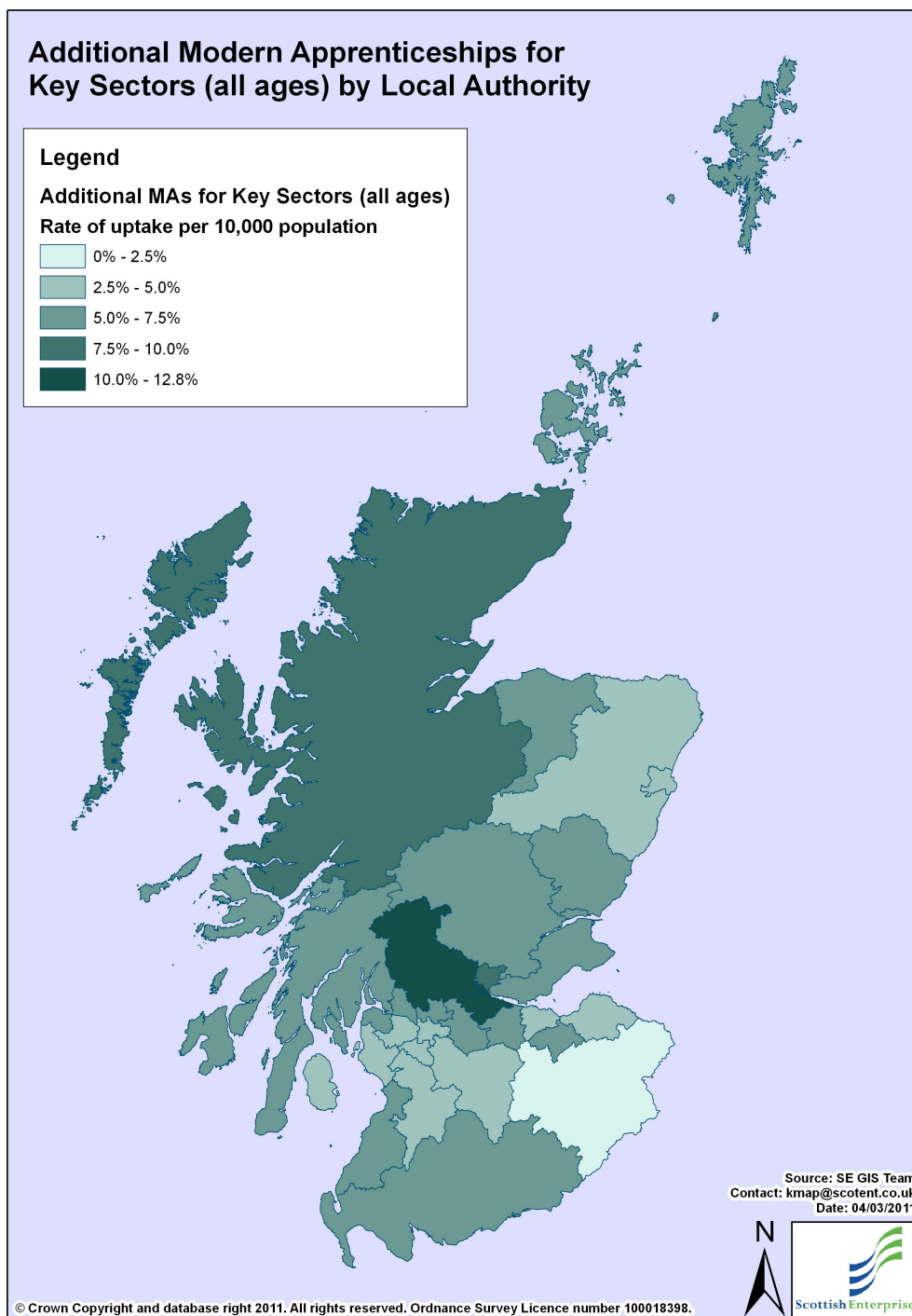
<sup>4</sup> See Appendix E for a list of key sectors and supporting MA frameworks



### 2.3.2 Uptake by Local Authority

The map below shows uptake of the additional MAs for key sectors by local authority. It shows that:

- **Highland**, as well as each of the Forth Valley local authorities of **Falkirk**, **Stirling** and **Clackmannanshire**, have had the highest rates of uptake; and
- The **Scottish Borders**, **West of Scotland** local authorities and **Aberdeen City and Shire** have had the lowest rates.

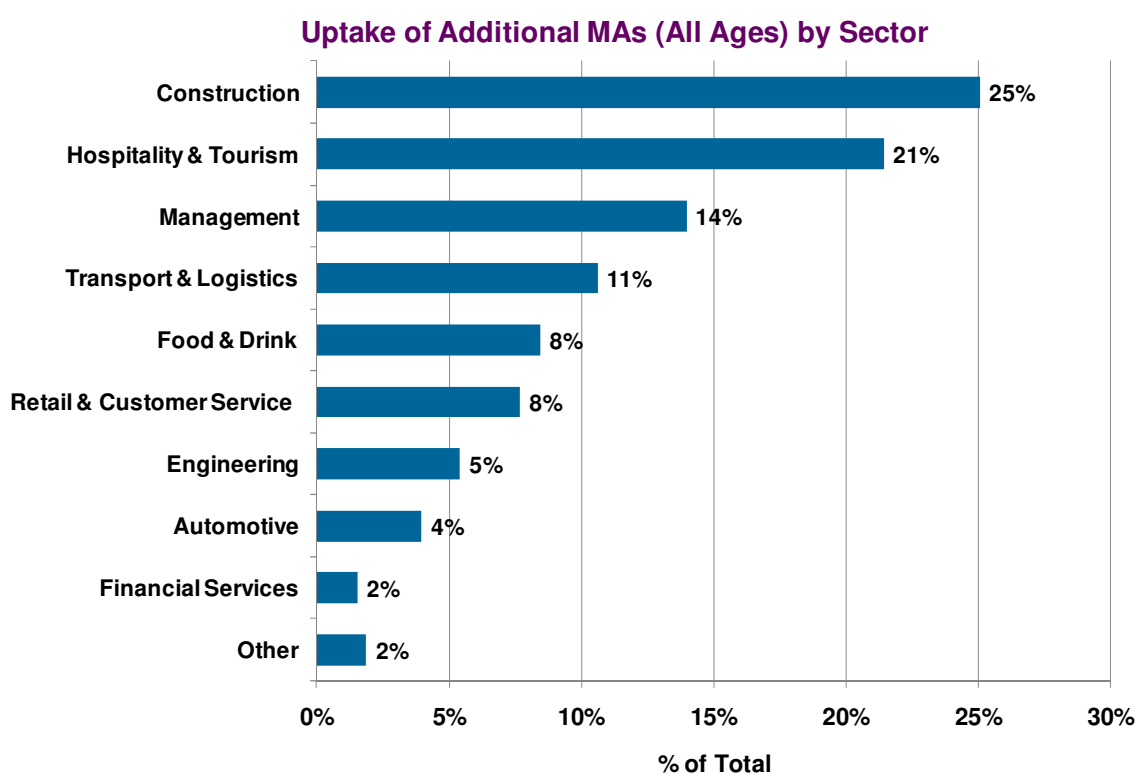


As these additional MAs are specifically targeted at occupational frameworks that support the key sectors, variations in levels of uptake are likely to be linked to differences in industrial structure. The following section looks in more detail at uptake by industry and occupation.

### 2.3.3 Sector & Occupation

The chart below shows uptake of the additional MAs by key sector. It shows that:

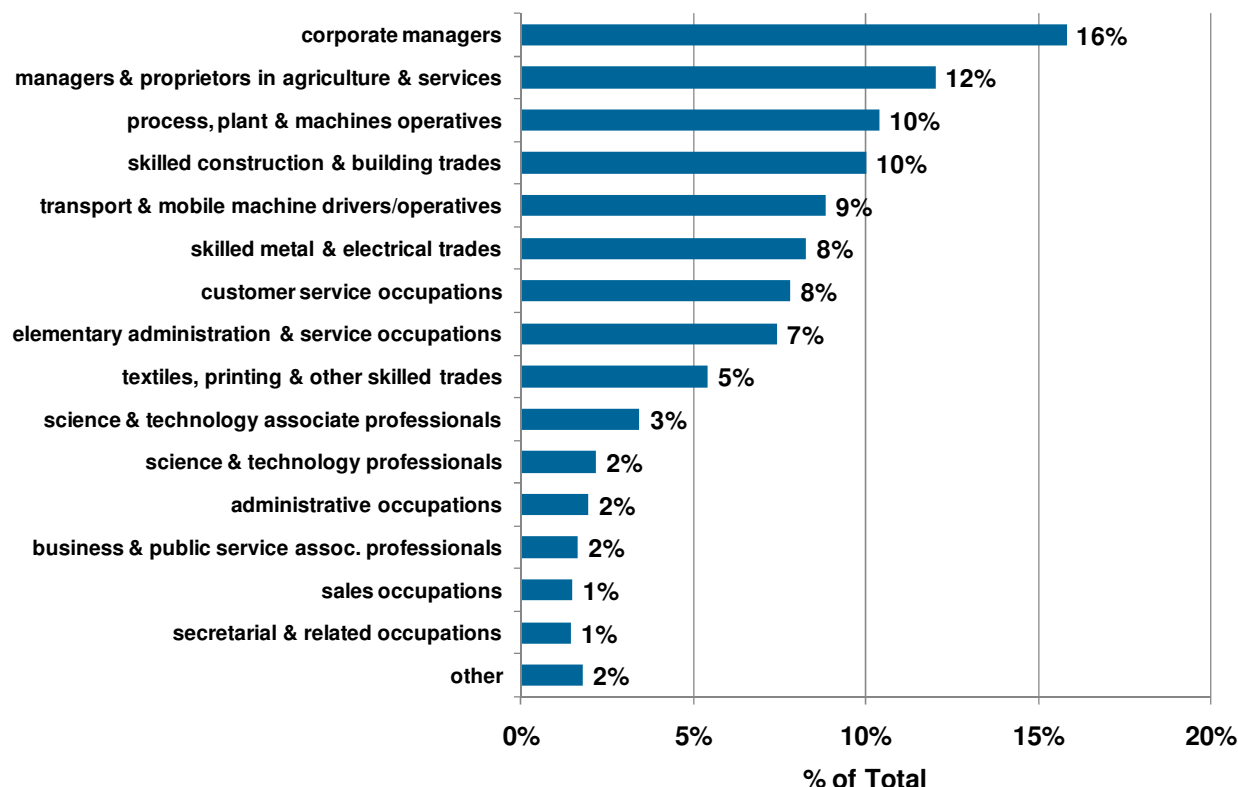
- The **construction** and **hospitality & tourism** sectors have been well represented, accounting for 25% and 21% respectively;
- **Management** also accounts for a substantial share (14%), though these MAs are likely to be spread across a number of sectors; and
- The key sectors where there has been little or no uptake of the additional MAs so far (not shown in chart) include **creative industries, life sciences** and **energy**.



The chart on the next page compares the occupations of the additional MAs for key sectors. It shows that:

- In contrast to the additional MAs for 16-19 year olds, the highest levels of take up of the MAs for key sectors has been amongst individuals employed in **managerial** and **operative** posts; and
- Individuals within occupations more traditionally associated with vocational training, such as **skilled trades, customer services** and **administration**, are also well represented.

### Uptake of Additional MAs (All Ages) by Occupation



#### Summary – Additional MAs for Key Sectors:

- **Around half the annual target of 5,000 additional MAs for key sectors** had been met two months ahead of the end of the year;
- The typical MA within the key sectors is **male, aged 20-39 and employed in managerial or skilled trade occupations** within the construction, tourism or transport sectors.
- Uptake of the key sector MAs has been **highest within Highland and Forth Valley** and **lowest within the Borders, West of Scotland and Aberdeen City & Shire**;
- The key sectors with the highest levels of uptake have been **construction, hospitality & tourism** and **transport & logistics**;
- There has been little or no uptake within **creative industries, life sciences** or **energy**;
- Individuals employed in **managerial** occupations account for the highest share of additional MAs for key sectors.

## 2.4 Flexible Training Opportunities

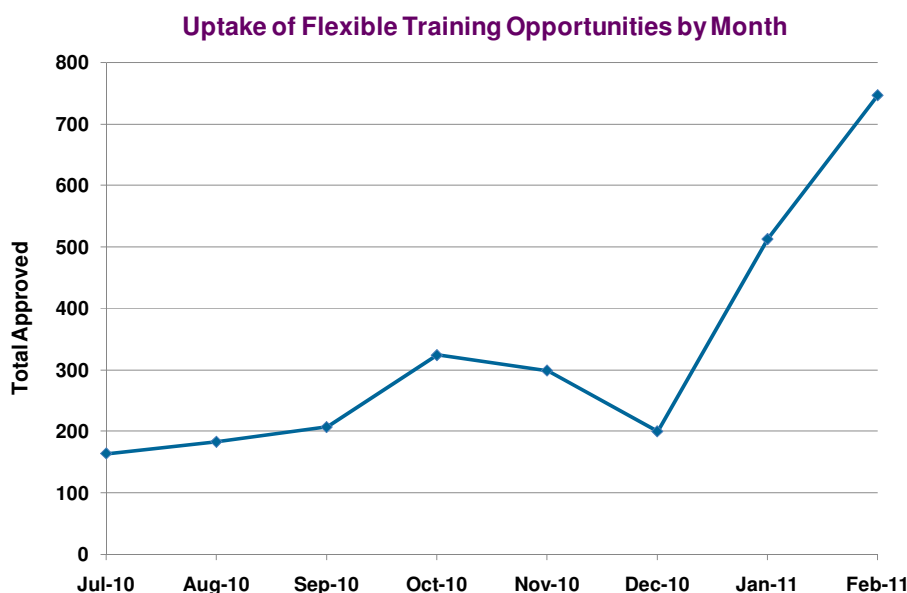
### 2.4.1 Overview

Table 4 shows the total number of FTOs approved by 18<sup>th</sup> February 2011. It shows that the programme was **just over halfway (53%) towards achieving the annual target of 5,000 by mid-February**. H&I were slightly ahead in terms of progress with 57% of target achieved, relative to 52% for LUPS.

	<b>2010/11 Target</b>	<b>Total Approved</b>	<b>% Target Achieved</b>
Highlands & Islands (H&I)	500	285	57%
Lowlands & Uplands Scotland (LUPS)	4,500	2,356	52%
<b>Total</b>	<b>5,000</b>	<b>2,641</b>	<b>53%</b>

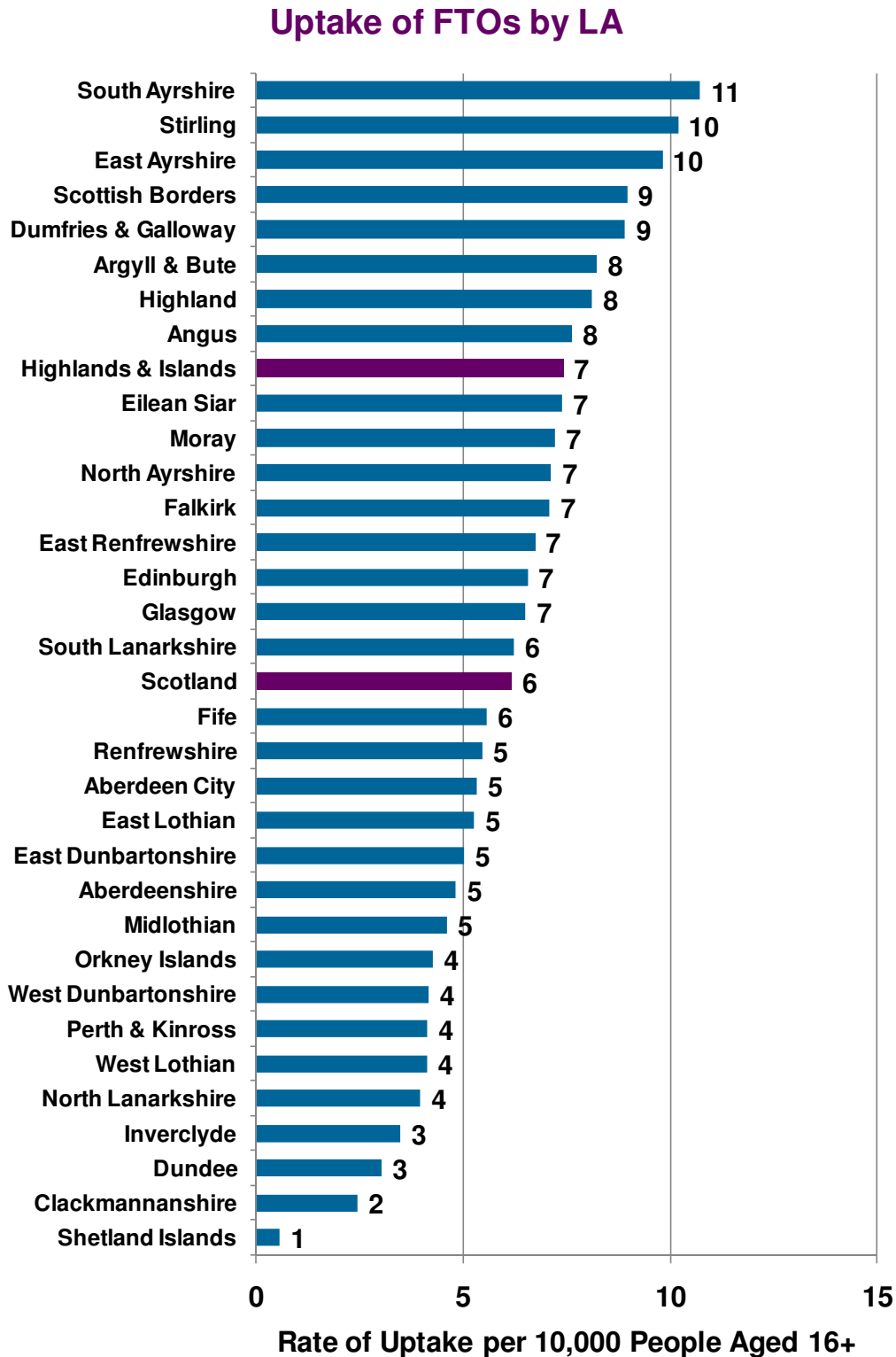
*Figures refer to total approved by 18/02/11*

The programme got off to a relatively slow start with only around 1,400 FTOs approved by the end of December 2010, as shown in the chart below. In agreement with the Scottish Government, the eligibility criteria was changed in January 2011 to include all companies with up to 150 employees. This, combined with increased marketing efforts, resulted in a substantial rise in uptake within the first two months of 2011. **As the end of year figures are now available, we know that these high levels were maintained and that the target of 5,000 was exceeded by 15%.**



### 2.4.2 Uptake by Local Authority

The chart below shows uptake of FTOs by local authority. It shows that, as a proportion of the 16+ population, **the authorities with the highest levels of uptake are those that are predominantly rural<sup>5</sup>.**



<sup>5</sup> A map of uptake of FTOs by local authority can be found in Appendix C

Rural economies tend to be characterised by high levels of self-employment and a greater prevalence of small businesses relative to urban areas. For example, 22% of all people working in South Ayrshire and Stirling in 2008 worked in businesses employing fewer than 10 people<sup>6</sup>. This compares with equivalent rates of 13% for Glasgow and 15% for Edinburgh. **Take up of FTOs has therefore been highest amongst local authority areas with the greatest concentrations of small businesses.**

### 2.4.3 Value of Claims

The programme allows businesses to claim back up to 50% of their employee training costs up to a maximum of £500 per training episode. Following approval, the training must be delivered and paid in full before companies are able to submit a claim. This can result in a considerable time lag between companies receiving approval for funding and making a claim.

Table 5 shows that, of the 2,641 training episodes approved for funding through the programme by mid-February, around half (48%) resulted in claims of less than £200 and just a quarter (14%) in claims of more than £400. It should be noted that the figures refer to the value of funding claims made, as opposed to the full cost of the training. **The average claim made per training episode was therefore £247 – less than half the maximum allowance of £500.**

<b>Table 5: Value of FTO Claims</b>		
	<b>No</b>	<b>% of Total</b>
£0 - £100	671	25%
£101 - £200	615	23%
£201 - £300	481	18%
£301 - £400	257	10%
£401 - £500	617	24%
<b>Total</b>	<b>2,641</b>	<b>100%</b>

*Figures refer to claims made **per trainee**, rather than **per business***

### 2.4.4 Profile of Businesses & Trainees

Tables 3 and 4 in Appendix B provide summary profiles of the businesses and trainees that had taken up FTOs by 18<sup>th</sup> February 2011. In terms of the businesses, it shows that:

- The **vast majority (93%) of FTO trainees were employed in businesses with fewer than 50 employees**, suggesting that the broadening of the eligibility criteria to include companies with more than 50 employees has so far not had a huge impact on levels of take up;
- Over two thirds (67%) of businesses applying for FTO funding had **an annual turnover of less than £1m**, with just 5% turning over in excess of £5m per year;
- FTO applicants are asked to identify the 'nature' of their business. Over 550 different responses were given to this question and an exercise was carried out to categorise these according to the Standard Industrial Classification (SIC) system. This showed that **professional, scientific and technical activities** (16%) accounted for the highest share, followed by **construction** (13%) and **retail** (10%).

<sup>6</sup> Source: Annual Business Inquiry Workplace Analysis 2008, ONS

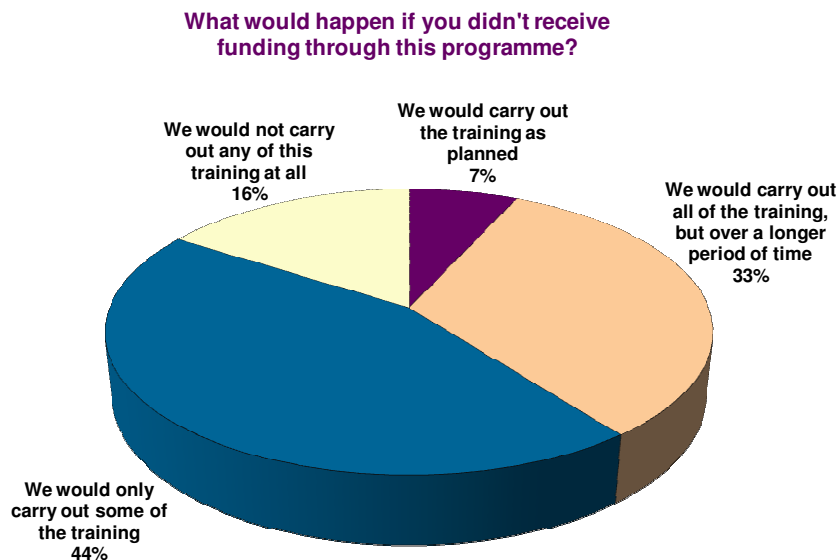
Looking at the profile of individuals accessing training opportunities through the programme:

- The majority (58%) were **male**;
- Half (**50%**) were aged 20-29, a further **22%** were aged 30-39 and **19%** were aged 40-49;
- **Most of the trainees (76%) had been in their job for longer than a year**, with 25% having been in post for longer than five years;
- The type of training received was very varied with over 1,200 different types of courses identified. These were categorised and **business skills, accounting, IT (including the use of social media for marketing and promotion), leadership & management and operative** training courses were found to be the most popular.

### 2.4.5 Additionality

FTO funding applicants are asked what would happen in relation to the planned training in the absence of funding through the programme and the responses to this question are shown in the chart below.

There appear to be reasonably high levels of additionality associated with the programme in that **only 7% of firms said that they would carry out the training as planned in the absence of the funding**. A third of companies said that they would carry out the training, but over a longer period of time and 44% said that they would only carry out some of the training.



### Summary – Flexible Training Opportunities:

- **Just over half the annual target of 5,000** had been met two months ahead of the end of the year, though a rapid increase in uptake resulted in the target being exceeded by 15%;
- The areas where uptake has been highest have been **predominantly rural**, where concentrations of small business tend to be high;
- **The value of FTO claims has been relatively low**, averaging less than £250 per training episode – half the maximum allowance of £500;
- Despite the broadening of the eligibility criteria, the vast majority of participating companies **have fewer than 50 employees** and an annual turnover of less than £1m;
- Business in **professional, scientific and technical industries** have accounted for the highest share of FTOs, followed by **construction** and **retail** – industries more traditionally associated with vocational training;
- The type of training funded through the programme has been extremely varied with **business skills, accounting, IT, leadership & management and operative** courses accounting for the highest shares; and
- **There appear to be high levels of additionality associated with the programme** with just 7% of participating business saying they would continue with the training in the absence of the funding.

### Notes on FTO Database

*The analysis contained within this chapter is based on data extracted from the FTO Database. However, it should be noted that a number of issues were identified in relation to this data and a substantial ‘cleaning’ exercise had to be carried out before it was suitable for analysis.*

*This has been highlighted to the relevant teams and the database is currently being reviewed with the aim of addressing these issues. This will ensure that all of the data required for the final commissioned evaluation will be available in a suitable format for analysis.*

## 2.5 Employer Recruitment Incentive

### 2.5.1 Overview

The original target was to deliver 2,000 Employer Recruitment Incentives each year. However, given the disadvantages facing the target groups, it was fairly evident early on that this target would not be achieved. After discussion with the Scottish Government policy leads, it was agreed that this should be lowered to 1,000 in the first year with an overall two-year target of 3,000.

Table 6 shows that the programme was still falling some way short of this revised targeted within both H&I and LUPS by the end of January 2011. A total of 330 trainee starts had been approved by then, a third (33%) of the 1,000 target for the year.



<b>Table 6: Employer Recruitment Incentive</b>			
	<b>2010/11 Target</b>	<b>Total Starts</b>	<b>% Target Achieved</b>
Highlands & Islands (H&I)	200	14	7%
Lowlands & Uplands Scotland (LUPS)	800	316	40%
<b>Total</b>	<b>1,000</b>	<b>330</b>	<b>33%</b>

*Figures refer to total starts by the end of Jan-11*

A total of 376 applications were awaiting approval at the time of the evaluation and an additional 942 starts were subsequently approved through February and March, meaning that the annual target was exceeded by 27%. **However, it should be noted that the analysis contained within this section is focussed only on the 330 that had been approved by the end of January 2011.**

Table 5 in Appendix B provides a summary overview of the individuals and businesses that had participated in the programme by the end of January 2011. It shows that:

- The majority of trainees recruited through the programme were **males aged 16 or 17**;
- Three quarters were graduates from the **Get Ready for Work** programme;
- Relatively low proportions were **care leavers** (4%) or **young offenders** (2%) – two of the key target groups;
- The top three MA frameworks that trainees went into are **vehicle maintenance & repair** (25% of total), **construction & trades** (14%) and **administration** (10%);
- The majority (81%) of participating companies **currently employ MAs** or have employed MAs in the past i.e. they have a history with the programmes.

### 2.5.2 Changes to Year 2

In February 2011, the Scottish Government launched a new scheme offering an incentive of £1,000 to small firms with fewer than 50 employees recruiting a Modern Apprentice or employee from one of the following target groups:

- Graduates of Get Ready for Work / Targeted Pathways
- Young Offenders
- Care leavers
- Aged 18+ and 6 months unemployed
- Key Sector MAs

This new scheme will sit alongside the existing Employer Recruitment Incentive meaning that companies with fewer than 50 employees will be eligible to claim a combined total of £2,000 when recruiting from key target groups during 2011/12. **These changes are likely to result in increased uptake of ERI places through Year 2, particularly amongst the small business base.**

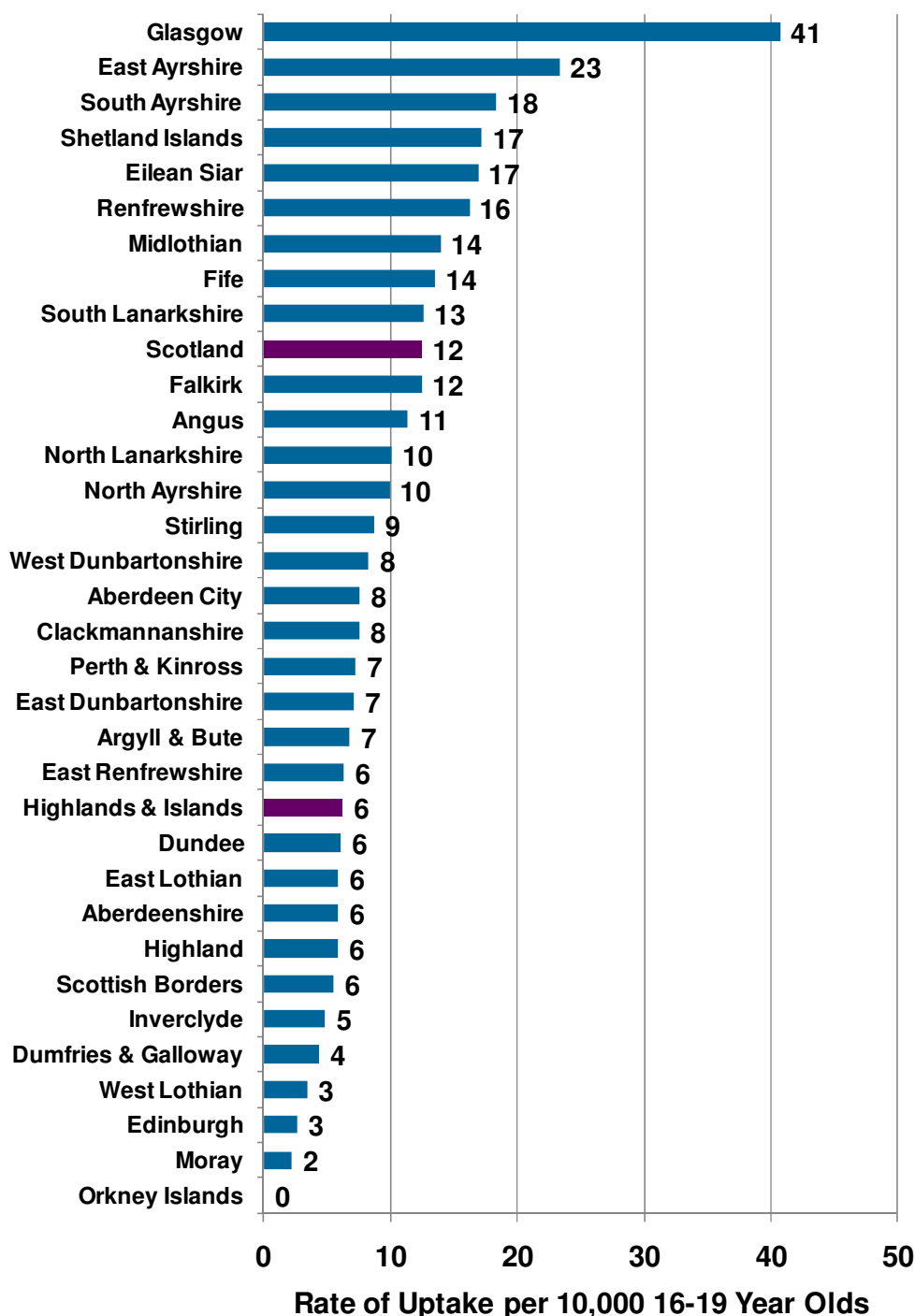
### 2.5.3 Uptake by Local Authority

The chart on the next page shows take up of ERI places by the home area of trainees<sup>7</sup>. It shows that **Glasgow has had by far the highest rate of uptake of trainees through the programme**

<sup>7</sup> Maps of uptake by local authority area of trainees and businesses can be found in Appendix C

at 41 per 10,000 people aged 16-19, compared with the average of 12 per 10,000 across Scotland as a whole. In fact, 122 of the 330 trainees recruited through the programme so far live in Glasgow – 37% of the total.

### ERI Trainees by LA of Residence

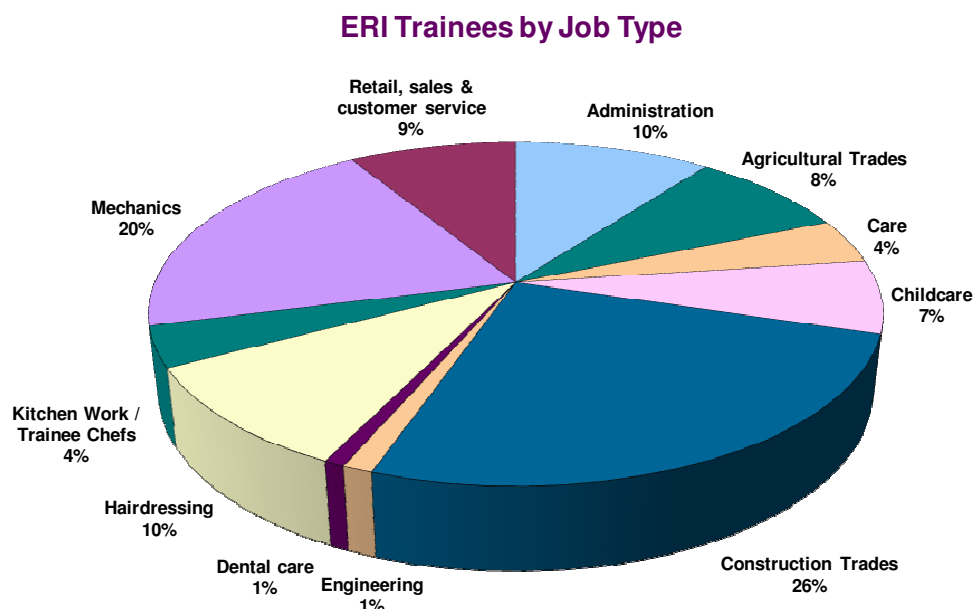


Of the 330 trainees recruited through the ERI programme by the end of January 2011, 119 (36% of the total) lived in areas ranked amongst the 15% most deprived in Scotland<sup>8</sup>. In other words, the proportion of ERI trainees living in deprived areas is more than double the average for all people living in Scotland. **The programme therefore appears to be offering employment and training opportunities to young people likely to be facing a range of barriers to work.**

<sup>8</sup> As measured by the Scottish Index of Multiple Deprivation 2009

### 2.5.4 Uptake by Job Type

The chart below shows the types of jobs that MAs recruited through the ERI programme have gone into. **Construction trades** and **mechanics** account for the highest shares at 26% and 20% respectively. Over a quarter of recruits (29%) went into **admin, hairdressing, retail, sales or customer services** posts.



#### Summary – Employer Recruitment Incentive:

- A total of 330 MAs had been recruited through the programme by the end of January 2011 – **33% of the revised target of 1,000 for the year**;
- The majority of trainees coming through the programme were **males aged 16 or 17 and graduates of Get Ready for Work**;
- **Care leavers and young offenders** – two of the key target groups – accounted for relatively few of the MAs recruited through the programme;
- The top three MA frameworks for trainees were **vehicle maintenance and repair, construction and administration**;
- The majority of businesses taking on apprentices through the programme have **currently or previously employed MAs**;
- **Over a third of all apprentices recruited through the programme live in Glasgow**, the local authority area with the highest level of uptake;
- More than one in every three recruits live in areas ranked amongst the 15% most deprived in Scotland suggesting that the programme is **delivering employment and training opportunities to many young people likely to be facing multiple barriers to work**.

## 2.6 Targeted Pathways

### 2.6.1 Overview

Table 7 shows that uptake of Targeted Pathways exceeded the targets for both H&I and LUPS during 2010/11. A total of 950 starts were recorded by the end of March 2011, 19% higher than the target of 800 for the year. **This suggests that levels of demand for the programme have been higher than anticipated.**

	<b>2010/11 Target</b>	<b>Total Starts</b>	<b>% Target Achieved</b>
Highlands & Islands (H&I)	80	93	116%
Lowlands & Uplands Scotland (LUPS)	720	857	119%
<b>Total</b>	<b>800</b>	<b>950</b>	<b>119%</b>

*Figures refer to total starts by the end of March-11*

Table 6 in Appendix B provides a summary overview of the individuals that have participated in the programme so far. It shows that:

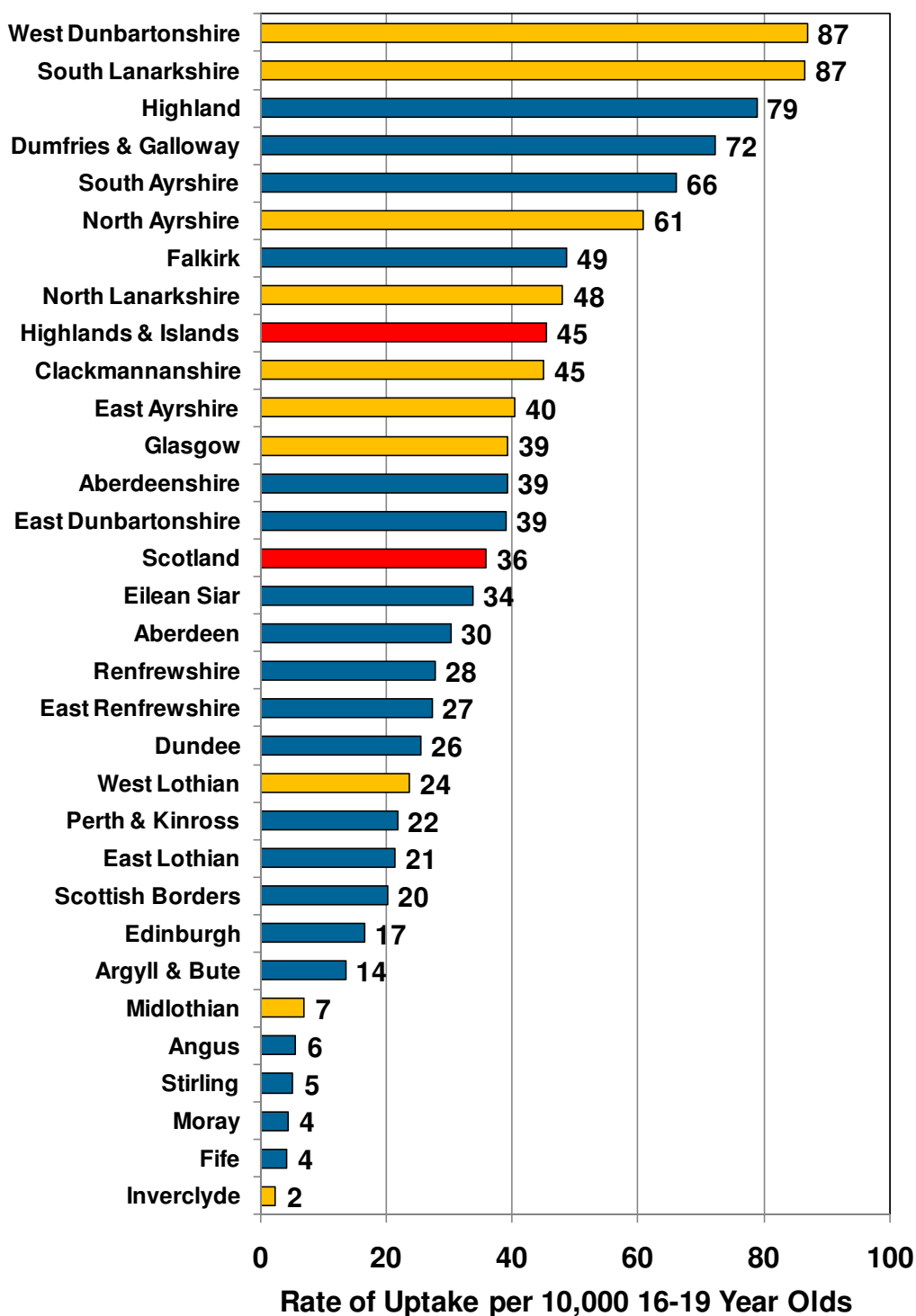
- The **gender split of trainees has been fairly even** with males accounting for 59% of the total and females for the remaining 41%;
- The majority (78%) of trainees were aged either 16 or 17 at the start, suggesting that **many are going into the programme directly from school**;
- The **overwhelming majority (99%) of trainees were white**, with very few from other ethnic backgrounds; and
- The main occupational areas of trainees have been **retail & customer services (23%), administration (24%), engineering (18%) and hospitality & tourism (11%)**.

### 2.6.2 Uptake by Local Authority

The chart on the next page shows take up of Targeted Pathways by local authority, based on the home address of trainees. Across Scotland as a whole, **the rate has been 36 per 1,000 people aged 16-19**, but there has been considerable variation in levels of uptake across the country. Some areas, such as West Dunbartonshire, South Lanarkshire and Highland, have had particularly high numbers of trainees participating in the programme compared to areas like Inverclyde, Fife and Moray where there have been very few.

These variations are likely to be the result of a number of factors including local labour market conditions, availability of other opportunities, levels of promotion / awareness of the programme and capacity of local training providers to offer this type of vocational training.

## Uptake of Targeted Pathways by LA



Prior to summer 2010, the Scottish Government carried out analysis to identify areas at risk of becoming ‘hotspots’ for an anticipated summer spike of school and college leavers<sup>9</sup>. A total of 17 local authorities were identified, 10 of which demonstrated cause for concern across more than one indicator – these are highlighted in yellow on the chart.

<sup>9</sup> See Appendix D for further details

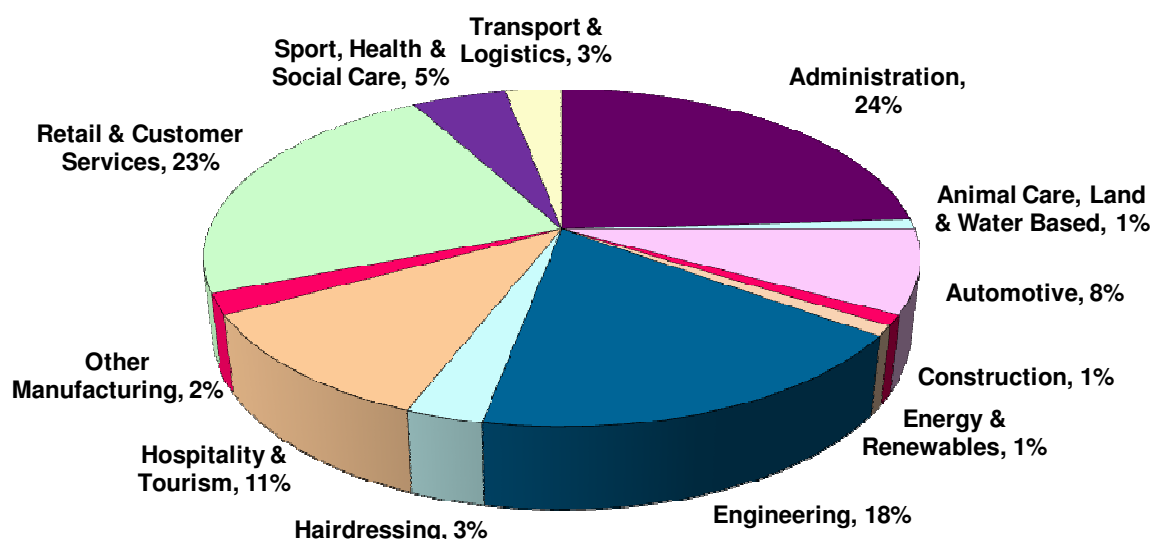
The majority of the ‘hotspot’ areas highlighted have had rates of uptake above the Scottish average, **suggesting that the programme has helped to address the anticipated summer spike of school and college leavers**. However, Inverclyde, Midlothian and West Lothian each had below average uptake of Targeted Pathways despite being designated hotspots.

Of the 950 trainees that have participated in Targeted Pathways programme so far, 254 (27% of the total) live in areas ranked amongst the 15% most deprived in Scotland<sup>10</sup>. In other words, **Targeted Pathways trainees are disproportionately concentrated within deprived areas relative to the Scottish population as a whole**.

### 2.6.3 Occupation of Trainees

The chart below shows the occupational profile of Targeted Pathways trainees. The positions taken up have been varied, though service sector positions in administration, retail and hospitality have accounted for the largest shares. However, sectors such as engineering, automotive and transport have also been well represented.

**TPAs by Occupational Group, 2010/11**



<sup>10</sup> As measured by the Scottish Index of Multiple Deprivation 2009

### Summary – Targeted Pathways:

- A total of 950 young people aged 16-19 had started on the programme by the end of March 2011 – **19% higher than the target of 800 for the year**;
- The majority of trainees were aged 16 or 17, suggesting that **many are going into the programme directly from school**;
- The occupational areas of trainees has been varied with **administration, retail & customer services, engineering and hospitality & tourism** accounting for the highest shares;
- **There have been wide variations in levels of uptake across the country**, though most of the anticipated summer spike ‘hotspot’ areas have had above average levels; and
- Targeted Pathways trainees are **disproportionately concentrated within deprived areas** when compared to the Scottish population as a whole.

## 2.7 Low Carbon Fund

### 2.7.1 Overview

Table 8 shows the number of training places approved through the Low Carbon Fund by 9<sup>th</sup> February 2011. It shows that 30% of the overall target of 196 had been achieved, meaning that an additional **15 places in H&I and 439 in LUPS were required before the end of the year to achieve target.**

	<b>2010/11 Target</b>	<b>Total Approved</b>	<b>% Target Achieved</b>
Highlands & Islands (H&I)	70	55	79%
Lowlands & Uplands Scotland (LUPS)	580	141	24%
<b>Total</b>	<b>650</b>	<b>196</b>	<b>30%</b>

*Figures refer to training episodes approved by 09/02/11*

The Low Carbon Fund was launched later than the other SBTR programmes in November 2010, which partly explains why the programme was still some way behind target at the time when these figures were collected in early February. The end-of-year figures are now available and show that 98% of the trainee start target was achieved. **However, the analysis contained within this chapter is focussed only on the 196 places that had been approved at the time of the evaluation.**

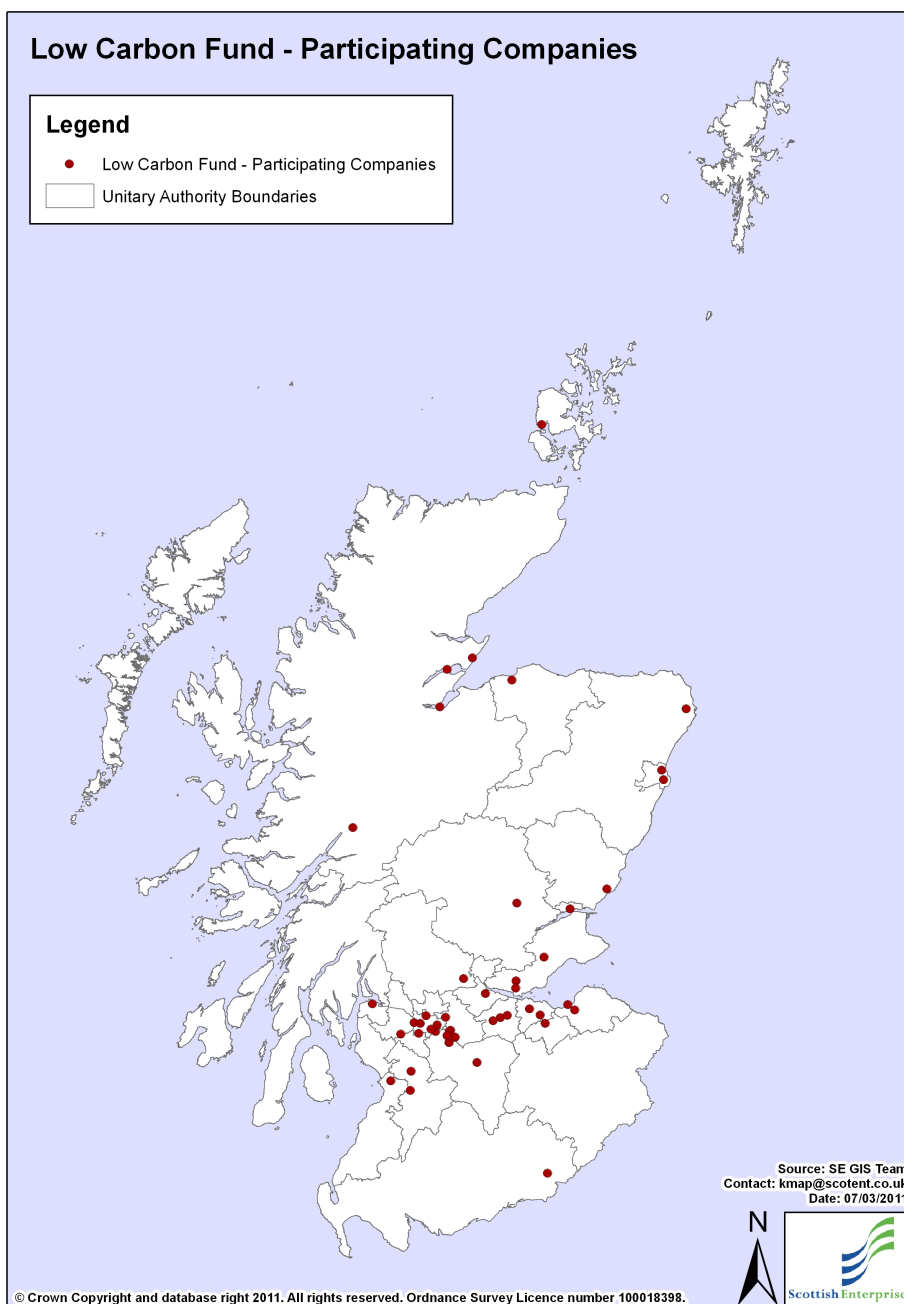
Table 7 in Appendix B provides a summary overview of the individuals and businesses that had participated in the programme by mid-February. It shows that:

- Almost all (96%) of people receiving training through the programme were **male**;
- Over three quarters (76%) had been in their job for **longer than a year**;
- More than half (59%) of all firms applying for funding through the programme had an **annual turnover in excess of £1m** and 25% of these had a turnover of **more than £5m**;
- **Building services and construction** companies accounted for 59% of all firms applying for funding through the programme, with **property, housing & facilities management and energy & utilities** also well represented.

### 2.7.2 Take up by Local Authority

The map on the next page shows the location of companies receiving support for training through the Low Carbon Fund by early February 2011. It shows that, whilst the majority were concentrated across the Central Belt, there were also several across the East coast and Highlands & Islands.





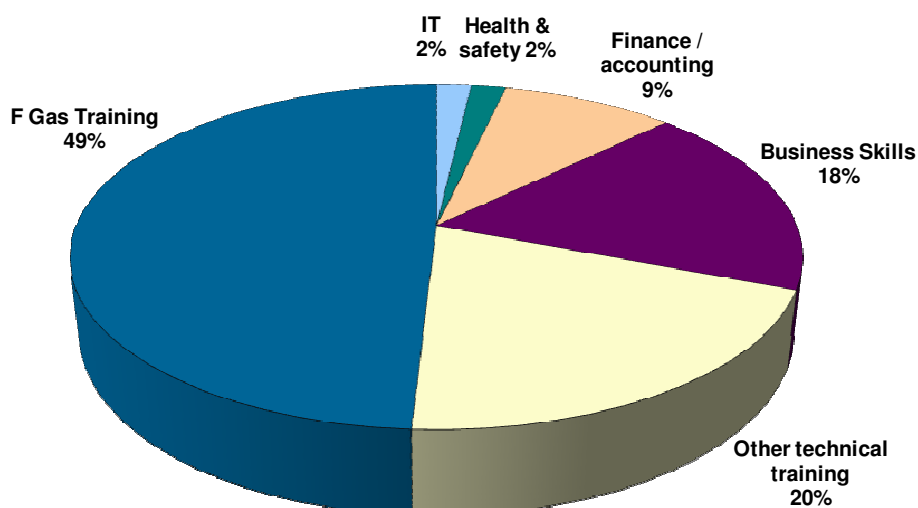
### 2.7.3 Type of Training

The chart on the next page shows the types of training that have been supported through the Low Carbon Fund. It shows that **F Gas training has accounted for around half the total.**

F Gas training regulations came into force in the UK in March 2009, with the aim of reducing emissions of this type as covered by the Kyoto Protocol. They require all engineers working with systems that emit F Gas, such as refrigerators, air conditioning or heat pump equipment, to complete the training by July 2011.

The remainder of the training supported through the fund has been within **business skills, finance** and a range of **other technical** areas.

### Type of Training



### 2.4.3 Value of Claims

The programme offers businesses the opportunity to claim back up to 50% of their employee training costs. There was no upper limit specified to the claims that could be made during 2010/11, though this has been set at £500 per training episode for 2011/12. Following approval, the training must be delivered and paid in full before companies can submit a claim. As with Flexible Training Opportunities, this can result in a considerable time lag between companies receiving approval for funding and making a claim.

Table 9 shows a breakdown of the value of claims made for the 196 training episodes that have been part-funded through the programme so far, which represent 50% of the full cost of the training. It shows that:

- around half (46%) have resulted in claims of up to £300;
- A further 31% have resulted in claims of £300-£500; and
- The remaining 23% have been for £500 or more up to a maximum of £1,000 per trainee.

**The average claim made per training episode was £377 – above the equivalent figure of £247 for FTOs.**

	<b>No</b>	<b>% of Total</b>
£0 - £100	26	13%
£101 - £200	19	10%
£201 - £300	45	23%
£301 - £400	46	23%
£401 - £500	15	8%
£500 - £1,000	45	23%
<b>Total</b>	<b>196</b>	<b>100%</b>

*Figures refer to claims made **per trainee**, rather than **per business***

### Summary – Low Carbon Fund:

- A total of 196 individuals had been approved for training through the Fund by early February – **30% of the target of 650** for the year;
- The majority of Low Carbon Fund trainees are **men employed in building services or construction companies with turnovers in excess of £1m**;
- Take up of training through the Low Carbon Fund has been highest across the **central belt, the East coast and Highlands**;
- F Gas training has accounted for the largest share of training through the fund, though this may offer **limited additionality** given that it will be a full statutory requirement for many firms later this year.
- The training is relatively high value resulting in average claims of **£377 per training episode**.

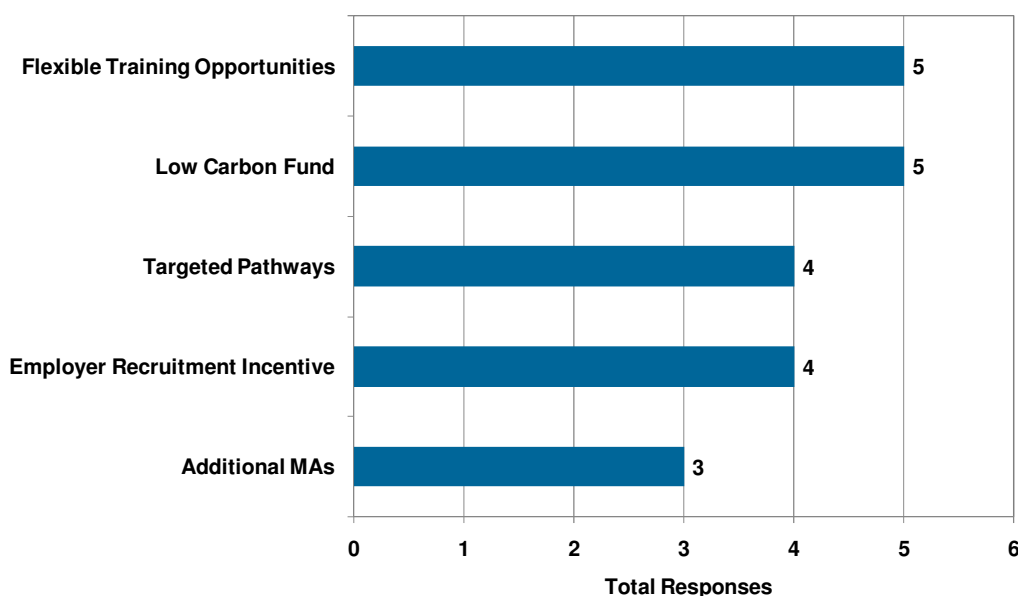
### 3. Feedback from Project Managers

#### 3.1 Introduction

An electronic survey was emailed to 11 SDS staff identified as having had some involvement in the SBTR programme on 4<sup>th</sup> February 2011<sup>11</sup>. A reminder email was sent a week later and a total of **6 responses** had been received by the time the survey closed on 28<sup>th</sup> February.

The respondents were a mix of project managers, senior level operational staff and individuals who had been involved in the initial design and set up of the programmes. They were asked to identify which aspects of the programme they had been involved in and the responses are shown in the chart below. **The majority of respondents had had some involvement with each of the new initiatives and half had been involved in the delivery of the additional MAs.**

Which aspects of the Supporting Business through Recovery programme have you been involved in? (tick all that apply)



The remainder of this chapter reports on the findings from the survey across the following areas:

- Key Successes
- Delivery Challenges
- Targets
- Future Development

#### 3.1 Key Successes

When asked to identify the successes associated with SBTR, the responses of SDS staff were unsurprisingly focussed around delivery, as opposed to the impact of the programme on participating businesses and individuals. The key successes identified were:

- The **cross-directorate working** involved with designing and delivering the new initiatives, with the collaboration between the Service Design & Innovation and National Operations directorates in particular being mentioned as working well;

<sup>11</sup> The survey was carried out using Survey Monkey and a full list of the questions included can be found in Appendix E

- **Achievement of targets** across most of the programmes in light of the challenging economic climate, limited lead-in time available and focus on 'hard to reach' groups;
- The **commitment of staff** involved in ensuring the targets were met and projects were delivered successfully; and
- The provision of **additional opportunities for young people** to access employment and training opportunities in the context of the economic downturn.

### 3.2 Delivery Challenges

When asked to identify delivery challenges associated with the programme, respondents focussed mainly on the new initiatives. As the MAs form part of the SDS core service, they already have a well established delivery model. The main challenges identified were:

- The **limited lead-in time** available for the new initiatives was mentioned by several respondents as being a major challenge, with the general view being that they needed time to imbed and gain the interest of employers, though it was acknowledged that this would be much less of an issue for Year 2;
- There was a perceived **lack of promotion / marketing activity** at the outset for the new programmes making it difficult to raise awareness and interest, particularly amongst the small and micro business community;
- The **difficult economic climate** was identified as being a major challenge as many businesses facing issues in relation to cash flow were perceived to be reluctant to invest in training at this time;
- The **limited resources available to small firms**, both in terms of time and money, was identified as a challenge to the uptake of the FTOs, particularly as the onus is on them to book the training, pay for it upfront and complete a detailed application form;
- The fact that there was **no resource available for external contract management**, meaning that it had to be done internally, was identified as having proved **costly and inefficient** given the relatively low value of some claims – though some of the additional staff costs were able to be claimed back; and
- In relation to the Employer Recruitment Incentive, the initial target groups of care leavers and young offenders were identified as being **particularly challenging** to progress towards an MA.

### 3.3 Targets

Respondents were asked to give their views on the extent to which the programme targets for Year 1 were realistic and achievable. The feedback was that:

- The targets for the additional MAs and Targeted Pathways were **both realistic and achievable**, demonstrated by the fact they are both on course to be met;
- The targets for the new initiatives were **generally deemed to be unrealistic** as they failed to take account of the lead-in time associated with developing and launching new programmes of this type;
- In particular, it was felt that the **FTO target should have been achievable**, but the fact that the programme wasn't launched until Quarter 2 made it difficult;

- The Employer Recruitment Incentive targets were **considered to be unachievable** in light of the particularly challenging target groups of care leavers and young offenders; and
- There was some criticism of the way in which the targets had been developed, specifically that they **had not been based on a clear rationale**.

Survey respondents were asked whether they thought the programme targets for Year 2 should be higher, lower or the same as those for Year 1. On balance, the view was that **they should be the same for each of the initiatives with the exception of the Employer Recruitment Incentive, where the target should be lowered**.

### 3.4 Future Development

Finally, respondents were asked to give their recommendations on how the programme should be developed for Year 2. The majority of responses to this question related to the FTO programme and focused on:

- Broadening of the eligibility criteria to include larger firms with up to 250 employees;
- Better integration of pre-application support for employers to guide them through the process and provide greater clarity on the types of training that will and will not be funded;
- Continued marketing / promotional activity to raise awareness amongst employers; and
- Merging of FTOs with the Low Carbon Fund and brokering out the delivery of these to external training providers.

Increased marketing and promotional activity were also recommended for both the Employer Recruitment Incentive and Targeted Pathways initiatives, including the continued use of 'good new stories' and case studies.

In relation to Targeted Pathways, it was suggested that the referral process and eligibility criteria should be reviewed to ensure that there is a focus on key target groups. It was also suggested that the funding model could be reviewed to incorporate specific sectoral requirements.

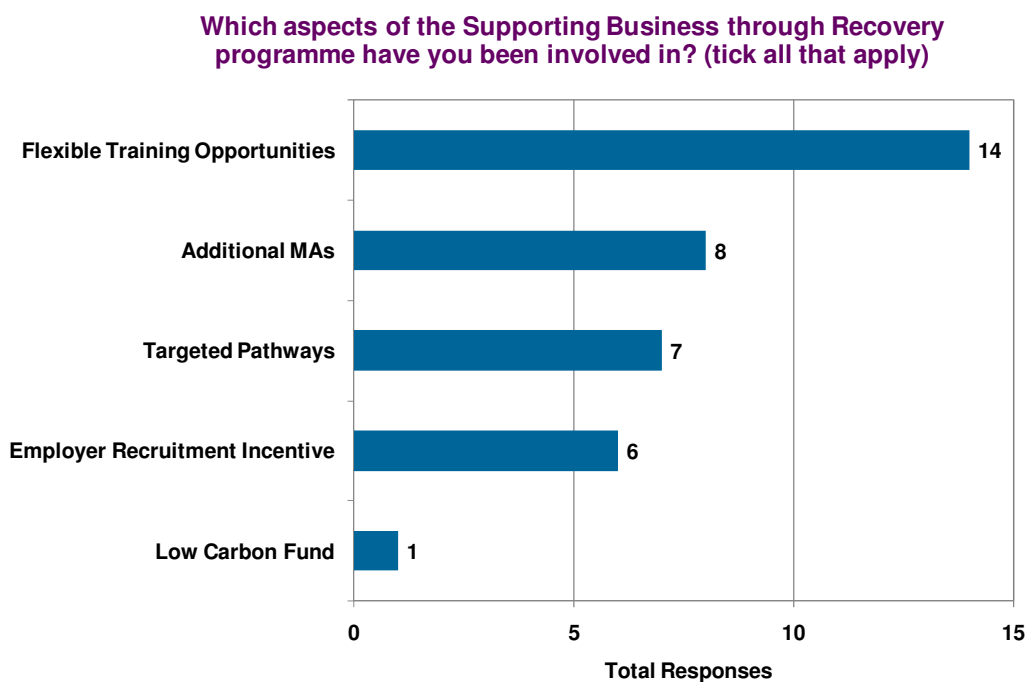
## 4. Feedback from Partners / Stakeholders

### 4.1 Introduction

An electronic survey was emailed to 17 external stakeholders identified as having had some involvement with the SBTR programme on 4<sup>th</sup> February 2011<sup>12</sup>. These included the FTO review group, as well as relevant Scottish Government contacts. It was subsequently forwarded to the Scottish leads within all 23 Sector Skills Councils on 9<sup>th</sup> February. A total of **17 responses** had been received by the time the survey closed on 28<sup>th</sup> February.

There was representation amongst respondents from a range of organisations including the Scottish Government, Sector Skills Councils, training providers, colleges and business support organisations. Their involvement with the programme has been mainly around promoting the training opportunities available to employers, managing the delivery of NTP contracts and delivering training.

Respondents were asked to identify which aspects of the programme they had been involved in and the responses are shown in the chart below. **Almost all had had some involvement with FTOs**, which partly reflects the fact that the survey was sent out to members of the FTO review group. However, there was also relatively good representation from people who had been involved in each of other programmes with the exception of the Low Carbon Fund.



The remainder of this chapter reports on the findings from the survey across the following themes:

- Key Successes
- Areas for Improvement
- Programme Suitability / Fit
- Future Development

<sup>12</sup> The survey was carried out using Survey Monkey and a full list of the questions included can be found in Appendix E

## 4.2 Key Successes

Partners and stakeholders were asked to identify what they felt had been the key successes associated with the programme and their responses are summarised below.

- **Successful partnership working** in the delivery of the programme was cited as a key success, though respondents expressed disappointment that they hadn't been involved earlier at the design stage.
- The programme was reported as having provided partners with a **much broader range of skills and training packages to take to employers**, which has in turn helped to strengthen their relationships with businesses.
- The programme was viewed as having **broadened the range of employment and training opportunities** available to young people.
- It was also considered to have helped **encourage businesses to continue to invest in workforce training** despite the challenging economic climate.
- The provision of financial support for training that is **specifically targeted at small and micro businesses** (as in the case of FTOs) was highlighted as a key success.
- The Employer Recruitment Incentive was viewed as having encouraged employers to take on young people that **they may not otherwise have considered**.
- A key strength identified in relation to Targeted Pathways was that it offers the opportunity to get unemployed young people into work placements quickly. This was viewed as having helped many **make the progression into employment**.

## 4.3 Areas for Improvement

Respondents were then asked to identify any areas of the programme that they felt could be improved or done better and their responses and suggestions are summarised below.

- One message coming through from the survey is that partners would like to see **stability in the eligibility criteria** for the various programmes as the continual changes have led to some confusion amongst their customer base.
- Several respondents cited the **need for more high profile advertising** of the schemes to raise awareness, particularly amongst the small business community.
- It was suggested that the payment process for the Employer Recruitment Incentive needs to be **reviewed and linked to the achievement of qualifications**.
- There was a **request for a review of the types of training courses eligible for FTO and Low Carbon Funding** with consideration to be given to the approval of other types of courses, providing they are non-statutory.
- There was a request for **more information from SDS** in relation to applications for FTOs by sector, type of employer, training bought and levels of match funding awarded.
- It was requested that **consideration should be given to including high participation sectors**, such as care, within the eligibility criteria for the all age additional MAs for key sectors.



- It was reported that not all candidates put forward for Targeted Pathways were suitable for mainstream placements and that perhaps **tighter assessment procedures needed to be put in place** prior to sending candidates for interviews.

#### 4.4 Programme Suitability / Fit

Respondents were asked to consider the extent to which the programme is successfully meeting the needs of businesses and young people in the current economic climate and how it fits with other skills and training initiatives available to Scottish businesses. The responses were fairly varied and the key points are set out below.

- The fact that employers are required to pay the full cost of training upfront for FTOs was considered a **potential barrier** in the current economic climate, when many firms are looking for ways to cut costs.
- It was suggested that, whilst the additional MAs were welcome in the current climate, **some small and micro businesses struggle to deal with the cost and bureaucracy** associated with taking on an apprentice and so have been unable to benefit from these to the same extent as larger firms.
- The Targeted Pathways programme was thought to be welcomed by employers as a **means to trial potential candidates**, which helps mitigate the 'risk' associated with taking on a young person. It was also viewed as helping to address the 'non-employed' gap in youth training left behind with the removal of the Skillseekers programme.
- Overall, the programme was deemed **to fit well with other training initiatives and programmes** available to businesses and, in particular, to address a gap in terms of support available to small businesses to invest in workforce training.

#### 4.5 Future Development

Finally, respondents were asked to give their recommendations on how they would like to see the programme developed for Year 2 and these are outlined below.

- **A period of stability in criteria** was requested, allowing time for the impact of the recent changes to be monitored and assessed.
- **Keeping partners on board** was described as critical to the next phase of delivery, including better communication of procedures to those who will be promoting the programmes to employers.
- **Better promotion and marketing** was cited as the only way to improve uptake and participation next year.
- A request was made for **other types training, including legislative, to be considered as eligible for FTO funding**. It was felt that, in the current climate, many businesses would welcome this type of support.
- Whilst the focus of the additional MAs on those aged 16-19 was understood by partners, there were several requests for **additional places to be made available to those over the age of 20**.

## 5 Conclusions & Recommendations

### 5.1 Conclusions

The overall aim of Supporting Business through Recovery is to help alleviate the impact of the recession by providing a range of additional training opportunities and incentives to employers to invest in staff training. It has two key objectives:

- **Objective 1:** To provide additional opportunities for summer leavers from school, college and university to enter positive destinations; and
- **Objective 2:** To provide support to businesses to train existing staff.

This document has reported on the findings from the Interim Evaluation of Supporting Business through Recovery, which covered the first year of the two year programme. The conclusions arising from this are outlined below.

#### Progress Towards Targets

- Supporting Business through Recovery performed well in relation to the trainee start targets for 2010/11. All of the targets were either broadly met or exceeded, with Flexible Training Opportunities and Targeted Pathways in particular over-delivering in relation to total starts.
- However, the longer than anticipated lead-in times associated with the new initiatives meant that the achievement of the trainee start targets did require considerable effort in the final quarter of the year.
- Whilst the trainee start targets were met, expenditure was lower than anticipated in 2010/11. This was mainly the result of the delay between training being approved and claims being made and the long timeframes over which payments for MA frameworks are made.

#### **Objective 1: To provide additional opportunities for summer leavers from school, college and university to enter positive destinations**

- The 11,000 additional MAs for 16-19 year olds helped address the anticipated summer spike of leavers, with high levels of uptake within most of the 'hotspot' areas identified by the Scottish Government.
- Targeted Pathways and Employer Recruitment Incentive trainees were disproportionately concentrated within areas ranked amongst the most deprived in Scotland, suggesting that these programmes have provided training and employment opportunities to young people likely to be facing barriers to work.
- The majority of MAs recruited through the Employer Recruitment Incentive were graduates of Get Ready for Work, whilst care leavers and young offenders – two of the key target groups – accounted for relatively few of the MAs recruited through the programme.
- **Overall, the programme can be considered to have performed well in relation to the objective of providing additional opportunities for summer leavers to enter positive destinations.**

## Objective 2: To provide support to businesses to train existing staff

- Combined, over 6,000 existing employees within Scottish businesses received training through the Flexible Training Opportunities and Low Carbon Fund initiatives during 2010/11.
- There were high levels of additionality associated with FTOs with just 7% of businesses saying they would have participated in the training in the absence of the funding.
- Despite the broadening of the eligibility criteria to include larger firms, the vast majority of FTO trainees were employed in businesses with fewer than 50 employees and an annual turnover of less than £1m.
- Partners identified the encouragement of businesses to continue to invest in workforce training in the current climate and the provision of support specifically targeted at small businesses as two of the key successes of the programme.
- The limited resources available to small firms, both in terms of time and money, were identified as a barrier to the uptake of FTOs, particularly as the onus is on them to book the training and pay for it upfront before making a claim.
- There was a perceived lack of promotion / marketing activity in relation to FTOs amongst both internal project managers and partners.
- **Overall, the programme can be considered to have performed well in relation to the objective of providing support to businesses to train existing staff.**

## 5.2 Recommendations

The recommendations have been separated into the following categories:

- Recommendations specific to Supporting Business through Recovery; and
- General recommendations for future initiatives of this type.

### Recommendations specific to Supporting Business through Recovery:

The additional MAs that were made available through the programme have all started and the focus for these will be on continuing to deliver them effectively. As they form part of the core SDS service offer, and therefore have a well established delivery model, the recommendations have focussed on the newer initiatives.

- **Recommendation 1:** It is recommended that SDS work with the Scottish Government to identify additional targets for 2012/13 in light of the 12-month extension to the contract that is currently being considered.
- **Recommendation 2:** Consideration should be given to increased marketing and promotional activity for the new initiatives, particularly Flexible Training Opportunities, focussing on raising awareness of opportunities amongst the small business base. There is a marketing budget available that could be used for this and if it is not, these funds should be re-directed to other activities.
- **Recommendation 3:** A review of the eligibility criteria used to assess Flexible Training Opportunities and Low Carbon Fund applications should be carried out to ensure a continued focus on non-statutory courses.

- **Recommendation 4:** A period of stability in the eligibility criteria for each of the new initiatives is recommended. This will help avoid confusion amongst the partners and stakeholders, particularly those involved in promoting the programmes.
- **Recommendation 5:** It is recommended that the issues identified with the Flexible Training Opportunities database are addressed ahead of the final evaluation, which is scheduled for June 2012.

**General recommendations for future initiatives of this type:**

- The lead in times associated with the launch of new initiatives should be taken into account when new programmes are being planned. This should be reflected in the trainee start targets and forecast expenditure.
- Partners and stakeholders should have the opportunity to be involved in all stages of the process from initial design through to implementation. This is particularly true when they will be the main route through which the programmes will be promoted.
- When new initiatives are launched, appropriate performance monitoring systems should be established from the outset to ensure that all monitoring and evaluation requirements can be met.

## APPENDIX A – Programme Descriptions

### Additional MAs for 16-19 Year Olds

The ESF funds will support a substantial increase in the total number of Modern Apprenticeship places available in the 2010/11 financial year. The rationale behind this is to increase the opportunities available for what is estimated to be a 'summer spike' of school leavers in 2010<sup>13</sup>.

### Additional MAs for Key Sectors (all ages)

An additional 5,000 Modern Apprenticeships will be made available to people of any age. These will be targeted towards those occupational frameworks that support the key sectors identified within the Government Economic Strategy for Scotland<sup>14</sup>. The rationale behind this is to help contribute to improved productivity and skills supply within the key sectors.

### Flexible Training Opportunities

The aim of this initiative is to provide support to small businesses to invest in training for existing employees. Initially, it was only open to Scottish businesses with 1-50 employees, but the eligibility criteria has since been broadened to include all firms with up to 150 employees. It offers companies the opportunity to have up to 50% of their employee training costs paid up to a maximum of £500 per training episode. The focus is on training that will contribute to productivity and eligible courses include those based on national occupational standards, industry recognised qualifications, first line supervisory management and workshops. In order to maximise the added value associated with the initiative, the funding does not cover legislative or statutory training.

### Employer Recruitment Incentive

This programme involves providing recruitment incentives of £1,000 to companies offering Modern Apprenticeship places to young people aged 16-19. Initially, the incentive was only available to employers recruiting from key priority groups including ex offenders, care leavers or those progressing from Get Ready for Work. However, the eligibility criteria have now been extended to include other employability programmes.

### Targeted Pathways

This programme will offer training to young unemployed people on the SDS register to develop their career planning and vocational skills with the aim of moving them into employment or a Modern Apprenticeship. It is targeted at 16-19 year olds that are qualified to Standard Grade General Level or above and therefore capable of undertaking a Modern Apprenticeship framework. It will involve identifying the capacity of local training providers to offer additional vocational training within a training centre environment or via other appropriate delivery models.

### Low Carbon Fund

Finally, the Workforce Development Fund will provide financial support to market test new skills enhancement programmes. It is based on the same model as the Flexible Training Opportunities where employers will be offered up to 50% of their employee training costs. It will initially be focussed on the Low Carbon Economy.

<sup>13</sup> See Appendix D for further details

<sup>14</sup> See Appendix E for further details

**APPENDIX B – Performance Summaries**

<b>Table 1: Additional MAs for 16-19 Year Olds</b>		
	<b>No</b>	<b>%</b>
<b>Gender:</b>		
Male	5,785	55%
Female	4,824	45%
<b>Age:</b>		
16 Years	2,260	21%
17 Years	3,045	29%
18 Years	2,974	28%
19 Years	2,330	22%
<b>Industry:</b>		
Construction	1,876	18%
Retail & Customer Services	1,639	15%
Administration	1,332	13%
Sport, Health & Social Care	1,212	11%
Personal Services	1,076	10%
Hospitality & Tourism	953	9%
Engineering	915	9%
Automotive	861	8%
Animal Care, Land & Water Based	275	3%
Management	216	2%
Food & Drink	169	2%
Other	85	1%
<b>Occupation:</b>		
Managers & Senior Officials	551	5%
Professionals	484	5%
Associate Professional & Technical	426	4%
Administrative & Secretarial	1,328	13%
Skilled Trades	3,320	31%
Personal Service	1,962	19%
Sales & Customer Service	1,577	15%
Process, Plant & Machine Operatives	234	2%
Elementary	710	7%
Unknown	17	0%
<b>Vocational Qualification (VQ):</b>		
Level 2	4,417	42%
Level 3	6,191	58%
Level 4	1	0%
<b>Disability</b>	33	0%
<b>Non-White Ethnic Minority</b>	231	2%
<b>Total</b>	<b>10,609</b>	<b>100%</b>

<b>Table 2: Additional MAs for Key Sectors (all ages)</b>		
	<b>No</b>	<b>%</b>
<b>Gender:</b>		
Male	1,631	70%
Female	715	30%
<b>Age Group:</b>		
Aged 20-29	1,179	50%
Aged 30-39	523	22%
Aged 40-49	448	19%
Aged 50-59	174	7%
Aged 60+	22	1%
<b>Key Sector:</b>		
Construction	588	25%
Hospitality & Tourism	503	21%
Management	328	14%
Transport & Logistics	249	11%
Food & Drink	198	8%
Retail & Customer Service	180	8%
Engineering	127	5%
Automotive	93	4%
Financial Services	36	2%
Creative and Cultural	18	1%
Other Services	18	1%
Animal Care, Land & Water based	7	0%
Chemicals & Biotechnology	1	0%
<b>Occupation:</b>		
Managers & Senior Officials	653	28%
Professionals	58	2%
Associate Professional & Technical	126	5%
Administrative & Secretarial	80	3%
Skilled Trades	564	24%
Personal Service	10	0%
Sales & Customer Service	218	9%
Process, Plant & Machine Operatives	451	19%
Elementary	185	8%
<b>Vocational Qualification (VQ):</b>		
Level 2	491	21%
Level 3	1,677	71%
Level 4	178	8%
<b>Disability</b>	6	0%
<b>Non-White Ethnic Minority</b>	43	2%
<b>Total</b>	<b>2,345</b>	<b>100%</b>

<b>Table 3: Flexible Training Opportunities – Profile of Businesses</b>		
	<b>No*</b>	<b>%</b>
<b>Size of Company:</b>		
1-9 employees	1,086	41%
10-19 employees	552	21%
20-29 employees	366	14%
30-39 employees	255	10%
40-49 employees	205	8%
50+ employees	177	7%
<b>Annual Turnover of Company:</b>		
Less than £25k	396	15%
£25-100k	289	11%
£100-500k	691	26%
£500k - £1m	401	15%
£1-5m	709	27%
£5m+	155	6%
<b>Nature of Business:</b>		
Agriculture, forestry & fishing	116	4%
Mining & quarrying	10	0%
Manufacturing	93	4%
Energy	48	2%
Utilities	4	0%
Construction	334	13%
Retail	252	10%
Transportation & storage	30	1%
Accommodation & food services	166	6%
Information & communication	140	5%
Financial services	56	2%
Real estate activities	29	1%
Professional, scientific & technical activities	426	16%
Administration	17	1%
Education / training providers	120	5%
Health & social care	100	4%
Childcare	105	4%
Arts, entertainment & recreation	168	6%
Personal services (including hair & beauty)	126	5%
Other services	145	5%
Charitable / social enterprises	146	6%
Other	10	0%
<b>Total</b>	<b>2,641</b>	<b>100%</b>

\* refers to number of trainees



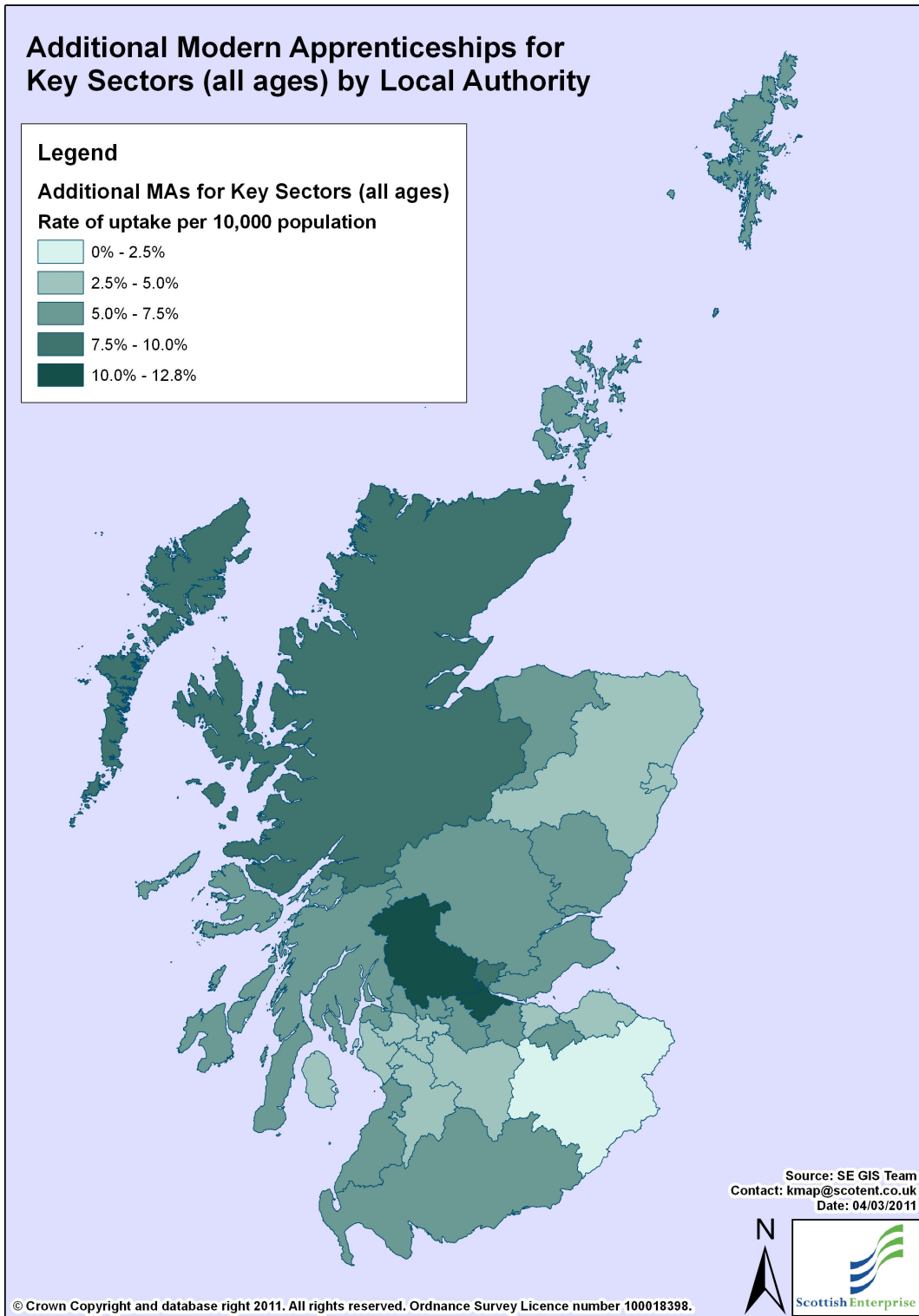
<b>Table 4: Flexible Training Opportunities – Profile of Trainees</b>		
	<b>No</b>	<b>%</b>
<b>Gender:</b>		
Male	1,527	58%
Female	1,114	42%
<b>Age:</b>		
Aged 16-24	320	12%
Aged 25-34	725	27%
Aged 35-44	767	29%
Aged 45-54	559	21%
Aged 55-64	209	8%
Aged 65+	25	1%
Unknown	36	1%
<b>Length of Time in Employment:</b>		
New start	2	0%
Less than 1 year	615	23%
1-5 years	1,352	51%
6-10 years	414	16%
11-19 years	183	7%
20+ years	62	2%
Data Missing	13	0%
<b>Type of Training Received:</b>		
Construction & related trades	177	7%
Leadership & management	249	9%
Hair & beauty	91	3%
Operative / driving	228	9%
IT, including social media training	296	11%
Business / accounting skills	304	12%
Care / Childcare	163	6%
Agriculture, forestry & related	72	3%
Sales & marketing	192	7%
Customer services	100	4%
Coaching, mentoring & training	139	5%
Vehicle maintenance & repair	5	0%
Engineering	4	0%
Sports related	72	3%
Health & safety	16	1%
Other	533	20%
<b>Total</b>	<b>2,641</b>	<b>100%</b>

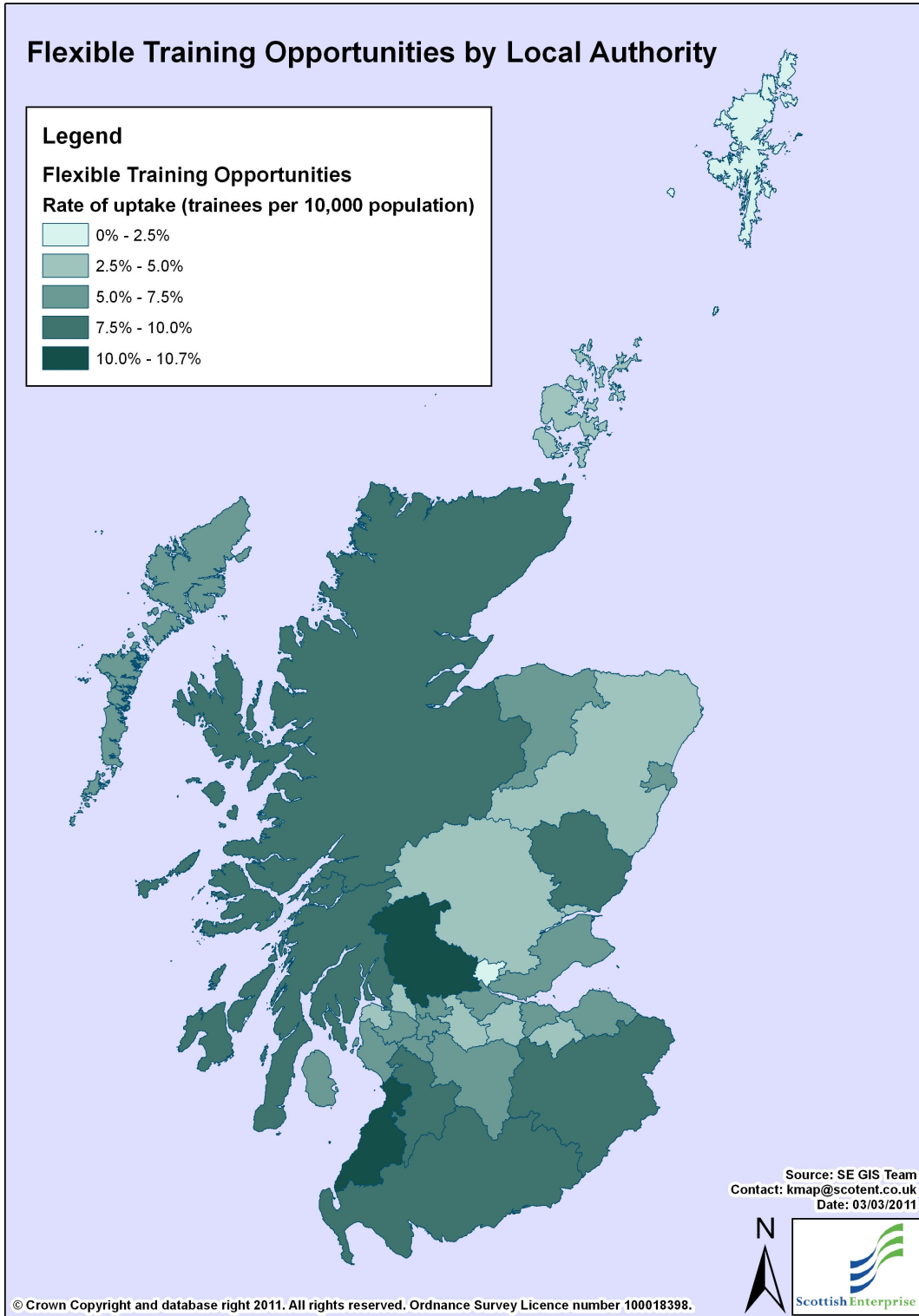
<b>Table 5: Employer Recruitment Incentive</b>		
	<b>No</b>	<b>%</b>
<b>Gender of Trainee:</b>		
Male	210	64%
Female	120	36%
<b>Age of Trainee:</b>		
16 Years	76	23%
17 Years	147	45%
18 Years	86	26%
19 Years	20	6%
Not Recorded	1	0%
<b>Target Group:</b>		
Get Ready for Work Graduates	243	74%
Care Leavers	13	4%
Young Offenders	6	2%
Targeted Pathways Graduates	2	1%
Key Sector	73	22%
<b>MA Framework:</b>		
Vehicle Maintenance & Repair	84	25%
Construction & Related Trades	46	14%
Business & Administration	34	10%
Hairdressing	28	8%
Horticulture	22	7%
Child Care	22	7%
Hospitality	20	6%
Health & Social Care	12	4%
Other	62	19%
<b>Company currently employs MAs:</b>		
Yes	267	81%
No	56	17%
Don't know	7	2%
<b>Company has previously employed MAs:</b>		
Yes	263	80%
No	64	19%
Don't know	3	1%
<b>Total</b>	<b>330</b>	<b>100%</b>

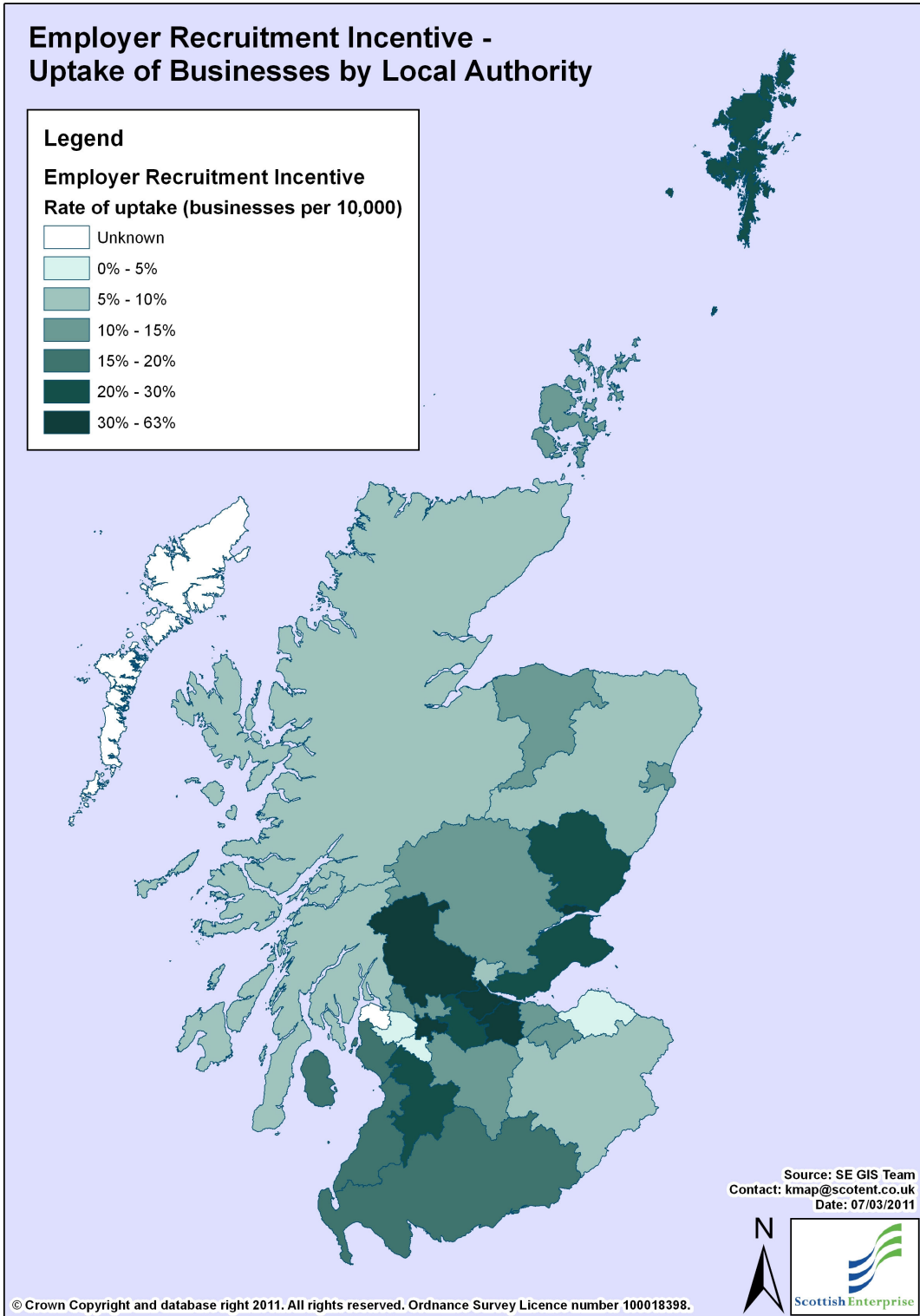
<b>Table 6: Targeted Pathways</b>		
	<b>No</b>	<b>%</b>
<b>Gender of Trainee:</b>		
Male	560	59%
Female	390	41%
<b>Age of Trainee:</b>		
16 years	323	34%
17 years	418	44%
18 years	180	19%
19 years	29	3%
<b>Ethnicity:</b>		
White	939	99%
Asian	3	0%
Black	1	0%
Other	7	1%
<b>Occupation:</b>		
Administration	230	24%
Animal Care, Land & Water Based	9	1%
Automotive	73	8%
Construction	12	1%
Energy & Renewables	13	1%
Engineering	169	18%
Financial Services	4	0%
Hairdressing	25	3%
Hospitality & Tourism	106	11%
Other Manufacturing	21	2%
Retail & Customer Services	214	23%
Sport, Health & Social Care	47	5%
Transport & Logistics	27	3%
<b>Total Trainees</b>	<b>950</b>	<b>100%</b>

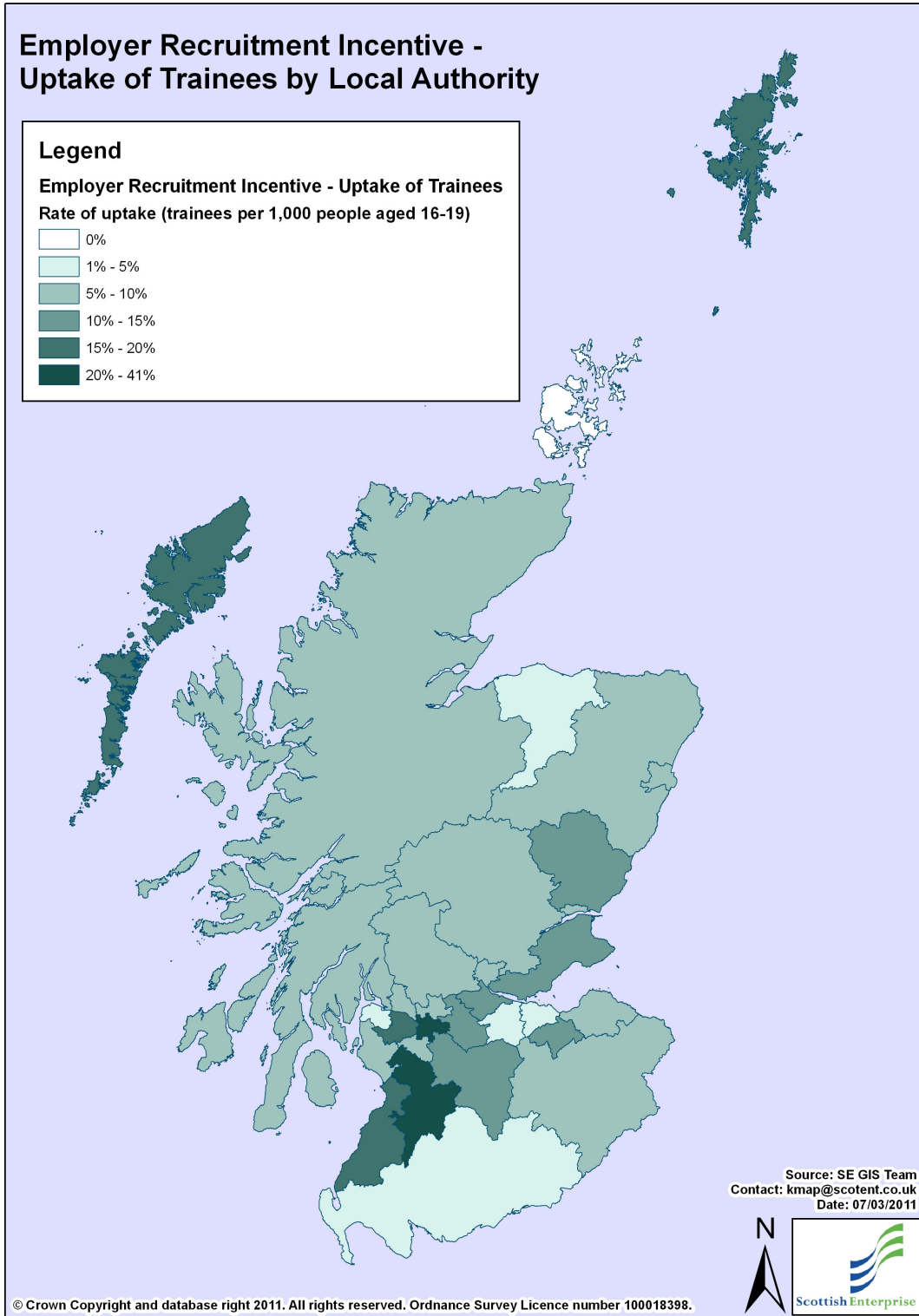
<b>Table 7: Low Carbon Fund</b>		
	<b>No</b>	<b>%</b>
<b>Gender of Trainee:</b>		
Male	172	96%
Female	6	3%
Unknown	2	1%
<b>Age of Trainee:</b>		
Aged 20-29	36	20%
Aged 30-39	61	34%
Aged 40-49	43	24%
Aged 50-59	27	15%
Aged 60+	4	2%
Unknown	9	5%
<b>Length of Time in Employment:</b>		
Less than 1 year	41	23%
1-5 years	80	44%
6-10 years	30	17%
11-19 years	14	8%
20+ years	12	7%
Unknown	3	2%
<b>Annual Turnover of Company:</b>		
Less than £25k	1	2%
£25-100k	7	14%
£100-500k	9	18%
£500k - £1m	5	10%
£1-5m	15	29%
£5m+	13	25%
Unknown	1	2%
<b>Sector:</b>		
Building Services	20	39%
Construction	10	20%
Property, Housing & Facilities Management	9	18%
Energy & Utilities	8	16%
Oil & Gas	3	6%
Creative & Cultural Industries	1	2%
<b>Total Trainees</b>	<b>180</b>	<b>100%</b>

## APPENDIX C – Local Authority Maps

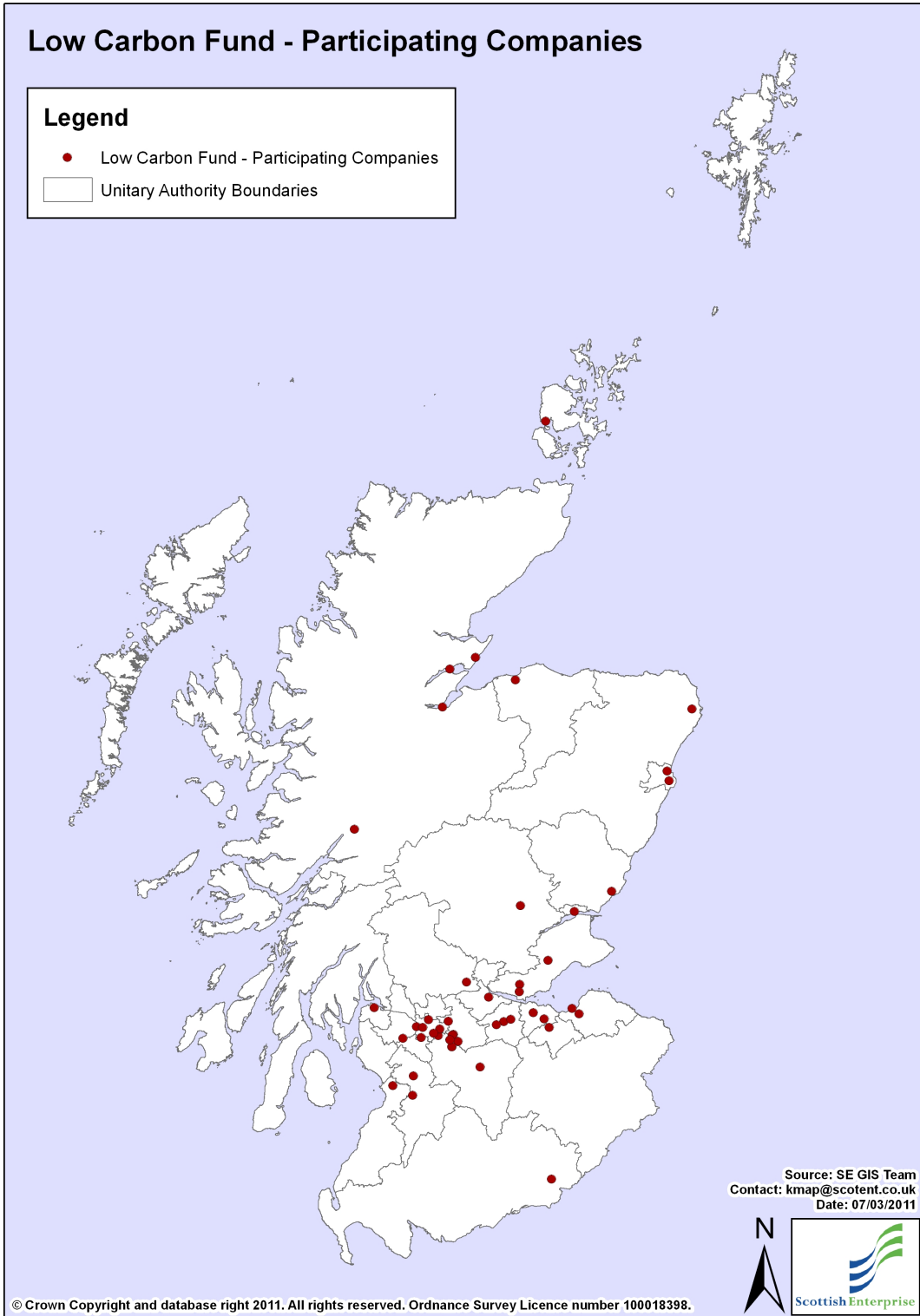












## APPENDIX D – Summer Spike ‘Hotspots’

A modest increase in the number of leavers from Scottish schools and colleges was expected in Summer 2010. This was due to the fact that more young people chose to stay in learning in 2009 as there were fewer employment opportunities available as a result of the recession.

The Scottish Government carried out analysis to identify areas at risk of becoming ‘hotspots’ for this anticipated summer spike of school and college leavers. The criteria used to assess this risk were areas with:

- A high claimant count unemployment rate for 18-24 year olds;
- A high proportion of school leavers going into unemployment; and
- Above average increases in claimant count relative to the size of the population.

The table below presents the findings from this analysis. It shows that three local authority areas scored highly across all three criteria and were therefore considered at a high risk of a summer spike of unemployed school leavers. A further seven areas scored highly across two of the indicators and seven scored highly across one. Overall, this analysis suggests that just over half of all Scottish local authority areas were considered to be at risk of a summer spike of school leavers.

<b>Summer Spike 'Hotspots'</b>		
<b>Concern across all 3 indicators</b>	<b>Concern across 2 indicators</b>	<b>Concern across 1 indicator</b>
Midlothian	Clackmannanshire	Dundee
North Ayrshire	East Ayrshire	Edinburgh
West Lothian	East Lothian	Falkirk
	Glasgow	Inverclyde
	North Lanarkshire	Renfrewshire
	South Lanarkshire	Scottish Borders
	West Dunbartonshire	South Ayrshire

## APPENDIX E – Key Sectors & Supporting MA Frameworks

<b>Key Sector</b>	<b>Supported MA frameworks</b>
<b>Financial Services</b>	Providing Financial Services Retail Financial Services Customer Service Management
<b>Hospitality &amp; Tourism</b>	Hospitality Management
<b>Food and Drink</b>	Food Manufacture Agriculture Aquaculture BITS Management Customer Service (Spirit Industry)
<b>Energy</b>	Energy Customer Service Management
<b>Life Sciences</b>	Life Sciences Management
<b>Creative Industries</b>	Creative Management
<b>Construction</b>	Construction Electrical Plumbing Gas Water Industries Heat & Vent Extractive and Mineral processing Management/Supervisory
<b>Automotive</b>	Vehicle Maintenance & Repair Automotive Glazing Fast Fit Vehicle Parts Operations Management
<b>Engineering</b>	Engineering Land Based Engineering BITS Management
<b>Transport &amp; Logistics</b>	Driving Goods Vehicles Storage and Warehousing Traffic Office Management

## APPENDIX F – Project Manager Survey

- Q1** Which aspects of the Supporting Business through Recovery programme have you been involved in? (please tick all that apply)
- Additional Modern Apprenticeships
  - Flexible Training Opportunities
  - Employer Recruitment Incentive
  - Targeted Pathways
  - Low Carbon Fund
- Q2** Please provide a brief description of your job role and what your involvement with the programme has been?
- Q3** In your view, what have been the key successes associated with the programme (focusing on those aspects that you have been involved in)?
- Q4** What have been the main challenges associated with delivering the programme?
- Q5** In your view, were the targets associated with the programme realistic / achievable? Please give an explanation of why you think that is the case.
- Q6** Relative to those for Year 1, do you think the targets for Year 2 should be **higher, lower or the same** for:
- Additional Modern Apprenticeships
  - Flexible Training Opportunities
  - Employer Recruitment Incentive
  - Targeted Pathways
  - Low Carbon Fund
- Q7** Finally, what would be your recommendations for the development of the programme for Year 2? This could include changes to eligibility criteria, the way the programme is delivered, the marketing strategy or any other aspect of the programme.

## APPENDIX G – Stakeholder Survey

- Q1** Name of organisation
- Q1** Which aspects of the Supporting Business through Recovery programme have you been involved in? (please tick all that apply)
- Additional Modern Apprenticeships
  - Flexible Training Opportunities
  - Employer Recruitment Incentive
  - Targeted Pathways
  - Low Carbon Fund
- Q3** Could you please provide a brief description of your job role and the nature of your involvement with the programme?
- Q4** What do you think have been the key successes associated with the programme, focusing on the parts that you have been involved in?
- Q5** Are there any aspects of the programme that you think could be improved or done better?
- Q6** To what extent do you think the programme is successfully meeting the needs of businesses and young people within the current economic climate?
- Q7** How does the programme fit with other skills and training initiatives available to Scottish businesses? Do you think it addresses a gap in terms of the type of support available?
- Q8** Finally, what would be your recommendations for the future development of the programme? This could include changes to eligibility criteria, the way the programme is delivered or marketed or any other aspect of the programme.

## **APPENDIX H – Case Studies**

### **1. Carrie Crawford – Additional MAs for 16-19 Year Olds**

Carrie is a trainee welder in the Modern Apprenticeship programme. The Lanarkshire-born teenager is a finalist in the traditional sector category for 16-19 year olds in this year's Modern Apprenticeship Awards.

Carrie sent out over 100 job applications from her Forth home without success - but then got the chance of work experience near her grandparents' house in Aberdeenshire. After three days at Kingswell's Body Builders, in Westhill, Carrie was offered a Modern Apprenticeship in fabrication welding.

"I wanted to do something different and always liked working with my hands. I was so lucky to get my apprenticeship, even if it meant leaving home. Again I was lucky because I was moving in with family," she explains.

Carrie completed her SVQ Level 2 in Performing Engineering Operations on weekly release to Aberdeen-based training company ITCA. She then enrolled on a National Certificate in fabrication welding at Banff and Buchan College. Her workplace mentor Andy Kenn describes her as "a natural welder, who has a great attitude and always shows determination and commitment to learning and development".

Andy said: "Carrie is motivated to learn and achieve and very keen to develop her skills in her chosen occupation. Carrie also enjoys that no two days are the same in her job and that she is working with different people on different projects with different materials and techniques."

Earlier this year Carrie and her colleagues were made redundant when their employer retired. Carrie went about securing alternative employment with the same dedication that she has demonstrated throughout her apprenticeship and was back in work within two weeks.

Local firm H & F Moir were recruiting and, thanks to Andy's recommendation, Carrie got the job. She added more welding coding qualifications and a SVQ Level 3 to her skill set and is now welding pipework and other items for the oil and gas industry. She now plans to gain more welding coding certificates.

### **2. Kyle Hendry – Additional MAs for Key Sectors (Food & Drink)**

The value of the Modern Apprenticeship programme is highlighted by award-winning bakery apprentice Kyle Hendry's rise up the career ladder. 17-year-old Kyle discovered a passion for baking while on a work placement with leading food manufacturer Macphie of Glenbervie. He received special permission to leave school early and begin his Modern Apprenticeship.

Kyle has completed a number of courses to improve his skills and help fulfil his potential. He is now working towards his SVQ level 3 bakery qualification.

Kyle was named Trainee Baker of the Year at the prestigious British Baking Industry Awards recently – demonstrating his strong practical skills as well as a first class technical understanding. He said: "I didn't know I wanted to be a baker until I began the work placement but when I realised it was for me I was desperate to get started as soon as possible.

"The Modern Apprenticeship scheme gave me the opportunity to gain industry recognised accreditations which appeased the school and assured me I was embarking on a proper career path. The award is the cherry on the cake. It's rewarding to be recognised for something I love doing."

Macphie human resources director Sylvia Halkerston added: “As Kyle has shown, it is vital we find and nurture raw talent to make our business the best it can be. We currently have seven apprentices working with us and are confident each will make a valuable contribution to the company.

“The tough economic climate has resulted in many businesses reducing or freezing their intake of apprentices, but we knew we had to keep all of ours here to ensure we maintain high standards of work and customer service. Kyle’s award proves it has been well worth the investment.”

### **3. HI-Arts – Flexible Training Opportunities**

The arts and cultural development agency for the Highlands and Islands of Scotland has secured funding for training through the Flexible Training Opportunities for three of its 20 staff. The employees from HI-Arts got involved in the programme to give them a better understanding of basic book-keeping and advanced accounting software systems.

According to Karen Ray, who is responsible for finance at HI-Arts, the training has the potential to improve efficiency as their systems become more automated, promising access to high quality management information. It will also allow the company to consider rolling out book-keeping services to other arts groups in the region.

She says: “HI-Arts is investigating ways of becoming more commercially focused as it seeks to become less reliant on public sector funding. This will help generate extra income for us, save arts groups’ money and therefore contribute to an even more vibrant arts scene in the area.

“The training was conveniently delivered both locally and online, which helped minimise down-time for those involved. Applying for assistance to SDS was convenient, straightforward and we received a decision within days. We couldn’t have undertaken the training if we had not received this funding.”

Laura Martin, a finance employee at HI-Arts added: “The training has boosted my confidence and financial knowledge. The additional skills will also help develop my career in the future.”

### **4. Danika Cook – Employer Recruitment Incentive**

When Danika Cook’s twin sisters were born six years ago it gave the Bellshill teenager an insight into what career she wanted to pursue. She loved taking care of Sophie and Amber so much that she realised she wanted to work with children.

However, school was not a positive experience for Danika and she was a poor attender. She hoped to leave school and go to college to study child care, but didn’t have the required qualifications. She spent some time looking for work but was unsuccessful.

Danika wasn’t keen to join a training course, fearing that it would be like school, but decided to join the Get Ready for Work Challenge Life programme, funded by Skills Development Scotland. This programme aims to give young people essential skills such as reading, writing and numeracy and the confidence to find work. It helps 16-19 year old plug any gaps in basic skills so they can enter the labour market and find employment.

The GRfW team described Danika as “a real star” who showed enthusiasm, responsibility and good leadership abilities. They approached Bumble Bees nursery, in Bellshill, who agreed to have Danika join them for a couple of weeks on a work placement.

Nursery owner Adele Langford said: “It was only supposed to be for a couple of weeks once Danika had her Disclosure checks completed, but she was so good that it lasted for a few months. She was a natural and I wanted to take her on but wanted her to do her vocational qualification

training which is provided by Carousel Training. However, Danika didn't have the qualifications she needed to be considered."

Danika felt she was right back at square one at this point but considered doing evening classes to get the required grades.

"Adele approached Carousel and asked if they would consider me, so I sat a test. I was worried about it and how I would do but they told me that I had passed with flying colours. I start my training with Carousel this month and while I am nervous about starting, I am also really excited too," said the 16-year-old.

The nursery, which has 13 staff who look after 50 children in morning and afternoon sessions, signed up for Skills Development Scotland's ESF funded Employer Recruitment Incentive.

"I was delighted to be able to take Danika on and that she is doing her training. Her commitment is exceptional – during the terrible winter weather she never missed a day because she didn't want to let me, the children or their parents down. She is a natural," said Adele.

Danika is enjoying her work with the children, who are aged two and a half to five years of age. "I think it is the best bit of my day when you hear them saying that they did this with Danika or that was good when we did that with Danika. I love my job and I love working with children. It is great," she said.

## **5. Casey Foy – Targeted Pathways**

Even when she was at school, Dundee teenager Casey Foy had a very clear idea of what she wanted to do – she wanted to be a hairdresser, just like her mum Elizabeth.

After leaving school last Christmas, Casey came along to a careers event in the city and visited her local Skills Development Scotland careers office for information and advice on her chosen career. Advisers felt she was an ideal candidate for the Targeted Pathways to Apprenticeship programme in hairdressing and she was referred to training providers Mentor.

They arranged for Casey to be interviewed at Essence Hair Spa and she began a work placement. Within four weeks salon owner Andrea Patterson took Casey – who runs her own street dance classes - on as a Modern Apprentice.

Casey enjoys learning in-house and feels she has already learned a great since her training began in March. "I have been doing blow dries, tints and really enjoy meeting the clients, finding out what they want and then getting their feedback," she explained. Another aspect of her work that she enjoys is watching stylists as they work and gaining insight into different techniques.

Her employer Andrea said: "I was looking for an apprentice when I was approached by Mentor. Casey came in and has fitted in very well. I don't think you can have a salon without apprentices as it is a very time-focussed environment and you need their help with shampooing, taking off or putting on colours and so on. I also feel very strongly that you have to train apprentices as they are the future of our business."

## **6. VG Energy – Low Carbon Fund**

With the renewable energy industry rapidly developing, training is vital to ensure energy companies stay at the forefront of the sector. Managers at VG Energy Ltd recognised this and, with the help of the Low Carbon Fund (LCF), they were able to train a key member of staff for the benefit of the workforce.

Paul Neary, Planning Manager at VG Energy Ltd, signed up a member of his staff to industry training in Arc GIS (geographic information system) to assist in modelling and mapping. Michael



McGhee, Environmental Civil Engineer at the Ayrshire company, completed his training over the course of two days and his new skills are already being put to use.

Paul Neary said: “In the past few months VG Energy Ltd has been working towards larger scale projects to ensure it meets clients’ needs. To help us in achieving this it is important that our workforce is as qualified as can be.

“The training not only allowed Michael to expand his existing knowledge base, but it enabled him to become more efficient and aware of new resources available to him. He is also better placed to identify potential constraints and this is of great benefit to our company and clients.”

Paul continued: “The Low Carbon Fund has definitely contributed to a worthwhile investment for the company. It is something that we will continue to promote to our staff as we are committed to their professional development, and it is something I would recommend to other organisations.”

Michael McGhee was also delighted with the benefits of attending the course and is also keen to point out that such training is essential to the continued growth of the renewable energy industry in Scotland.

Michael explained: “As the renewable energy industry is a relatively new sector, it is constantly changing. That means that the workforce must continue to learn and further develop skills in this area to keep on top of any advances in the industry.

“I recognised that the Arc GIS course would improve my skills in that area and immediately contacted SDS to discuss it further. The process was really straight forward and it is great that the fund helped me in developing my skills through training.

“The Low Carbon Skills Fund makes it easier for people working in renewable energy to attend training and ensure they develop alongside the rapid growth of the industry.”