

The Growth and Innovation Fund

Prospectus

Ministerial Foreword



In *Skills for Sustainable Growth*, published last November, we emphasised that improving skills lies at the heart of rebuilding and rebalancing our economy. We must transform the skills system and make a significant shift in the way people think of vocational skills. The government is determined to play its part in realising a vision of a system driven from the bottom up, which can meet the needs of individuals, communities and an increasingly dynamic economy. But employers and individuals also have a key role in ensuring that our country has the skills it needs to compete and thrive in the economy of the 21st century.

We are freeing up the further education and skills system so that it can respond to what businesses and individuals need. Alongside that fundamental reform, we will work together with business through the new Growth and Innovation Fund to make sure that businesses can achieve their growth potential. This new investment fund is the Big Society in practice: collective action by employers is vital to articulating the needs of the real economy, growing skills and overcoming blockages to economic growth.

My vision is of a future where employers are ever more committed to raising the skills of their workforce as the key to ensuring future success; and where individuals are confident that improving their skills will be recognised and advance their careers. In launching this investment fund, we are challenging sector and employer bodies to work together and in partnership with us. I want to see a wealth of proposals seeking funding to put alongside employer investment in projects that will raise skills in particular sectors and occupations.

My priorities lie in securing yet greater success for Apprenticeships and making the most of the potential to utilise professional standards and occupational licensing. I believe that such approaches can make a great difference in many sectors, including those where we are at present too reliant on migration to meet our skills needs. But we are open to a wide range of ideas that employers identify as likely to work for them, whether building on existing approaches such as the National Skills Academies and the Joint Investment Programme, or bringing entirely new propositions into play.

I am delighted that Charlie Mayfield, Chairman of the UK Commission for Employment and Skills, has agreed to chair a Growth and Innovation Fund Board to oversee this investment fund. The Board will select the proposals that have the best prospects for having a major impact. So this prospectus represents a new challenge for sector and employer bodies: to build your leadership role and work with others across your sectors to come up with the very best ideas. We are ready to inject public funding into the strongest employer-led propositions to kick-start the work to promote growth. I'm sure that you will rise to this exciting challenge and I look forward to getting this important work off the ground as quickly as possible.

John Hayes MP

Minister of State for Further Education, Skills and Lifelong Learning
(jointly with the Department for Education)

Foreword from the Chairman of the UK Commission for Employment and Skills



I am optimistic about the future for our economy, but to realise our ambitions, some important fundamentals must be in place. In my view, 'skills' is one of them. The skills and capabilities of our people are ultimately the basis for our long term competitiveness. We know the quality of our workforce in this country, when compared to other leading economies, is simply not developing quickly enough. That needs to change.

Business, with encouragement from government, is best placed to effect that change. The key shift required here is to secure much greater commitment from business to invest in skills to drive enterprise, productivity and growth. Business' commitment to tackling climate change is a good analogy. Ten years ago few businesses saw carbon reduction as a material issue. Today, few don't. Investment in developing skills should be a defining characteristic of a responsible and enterprising business – it is perhaps the 'inconvenient truth' of this decade.

As Commissioners, we will make an impact by focusing on i) making and winning the economic argument for greater investment in skills ii) galvanising industry sectors to improve the skills and productivity of their workforces, iii) enhancing the value and accessibility of vocational and technical training, especially Apprenticeships, and iv) working with sectors to ensure employers are seeking to maximise the number of new job opportunities.

The Growth and Innovation Fund is an important part of achieving the ambition for skills. It will provide an opportunity for employers and government to invest jointly in creating the new skills solutions required for a modern and dynamic economy. An important aim of this fund is to move away from a 'grant' culture to one where the focus is on supporting enterprising innovations that will be sustained by support from employers in the long term. Commissioner oversight of the fund will be an important part of achieving this change in behaviour.

I look forward to chairing the Growth and Innovation Fund Board and working in partnership with the Skills Funding Agency, BIS and all those involved in developing the vital new skills solutions required for enterprise jobs and growth.

Charlie Mayfield

Chairman

UK Commission for Employment and Skills and John Lewis Partnership plc.

March 2011

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Growth and Innovation Fund Partnership – About Us

UK Commission for Employment and Skills

The UK Commission for Employment and Skills is a social partnership, led by Commissioners from large and small employers, trade unions and the voluntary sector. Our mission is to raise skill levels to help drive enterprise, create more and better jobs and economic growth.

Skills Funding Agency

The Skills Funding Agency describes the Chief Executive of Skills Funding and his staff. The Chief Executive of Skills Funding has statutory functions to secure education and training for adults by providing funding to providers of adult education and skills training in England.

Our mission is to ensure that people and businesses can access the skills training they need to succeed in playing their part in society and in growing England's economy. We do this in the context of policy set by the Department for Business, Innovation and Skills and informed by the needs of businesses, communities and sector and industry bodies.

Department for Business Innovation and Skills

The Department for Business, Innovation and Skills (BIS) has an important role at the heart of government as the 'department for growth'. BIS is leading work across government to develop a more balanced and sustainable model for growth. This means moving away from an economy reliant on debt to a sustainable one that is greener and more technologically advanced. And it means creating opportunities which are spread more across the regions, and through those sectors where the UK is strong and can add real value.

BIS has the ambition that the UK should have a world-class skills base that provides a consistent source of competitive advantage. To achieve this, BIS aims to enable businesses and individuals to transform the performance of the nation as a whole.

Section 1: Setting the Scene

Introduction

In November 2010 the Government announced in its skills strategy paper, *Skills for Sustainable Growth*¹, the establishment of a Growth and Innovation Fund (GIF) of up to £50 million a year. This fund will support employers to be more ambitious about raising skills in their sectors and improve their development and deployment of workplace knowledge and skills.

This prospectus sets out how eligible organisations can apply to the investment element of GIF (the ‘investment fund’), with employer-led proposals to raise skill levels and business performance through innovative approaches that address a clear market failure or opportunity. The investment fund will be underpinned by co-investment from employers. In addition to this investment fund, the Growth and Innovation Fund supports the match-funded leadership and management grant for small and medium-sized firms².

The investment fund has up to £25 million available in each of the next two financial years for applications in response to this prospectus³, which invites applications under three strands: Best Market Solutions, National Skills Academies and Joint Investment Programme. Each strand has different eligibility criteria and application processes; please make sure you read this prospectus and the further guidance carefully in order to ensure your proposal has the best chance of support. All activities funded via this prospectus must start in 2011–12. Funding will typically be provided for two years (three for a National Skills Academy) beyond which the activity must be sustainable without public funding.

Applications to the investment fund may be made by employer representative organisations. Sector Skills Councils are well placed as applicants, along with National Skills Academies and others. We want to make sure that sectoral and cross-sectoral issues are addressed as coherently as possible, so we encourage partnership approaches when drawing up proposals.

A Growth and Innovation Fund Board, chaired by Charlie Mayfield, will oversee the investment fund and identify which proposals should attract funding. The Board will comprise UK Commissioners and a senior official from each of the Skills Funding Agency and the Department for Business Innovation and Skills. The UK Commission for Employment and Skills and the Skills Funding Agency will work in partnership to manage the application process. Implementation and delivery of each of the strands will rest with the respective organisations. The Chief Executive of Skills Funding remains responsible for decisions on Agency investment and the Chief Executive of the UK Commission for Employment and Skills is accountable for Best Market Solutions investments.

¹ <http://www.bis.gov.uk/news/topstories/2010/Nov/skills-for-sustainable-growth>

² <http://skillsfundingagency.bis.gov.uk/employers/growth-innovation-fund/joint-investment-programme>

³ The investment fund will also sustain the delivery of the six Joint Investment Programmes agreed in 2010.

We intend to invite applications to the investment fund annually from 2011 through to 2013. The scope of future invitations to apply may differ from this prospectus; for example, we are not expecting to seek applications for National Skills Academies in future prospectuses.

What is the vision for the Growth and Innovation Fund?

The skills and capabilities of the workforce are the ultimate basis for the long-term competitiveness of the economy. Whilst our leading employers are amongst the best in the world, much greater commitment is needed from all businesses to invest in the skills that drive enterprise, productivity and growth.

The investment fund aims to support employers in overcoming obstacles to this commitment. It will co-invest in innovative employer-led skills solutions with the potential to achieve scale and make a significant impact on the big skills challenges facing employers.

The Growth and Innovation Fund is intended to deliver:

- **Co-investment and sustainability** – Government and employer investment to trial and pilot new targeted initiatives, with employers leading and sustaining this investment over the long-term.
- **Sectoral leadership** – Strong sectoral leadership and tangible support for the proposed approach.
- **Scale and impact** – Solutions that are supported will demonstrate an ability to lever significant scale and impact where appropriate.
- **Targeted solutions** – to drive and enable business growth and promote high performance workplaces by directly addressing clearly evidenced strategic skills issues.
- **Innovation** – to develop new solutions for the strategic skills issues facing the economy both now and in the future, where current approaches are not successfully meeting skills needs.
- **Partnership** – between government and employers, and between sector/employer bodies to implement change effectively and quickly to ensure that the benefits of the Growth and Innovation Fund are rapidly available to all.

In 2011–12 we are inviting applications to the Fund for the following three specific strands identified by government as central to addressing skills needs:

Best Market Solutions – Led by the UK Commission for Employment and Skills, the aim of this strand is to raise employer ambition for and investment in skills, by helping develop new initiatives to increase the contribution skills make to growth.

Businesses understand their own environments, technologies, market conditions and customers, and therefore what types and combinations of levers would help them raise their game and succeed. This strand will give urgent priority to those looking to boost business performance and enhance skills through the utilisation

of professional standards, including occupational licensing, accreditation and training levies. It will prioritise action that stimulates employer commitment and investment in Apprenticeships, which may include the establishment of Group Training Associations and Apprenticeship Training Agencies. Where this is not currently the case, businesses may wish to consider strengthening their skills levels by requiring the completion of an Apprenticeship as the entry standard for certain occupations. Employer-backed proposals for other new skills solutions that address major barriers to creating jobs and driving growth will also be welcomed.

National Skills Academies – Led by the Skills Funding Agency, this second strand will seek to expand the National Skills Academy programme to new sectors/industries and build on the impact and achievements already being delivered. National Skills Academies are employer-led organisations with a leading role in developing the infrastructure needed to deliver specialist skills for key sectors and sub-sectors of the economy. National Skills Academies bring employers together with specialist training organisations to develop solutions, which tackle the skills challenges facing their sector/industry. Proposals would be welcomed that contribute to world-class competitiveness through increased skills levels and employer investment and that focus on transforming the way a sector's training and development needs are addressed using this model. Following a successful initial application, these proposals will be invited to progress into a formal business planning stage leading to a full Business Plan submission in January 2012.

Joint Investment Programme – Led by the Skills Funding Agency, the Joint Investment Programme (JIP) is designed to bring together public and private funds in a new partnership with networks of colleges and training organisations.

The Skills Funding Agency and employer joint investment secured through the JIP will provide funding exclusively for the specific qualifications and units of qualifications identified as the solution to meet specific opportunities for business productivity and growth, or to address a market failure in the provision of vocational skills in a sector/industry. Successful applicants will work with approved Skills Funding Agency colleges and training organisations to develop an employer/provider partnership, to deliver and fund this specific sectoral provision. The JIP aims to increase the level of skills in the sector to address the recognised need and also to build long-term capability and capacity with committed employer investment.

Section 2: What can be supported by the Growth and Innovation Fund?

The Growth and Innovation Fund can support a wide range of projects and activities. The support available will vary for each of the three strands and more information is available on this in the table on the next page and in the strand specific further guidance documents found at www.ukces.org.uk/gif. The investment fund welcomes both individual strand applications and combined applications covering two or more of the strands.

Although each strand has a distinct purpose and associated requirements all three strands are underpinned by the following core guiding principles:

- All successful applications will be funded from a combination of government and employer investment. The proportion and phasing of the employer investment will vary from strand to strand.
- Funding exists to support innovation and not to replace currently available activity or other existing activity or projects.
- Successful projects will deliver measurable impact and provide value for money for the public purse and employer investment.
- The ability of employers to maintain investment to sustain the impact and benefits to the sector/industry and wider community is at the heart of the Growth and Innovation Fund.
- Applications which target employers with fewer than 250 staff are particularly welcomed.
- The Growth and Innovation Fund and the financial support from government as part of this co-investment exist exclusively to deliver wider benefit both to the sector/industry as a whole, and to the broader community.
- Applications must provide a clear and evidenced case to support the proposal and to demonstrate the link between the identified issue and the proposed solution.
- Successful applications should drive greater equality and diversity by incorporating action to address barriers that prevent equal access to the fulfilment of opportunity and potential for all.

What are the core principles?	Best Market Solutions	National Skills Academies	Joint Investment Programme
<p>This strand will support bottom up business leadership to leverage greater business investment in skills, enterprise, jobs and growth.</p> <p>The key emphasis will be upon the strength of employer leadership to set out ambitious goals and to come forward with the solutions in which the investment fund can then invest.</p> <p>It will particularly be looking to support proposals which:</p> <ul style="list-style-type: none"> ■ Encourage the use of professional and National Occupational Standards, including occupational licensing. ■ Establish voluntary or statutory training levies. ■ Put in place programmes designed to stimulate employer commitment to, and investment, in Apprenticeships. ■ Establish networks of employers to identify skills needs and drive up quality or provision through, for example, Group Training Associations and Apprenticeship Training Agencies. ■ Propose other innovative new skills solutions that address barriers to creating jobs and sustainable growth. ■ Utilise solutions which have recently been developed or are currently in development to increase their scale and potential for higher impact. 	<p>This strand is for initial applications for up to four new National Skills Academies that seek to transform skills delivery. The key element is that applications are employer-led, demonstrating both employer engagement and leadership as well as on-going financial investment in the proposed Academy.</p> <p>Applications are welcomed from areas of industry where there is currently no National Skills Academy in existence or from an existing National Skills Academy seeking to expand its sector footprint.</p> <p>The core principles are:</p> <ul style="list-style-type: none"> ■ Skills Funding Agency financial contribution over a 3 year development to support start-up costs (England only). ■ Real investment from employers in the form of cash, in-kind and other contributions on a 50:50 matched basis. ■ Employers are central to shaping and leading the Academy offer. ■ Proposals demonstrate a collaborative employer partnership and commitment. ■ Proposals should offer compelling solutions to current and emerging skills challenges. ■ Delivery of products and services to employers through a network of specialist providers. ■ England-wide ventures, networking with others and facilitating wider improvement as well as delivering it. 	<p>This strand is for applications that clearly identify the need for delivery of additional units, qualifications and Apprenticeship Frameworks as the solution to specific skills gaps in key sectors, and specifically those that are not currently being met or not sufficiently met by the existing skills system.</p> <p>Each proposal is likely to be different, reflecting the particular needs and circumstances of specific themes, sectors and technologies. The programme is designed to deliver these common features:</p> <ul style="list-style-type: none"> ■ Ring-fenced funding from Skills Funding Agency to support the skills agreed in the application. ■ Commitment from employers at the start of the programme to the agreed level of funding. ■ Led by the applicant, working with approved Skills Funding Agency colleges and training organisations the JIP will develop a employer/provider partnership to deliver the specific sectoral provision and build long-term capability and capacity. ■ Flexibility in public funding rules to support units of qualifications and repeat qualifications where necessary as part of re-skilling and up-skilling needed to capitalise on real opportunities for growth and jobs. ■ Targeted at employed individuals and employers of all sizes in England only. 	

	Best Market Solutions	National Skills Academies	Joint Investment Programme
What can be funded?	<p>Funded activities must be able to clearly demonstrate lasting benefit, value for money and cash investment from employers and other bodies.</p> <p>Examples of activities that can be funded include:</p> <ul style="list-style-type: none"> ■ Start-up and infrastructure costs to test and trial new skills solutions. ■ Product and service development (excluding development of National Occupational Standards, qualifications and Apprenticeships. GIF is particularly interested in sectors/industries wanting to develop Higher Apprenticeship programmes. Employers looking to invest in Higher Apprenticeship frameworks can approach the UK Commission for further information about how to do this). ■ Design and testing of new products and services. 	<p>Activities that will be funded must be able to clearly demonstrate lasting benefit, value for money, and other cash investment from employers and other bodies.</p> <p>Activities that can be funded include:</p> <ul style="list-style-type: none"> ■ Start-up and infrastructure costs to put in place sufficient resources to allow the National Skills Academy to become operational. ■ Product and service development (excluding development of National Occupational Standards). ■ Design and testing of new products and services to generate new income streams and contribute to its long term sustainability. ■ Specialist provider network development. 	<p>JIP funding is available to contribute towards the costs of learner participation delivered by the Further Education network of colleges and training organisations.</p> <p>Provision to be considered for funding is as follows:</p> <ul style="list-style-type: none"> ■ Units, Qualifications and SASE compliant Apprenticeship Frameworks at levels 2, 3 and 4. ■ Provision which is available in the Qualifications and Credit Framework (QCF) being submitted. <p>Please note: Prescribed Higher Education, Health and Safety provision and other provision required by law will not be considered for funding.</p>
What co-funding is required?	<p>All applications will be required to demonstrate significant commitment from employers to both the development and future use of the solution.</p> <p>Applications demonstrating upfront co-investment will be looked upon favourably although it is recognised that the actual amount of investment and phasing of that investment will depend on the scale of the proposal, the type of solution proposed, the need demonstrated and the method of delivery.</p>	<p>Applications must demonstrate a 50:50 partnership with employers and others backing the National Skills Academy proposal. In reviewing applications, evidence will be sought to identify the matched investment from other sources.</p>	<p>Each unit, qualification and Apprenticeship Framework will require a minimum of 50% cash co-investment from employers towards the Skills Funding Agency published rates from employers. Payment by both the Skills Funding Agency and employers will flow directly to the provider delivering the provision.</p>

	Best Market Solutions	National Skills Academies	Joint Investment Programme
How is “sustainable” defined?	The business model for the solution must be ultimately self-financing from employers after the initial period of investment fund support.	Funding would be provided to provide development and support for start-up only. Any successful applications therefore will only receive funding for the first three years of operation, which must be matched against other funding for start-up and product and service development. England-wide Skills Academies will be expected to be self-sustaining by their fourth year.	Following the end of the programme normal Skills Funding Agency learner eligibility and funding rules will apply. The applicant should address this issue in the application process.
Which employers are eligible to benefit?	The investment fund is aimed at organisations based in England, however, it is recognised that the beneficiaries of any solutions developed may also operate in locations across the UK. Any funded solution must be designed to benefit employers across the target market/sector and not be restricted to an individual employer or group of employers.	All employers in the sector proposed (note that three year development funding is available for activity in England only).	All sizes of employer in England are eligible to benefit however, it is expected that more than half of learners in programmes are employed by businesses employing less than 250 employees. Employees aged 19+ are eligible to benefit.
What happens if the application is successful?	The UK Commission will issue offer letters (subject to contracts), to successful applicants during July 2011. Depending on the size of the proposal and where an applicant has not previously had a contract with the UK Commission, a due diligence exercise may be required before a contract can be issued.	We will invite successful applicants to develop a Business Plan for assessment in January 2012. Agreed National Skills Academies will be announced by April 2012. Any investment provided against applications from partnerships will be paid to the lead partner.	During July and August 2011 the Skills Funding Agency will work with the applicant to select an appropriate Lead Provider with whom the Chief Executive of Skills Funding will contract. The applicant will then work with the selected Lead Provider to build a network of training organisations in order to deliver the skills solution as agreed in the application. Learners will enrol from 1st October 2011.

Whilst the Growth and Innovation Fund has been designed to be as flexible as possible there are some constraints on what can be supported from the public purse through the investment fund. The following elements are **not eligible** for support under the Growth and Innovation Fund:

- Investment in tangible fixed assets e.g. property and equipment.
- Retrospective investment.
- Investment to build up a profit or surplus, or make loan repayments.
- Investment for projects for which there are sufficient existing alternative public or private sources of funding.

In addition, in light of the public sector spending restrictions issued by the Cabinet Office, proposals may be challenged or rejected where they contain significant marketing, communication or consultancy costs.

Public funding will only be granted where it is held to be compatible with EU State aid regulations and applicants should be aware that their proposal will be scrutinised accordingly. Potential applicants may wish to take account of this when considering the development of proposals. Information on State aid is available on the BIS website at <http://www.bis.gov.uk/policies/europe/state-aid/advice-on-state-aid>

<http://www.bis.gov.uk/assets/biscore/consumer-issues/docs/10-951-state-aid-beginners-guide.pdf>

Additional detail on strand specific constraints can be found in the strand specific guidance at www.ukces.org.uk/gif.

Section 3: Making Your Application

Which organisations are eligible to apply?

Applications are invited from Sector Skills Councils, Industry Training Boards, formally constituted Sector Bodies, National Skills Academies, Employer Associations, Trade Associations and Professional Bodies. Collaborative applications are welcomed from multiple sector organisations.

For the purposes of the investment fund a sector body, employer association or trade association is defined as an organisation with a published remit that specifically includes the role to represent employers in a specific industry who share similar interests or areas of trade. The organisation will have a formal governance structure led by an elected board and both board and structure should be representative of the sector or industry covered by the organisation.

Membership of the organisation should be open to all employers within the relevant sector or industry. The applicant organisation will need to be able to demonstrate as part of the application process that it has the confidence and support of employers in its sector.

For applications for a National Skills Academy only, a lead employer working with employer groups or with the support of other employers and sector bodies is eligible to apply. This change from the standard eligibility criteria **applies only for applications under the National Skills Academy strand of the Growth and Innovation Fund**.

What is the application process?

If an organisation wants to apply to the investment fund then it will need to:

- check it is eligible to apply;
- decide which strand(s) would be appropriate;
- gain secure clear and verifiable commitment and support (in principle and financial) from employers;
- complete the application form (available from www.ukces.org.uk/gif) in line with the guidance provided in this prospectus and in the three separate strands 'Further Guidance' documents; and
- send the completed application form by email to gif.applications@ukces.org.uk by 10am on Friday 3rd June 2011.

The application form consists of two parts:

- **Part A** – this is where you need to set out the overall strategic ambition for the sector, detailing the key skills challenges and specific skills needs. This section is common to all three strands and must be completed once by all applicants.

- **Part B** – this section is specific to each strand of the Growth and Innovation Fund. In this section you will need to set out the details of the solutions proposed ensuring there is a strong and evidenced link back to Part A. All applicants must complete one or more Part B sections. There are different Part B application forms for each of the three strands and applicants should ensure they complete the correct form relevant to the strands of activity being proposed.

Where applications are for more than one strand of activity the relationships between the strands must be clearly articulated in Part A of the application.

Where an organisation is proposing solutions for more than one sector/industry it may choose to complete separate Part A forms where the strategic skills challenges and context are very different. Applicants are encouraged to contact the UK Commission or the Skills Funding Agency if they wish to discuss this issue before submitting a proposal.

All guidance documents, application forms and relevant templates can be found at www.ukces.org.uk/gif

All emails to the applications inbox will receive an automatic acknowledgement of receipt by email.

Please note that the application inbox can only accept emails with a file size of less than 3MB.

Application Timeline

	Mar-11	Apr-11	May-11	June-11	July-11
Best Market Solutions				Submission of all applications by 10am 3rd June 2011	
National Skills Academies	Workshop for potential applicants – 17 March 2011			Pre-panel interview for National Skills Academy applicants during week commencing 20th June 2011	GIF Board meets 13th July 2011 to make recommendations

Where can I find out more?

A workshop for applicants will be held in London on 17th March 2011.

This workshop will provide an opportunity to learn more about the various strands included in the Growth and Innovation Fund. If you are interested in attending, please register your interest at <https://www.eventelephant.com/GIF2011>

If you are unable to attend but are interested in applying to the fund please note that a record of information imparted at the event will be made available to non attendees through the following website www.ukces.org.uk/gif

Questions and support during the application process

Questions and enquiries regarding the Growth and Innovation Fund can be submitted through the following routes:

For general questions:

gif.questions@ukces.org.uk

For Best Market Solutions related questions:

gif.questions@ukces.org.uk

For Joint Investment Programme related questions:

jointinvestmentprogramme@skillsfundingagency.bis.gov.uk

For National Skills Academies related questions:

nationalskillsacademies@skillsfundingagency.bis.gov.uk

Questions submitted will be responded to within 2 working days and responses will be shared publicly through the GIF website www.ukces.org.uk/gif.

This site will be updated regularly and applicants should ensure they have taken account of the information provided when preparing their applications. The names of the applicant submitting questions will remain anonymous.

What makes a good application?

There are three critical stages to increase your prospect of success:

- **Research and quantify the problem:** look into the background of your sector and what its skills challenges are – How many employees? How many employers? What skills are lacking and what impact is this having on the sector/industry and the wider economy? Why are they lacking? Why are these skills challenges more important compared to others in the economy? How can large and small employers work together for the good of the sector? Are there gaps in capacity or quality of current provision or both? What is the strategic impact of these challenges? What's the future scenario if challenges aren't addressed – scenario planning?
- **Gather support:** as much as is possible in the time available, work with other employers, your partner trade associations, professional bodies and Sector Skills Councils and ensure your proposals can gain their support. Employer investment to the levels set out in the guidance for each strand is essential. Applicants should pay close attention to the guidance for each strand, which sets out the specific requirements for evidence of employer investment that must be included in all applications.
- **Evaluate the options:** conduct a candid assessment of the different solutions available to solve the skills challenges in your sector; by evaluating the options your preferred solution will stand up to scrutiny.

Applications will be assessed against the following criteria:

Assessment criteria	Criteria detail
Vision and Ambition	<ul style="list-style-type: none"> ■ Is based on a stretching and ambitious vision for the future performance of the sector/industry in terms of its competitiveness, productivity and potential for future growth and demonstrates an appetite for ensuring that the sector/industry becomes the best it can be. ■ Encapsulates genuine business ambition and what the sector/industry and the skills of its workforce would look like at its best. ■ Outlines a clear roadmap for moving from the current position to the vision for the sector/industry and meeting its skills challenges. ■ Has potential to transform the sector/industry and significantly increase employer ambition for and investment in skills. ■ Demonstrates that a coherent logic chain exists where multiple solutions are proposed for a sector/industry.
Business Case and Evidence Base	<ul style="list-style-type: none"> ■ Is based on a solid understanding of the current performance of the sector/industry in terms of competitiveness, productivity and growth, and the impact of skills gaps and shortages. ■ Has a robust evidence base that sets out a compelling case on the opportunities and challenges the application is seeking to address. ■ Demonstrates an understanding of the barriers that need to be overcome to move from the current situation towards the sector/industry's vision for success. ■ Outlines how the project will address the sector/industry's strategic skills challenges and then challenge directly the causes of the current skills gap.
Strategic Fit and Impact	<ul style="list-style-type: none"> ■ Has been designed to address the strategic skills challenges and the causes of the challenges set out in Part A. ■ Has potential to transform the sector/industry and significantly increase employer ambition for and investment in skills. ■ Has relevant scale and impact. ■ Specifically addresses any barriers preventing equal access for all. ■ Includes plans to monitor and evaluate the success and impact of the GIF and employer investment.

Assessment criteria	Criteria detail
Business Model and Implementation	<ul style="list-style-type: none"> ■ Identifies the specific skills solutions including relevant products, services and resources. ■ Defines the business model or implementation and delivery model being proposed. ■ Demonstrates that the model is deliverable and based on a sound analysis of the resources and capacity required. ■ Demonstrates that the partnership model is clearly established and roles and responsibilities required to deliver the activity are clearly articulated.
Employer Engagement, Investment, Commitment and Sustainability	<ul style="list-style-type: none"> ■ Demonstrates that there is strong sector/industry leadership and tangible involvement and commitment from employers to provide the necessary investment to the project and this is sustainable for the timescale needed to address the skills need. ■ Demonstrates that there is employer commitment to sustain the necessary levels of investment in the project and for the timescale needed to address the skills need. ■ Demonstrates that there is commitment and opportunity beyond the life of the programme to enable the work supported through the Growth and Innovation Fund to be solely financed by employers.
Leadership and Capability	<ul style="list-style-type: none"> ■ Demonstrates that there is employer leadership and proven experience of successfully engaging employers in investing in skills. ■ Demonstrates that there is proven experience of successful delivery of similar activities. ■ Demonstrates that there is the knowledge vision and capability to successfully deliver the activity required. ■ Demonstrates that the applicant has the confidence and support of employers in its respective sector/industry. ■ Demonstrates experience of working collaboratively with key partners where appropriate. ■ Sets out the leading and co-ordinating responsibilities within this activity. Plans and resources are in place to fulfil this role.
Value for Money and Additionality	<ul style="list-style-type: none"> ■ Demonstrates that activity funded through the Growth and Innovation Fund only supports work that would not be or is not funded through other routes. ■ Demonstrates that investment in the proposal would not replace existing or planned investment by employers. ■ Demonstrates that the activity offers value for money for employers and the public purse when compared with other funded or co-funded action within this sector/industry or in response to this skills need.

Section 4: Evaluating the Application and Next Steps

How will decisions be made?

Each application will be subject to assessment by the Growth and Innovation Fund Board, informed by advice on relevant aspects of the application. The Board will be chaired by Charlie Mayfield and consist of a number of UK Commission Commissioners along with a senior representative from the Skills Funding Agency and the Department for Business, Innovation and Skills.

The Growth and Innovation Fund has been designed to allow businesses to set out the issues they face and how those issues should be addressed. The criteria that will be used to assess applications has been set to allow a diverse range of proposals to be funded. If the investment fund receives strong applications to a greater value than available resources, then the Growth and Innovation Fund Board may give priority, between proposals of otherwise comparable merit, to those that best contribute to the national policy objectives set out in *Skills for Sustainable Growth*.

All applicants of shortlisted National Skills Academy applications will be required to attend a panel interview prior to the meeting of the Growth and Innovation Fund Board. This panel will take place week commencing the 20th June 2011.

Formal decisions for each strand will be made by the respective lead organisation in light of the Board's recommendations.

Each applicant will receive formal written feedback within one month of the decision being made.

The decision will be final; there will be no right of appeal.

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12
Best Market Solutions	GIF Board meets 13th July 2011 to make recommendations Successful Applicants notified w/e 15th July 2011	Contracts in place during August								
National Skills Academies		National Skills Academy Business Planning						National Skills Academy Business Plan Appraisal/GIF Board makes recommendations		National Skills Academy Launch
Joint Investment Programme		JIP Provider procurement	Provision in place							

Section 5: Monitoring the Programme

How will successful programmes be monitored and evaluated?

All successful applications will be characterised by very clear objectives and milestones through which their success and impact can be clearly measured. The schedule and format of reviews and reporting to share progress against these measures will be agreed between all partners as part of the project inception arrangements.

Whilst the format and content of reviews will differ between projects; the project lead organisation in every case will be responsible for the following:

- Reporting on progress against all milestones in line with the agreed monitoring and review schedule.
- Retaining evidence of all project activities, costs and outcomes.
- Participating in the dissemination and celebration of successes where relevant.
- Taking action on progress to ensure that the project delivers on time and meets its objectives.

Progress against impact measures and milestones from reviews will be also shared by BIS, the Skills Funding Agency and UK Commission as part of the overall Growth and Innovation Fund review process led by the Growth and Innovation Fund Board.

Successful applicants may be required to participate in, or provide data to assist with, a programme level evaluation of the Growth and Innovation Fund. The programme level evaluation will draw on evaluations of individual projects.

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