European Structural and Investment Fund (ESIF) activity in York, North Yorkshire and East Riding - Dec 2016 to July 2020

A Consultation Report by Tokos Solutions and Annabel Jelley on behalf of York and North Yorkshire Local Enterprise Partnership

August 2020

Executive Summary

1. York and North Yorkshire (YNY) LEP commissioned Tokos Solutions, working with Annabel Jelley, to undertake research into LEP supported ESIF investment in 14 skills and employment projects across York, North Yorkshire and East Riding. This research was to inform future skills strategies and plans, and to support the development of the LEP business case for accessing devolved skills funding.

2. Our research involved:

    a. 25 Telephone consultations with Prime Contract Holders (Primes) and a range of additional stakeholders.

    b. Analysis of findings, identifying best practice and value for money in project design, organisational and delivery models.

    c. Identification of lessons learned and recommendations for potential future learning /support programmes.

3. The projects were delivered to implement and contribute to 3 LEP skills priorities:

    Young people: focusing on increasing employability of young people and attracting and keeping young talented people in the LEP area.

    People in the workforce: developing the local workforce, enabling businesses and individuals to train and improve their skills whilst working to address an evolving economy.

    People in the community: developing strong communities and building the skills, attitude and ambition to help people access jobs, and to narrow gaps between those who are most and least disadvantaged.

4. The projects have been delivered within the complex ESIF Programme Management and regulatory and compliance framework, including: The LEP area classified as both 'More Developed Area' (MDA) (York and North Yorkshire) and 'Transitional Area' (TA) (East Riding) attracting different levels of European Funding – i.e. differing match funding requirements reflecting the relative deprivation status of the area.

5. The lessons learned from delivering these projects covered: relationships and collaborative working; planning, commissioning and procurement; delivery models; target groups/eligibility; interventions/support; funding models; and processes, systems and contractual requirements.

6. What worked, in terms of successful delivery of projects includes:

    a. Genuine and sustained partnership working.

    b. Longer contracts for tried and tested provision.

    c. Experienced Primes supporting Delivery Partners on processes, systems and delivery.

    d. The Key Worker /Key Account delivery model – contributing to effective engagement, tailored delivery and successful progression.

7. What did not work and impacted on successful delivery of projects includes:

   a. Overlapping LEP boundaries, with two categories of area (MDA/TA) confusing the provision landscape with patchy and inconsistent offers.

   b. Delays between specification development, procurement and then contracting, where the delivery landscape had changed in the meantime.

   c. ESF bureaucracy, especially for small providers, requiring time spent on administration, and taking resources away from delivery.

8. Perceived gaps in infrastructure and support includes:

   a. Capacity building support for smaller VCSE organisations working with the target market. Resources supported only delivery and focused on progression.

   b. Digital access and digital skills for unemployed and inactive people. A significant barrier for those that are in rural areas and/or older.

   c. Higher Level Skills support which was not provided effectively to address needs due to eligibility issues.

9. The legacy from the projects includes:

   a. Strong and effective partnership working through organisations embedded within local communities and infrastructure, contributing to seamless support delivery and progression.

   b. Increased awareness of and progression into apprenticeships at all levels.

10. The research and analysis have enabled us to identify specific good practice and success criteria that can be used by the LEP to assess projects in terms of deliverability and value for money and facilitate further discussions with the Primes. These include:

    a. Did thorough research and consultation take place prior to contract?

    b. Are paid outputs fair for the level of work?

    c. Is the Prime experienced?

11. In conclusion, we present 12 recommendations to the LEP for it to consider when planning for future skills activities. These include:

    a. The LEP would benefit from a clear map of existing/mainstream provision and support for specific target groups, what support can be provided, and what the eligibility criteria is for such support.

    b. Projects that are commissioned should form building blocks to support progression across all types of learner journey.

    c. Holistic and integrated sector-based support would help to address both the supply and demand needs within an economy.

    d. Steps should be taken to maximise the success of pipeline projects by enhancing known and accepted support mechanism such as forming partnership groups where none exist.

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1. Introduction

1.1 In Summer 2020 York and North Yorkshire Local Enterprise Partnership (LEP) commissioned Tokos Solutions, working with Annabel Jelley, to undertake research into over £35m of LEP supported ESIF investment in 14 projects across York, North Yorkshire and East Riding. This research was to inform future skills strategies and plans, and to support the development of the LEP business case for accessing devolved skills funding.

1.2 The research was intended to:

- Identify best practice in delivering meaningful and lasting outcomes for individuals, businesses and communities.

- Identify key lessons learned in overall project design, management, delivery and quality assurance arrangements, including:

  o Marketing.
  o Participant Engagement.
  o Design, content and delivery of interventions.
  o Geographical and /or sectoral focus.
  o Funding rules and contracting frameworks.
  o Provider capability and capacity.
  o Collaborative approaches.

- Complete a value for money assessment of pipeline project specifications utilising provider feedback.

- Produce evidence-based recommendations on potential future targeted interventions.

1.3 The report sets out the findings, learning and recommendations of the research undertaken as follows:

1. **Keys to Successful Planning and Commissioning** – a summary of the top 10 tips to support future skills planning and commissioning.

2. **Research Scope and Methodology** – how we undertook the research and which projects were included.

3. **Context** – a summary of the strategic and policy context for the delivery of all the projects.

4. **Headline Findings and Lessons Learned** –setting out the overall lessons learned against key themes.

5. **Value For Money Assessment of Pipeline projects** – using the lessons learned to provide assessment criteria against which the pipeline projects can be assessed for potential for successful delivery.

6. **Recommendations** – setting out specific actions the LEP might want to consider undertaking in future skills planning and commissioning.

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2.   Keys to Successful Planning and Commissioning

2.1   This section summarises 10 key learning points from the research, to inform successful skills planning and commissioning.

- Reduce bureaucracy to a minimum to streamline provision and keep management costs as low as possible.

- Funding Authorities must agree match funding arrangements at source and not leave it to the providers to arrange.

- Invest time in planning and research before commissioning to avoid duplication and ensure that provision aligns with existing activity.

- Contracting must be simple with a one body responsible for performance management, financial control and strategic steer.

- Undertake procurement processes within one-year timescales to ensure relevance and timeliness of contracts and outputs when delivery starts.

- Reflect all strategic outcomes desired within paid outputs to ensure they are achieved.

- Tried and tested interventions should be the first option with contracts let for at least three years. Test innovative provision with a limited budget and over a short timeframe.

- Invest resources in partnerships and collaboration as they are the single most important factor in successful contracts.

- Contract models that include trusted Key Workers who build a lasting relationship with participants are more likely to succeed.

- A delivery model with the client at the centre is more likely to achieve the strategic outcomes sought than a model which focusses on other contractual requirements such as financial incentives for challenging outputs.

3. Research Scope and Methodology

3.1   We conducted research looking at the impact of 14 European Structural & Investment Fund (ESIF) projects commissioned by the York, North Yorkshire and East Riding (YNYER) LEP and delivered between 2016 and the present day. Eight of the projects have since completed and the remaining six are currently operating, at the time of writing.

3.2   The contracts in scope are set out below:

Project	Prime contractor	Contract Dates	Contract Value
Access to Employment: 'Move Forward'	IXION/Prospects	Nov 16 - Nov 19	£3m
Skills Support for the Unemployed 1	APM	Dec 16 - July 18	£500k
Skills Support for the Unemployed 2	McCrory Training	Jan 20 - Mar 21	£495k
Careers Education, Information, Advice and Guidance (CEIAG)	Prospects	Nov 16 - Mar 19	£426k
Not in education, employment or Training (NEET) 1	Prospects	Nov 16 - Mar 19	£465k
NEET 2	NYBEP	Apr 19 - Jul 21	£247.5k
Building Better Opportunities (BBO): Action Toward Inclusion	Your Consortium	Jan 17 - Dec 23	£7.67m
Community Grants 1	Humber Learning Consortium	Set 16 - Mar 19	£1m
Community Grants 2	Humber Learning Consortium	Apr 19 - Jul 21	£989k
Community Led Local Development (CLLD)	East Riding of Yorkshire Council	Nov 17 - Mar 22	£6.9m
Skills Support for the Workforce 1	Calderdale College	Nov 16 - Mar 19	£5.67m
Skills Support for the Workforce 2	Calderdale College	Apr 19 - Jul 21	£1.475m
Higher Level Skills	Calderdale College	Nov 16 - Jul 18	£750k
Apprenticeship Services	Grimsby Institute	Nov 16 - Jul 18	£400k

3.3   Our research covered:

- Context and background research.

- Desk-based research using project data.

- Telephone interviews with project Contract Holders ("Primes") and other key stakeholders identified.

- Analysis of findings, identifying best practice and value for money in project design, organisational and delivery models.

- Identification of lessons learned and recommendations for potential future learning /support programmes and associated delivery models, aligned to the LEP's strategic priorities and action plans.

3.4   We undertook background desk-based research on the economic and policy context, focusing on updating our existing knowledge and understanding of the operating environment, and recent governance changes and plans. This supported more detailed questioning in relation to gaps and future skills needs.

3.5   We also undertook desk-based research using project data provided by the LEP. This helped to identify delivery trends, good practice and challenges, supporting the next stage of research of in-depth discussions with providers.

3.6   Our approach to assessing the impact of the projects focused on conducting interviews with all Prime contract holders to gain insight into the impact of the projects. We aimed to establish what worked, what did not, and provider views on gaps, to support recommendations for future funding and pipeline projects. We also conducted additional interviews with Delivery Partners, stakeholders, funding bodies and the LEP.

In total we conducted 25 interviews between 22nd June 2020 and 14th July 2020. All of these followed a similar format (see **Appendix A** for outline), tailored to the target group/ESIF priority.

4. Context

York, North Yorkshire and East Riding (YNYER) Skills Priorities

4.1 The YNYER LEP published its Strategic Economic Plan (SEP) in early 2014 (updated in 2016). This was the main strategic document around which all investments and commissioning decisions were made and is still current until such time as the Local Industrial Strategy is published. The YNYER LEP also published and updated at the same time ESIF strategy alongside the SEP.

4.2 The SEP laid out the distinct priorities for the YNYER economy and skills sits as one of five priorities which cover business growth, a focus on the bio-economy, skills ('Inspired People'), distinctive places and connectivity. The ESIF strategy set out how the different strands of funding (European Social Fund (ESF), European Regional Development Fund (ERDF) and European Agricultural Fund for Rural Development (EAFRD)) investment would be used to address specific criteria laid out by the European Commission.

4.3 The LEP skills priorities fall into three broad categories:

Young people: focusing on increasing employability of young people and attracting and keeping young talented people in the LEP area.

People in the workforce: developing the local workforce, enabling businesses and individuals to train and improve their skills whilst working to address an evolving economy.

People in the community: developing strong communities and building the skills, attitude and ambition to help people access jobs, in the process supporting people from all groups and all areas across York, North Yorkshire and East Riding to benefit from economic growth and opportunities, and to narrow gaps between those who are most and least disadvantaged.

4.4 Within each priority the LEP detailed specific core activities which would advance the strategy in practical terms. The individual ESIF projects were commissioned to address each of these.

4.5 For example, the project Skills Support for the Workforce which supports businesses to train existing staff in skills was designed to 'Increase productivity by investing in workforce skills'. This is one of the core activities under the 'productive workforce' objective. By enabling local businesses to enhance skills levels (especially higher level and technical skills) within their workforces the LEP sought to enhance the overall productivity of the economy.

4.6 Similarly, the CEIAG, NEET and Apprenticeship contracts have been designed to deliver activities within the Young People priority to connect the business world to education more effectively, help disadvantaged young people gain access to work and training opportunities, improve careers information, advice and guidance in schools and colleges and increase the number of apprentices.

4.7 All the ESIF projects directly link into the objectives in the SEP. Outlines of the individual projects are set out in **Appendix B**.

4.8   The LEP has further developed its SEP priorities to include specific strategies addressing Social Inclusion, CEIAG, Apprenticeship and Workforce Skills Strategy. These have been invaluable to stakeholders and partners in shaping their projects.

4.9   The LEP has also emphasised the need to address social disadvantage in areas such as the North Yorkshire Coast, specific remote rural areas and deprived wards in York, Scarborough and Harrogate.

Overview of ESIF funding and strategic context

4.10 The ESIF strategy sets out how the LEP sought to utilise the three distinct strands of ESIF funding - ERDF, ESF and EAFRD.

4.11 The YNYER ESIF Sub-Committee oversaw the planning for ESIF funding taking into account the complex eligibility and funding rules which govern how European Funding can be used. During this process, the Sub-Committee provided implementation advice to the Managing Authorities for the ESIF Growth Programme in England.

4.12 These complexities included:

- The designation of 'More Developed Area' status to the York and North Yorkshire Local Authority areas (Richmondshire, Hambleton, Scarborough, Craven, Selby, Ryedale and York); and 'Transitional Area' status to the East Riding of Yorkshire.

- Differing match requirements to reflect the relative deprivation status of the area. i.e. higher EU Funding Intervention rates are applied to the Transitional Area.

- Separate contracts for different areas, and for different priorities. Some projects have been run with 4 contracts (requiring separate administration, evidence collection, monitoring and reporting).

- Direct-bidding and co-financed contracts had differing requirements. Organisations such as the Education and Skills Funding Agency (ESFA), Department for Work and Pensions (DWP) and the Community Fund (formally known as Building Better Opportunities (BBO)) provided co-financing and enabled funds to be matched nationally at source rather than requiring Primes to provide it. Direct bidding required Lead Organisations to source the match-funding themselves.

4.13 The key roles and responsibilities were:

- The LEP had the principle strategic role in directing and steering funds.

- The co-financing organisations and Managing Agent for Direct Bidding (DWP), were responsible for contractual relationships with the Contractor (Lead Partner /Prime), following a commissioning process, which aligned local procurement with requirements set out in the National ESF Programme.

- The Prime was responsible for compliance and delivering agreed LEP-area specific outputs and results as set out in the commissioning specifications and contract, managing Delivery Partners where these were part of the contract.

4.14 The ESIF programme was structured around 3 priority axes, which are built up from the Thematic Objectives and Investment Priorities:

- Inclusive Labour Markets, which combines activities to address employment and social inclusion issues;

- Skills for Growth; and

- Technical Assistance.

5. Headline Findings and Lessons Learned

5.1 This section sets out the headline findings and lessons learned from the projects against the selected themes. Detailed findings are set out in **Appendix C**.

WHAT WORKED	WHAT DID NOT WORK
RELATIONSHIPS AND COLLABORATIVE WORKING	
✓ Genuine and sustained partnership worked in almost all cases. ✓ Willingness to put competition aside to align provision and make offer coherent for recipients. ✓ Relationships of trust were built up to contribute to a sustainable support infrastructure and future delivery. ✓ Willingness to share best practice, give up time to build relationships and offer a cooperative and collaborative way or working.	- Tripartite contracting arrangement caused challenges as Primes perceived that they had two "masters". - Size of geography and complicated patchwork of provision made partnership working challenging. - Lack of synergy with overlapping LEPs created issues that had to be dealt with on the ground by Delivery Partners instead of being worked out at a strategic level.
PLANNING, COMMISSIONING & PROCUREMENT	
✓ Specifications generally reflected the LEP strategy well. ✓ Generally good engagement through planning process with skills partners enabling 'buy in' from the sector. ✓ Longer contracts (3yrs+) for tried and tested provision worked well. ✓ Projects offered coherent progression pathways for disadvantaged people from first steps engagement through to getting and sustaining a job.	- Overlapping LEP boundaries with two contracts (MDA/TA); confusing landscape of provision with patchy and inconsistent support offers caused issues. - Neighbouring LEPs developed their ESF programme with little or no alignment with YNYER. Caused difficulties of competition and confusion on the ground. - Delays between specification development, procurement and then contracting often meant that the delivery landscape had changed to the detriment of the project. - Focussed only on supply, not demand e.g. worked with people to get them ready for jobs but did not work with businesses to take them on.

DELIVERY MODELS	
✓ Experienced Primes supported Delivery Partners with clear inductions, information, advice and training on compliance requirements and systems, referrals and marketing.	- Overlapping provision caused friction at times as competing projects sought access to same target groups.
✓ Responsive Delivery Partners, well-embedded in the local area and support infrastructure, with relevant expertise, good reputation and track record reflecting nature of delivery.	- Delivery Partners over-promised what they could deliver which caused issues for Primes and delays in re-contracting.
✓ Key Worker/key account model drew on Delivery Partners/wider infrastructure for flexible and innovative responses to need which enabled smooth progression to positive outcomes.	

TARGET GROUPS/ ELIGIBILITY	
✓ Ability to flex provision in many projects to respond to changes in the labour market.	- Confusion with regard to eligibility especially with national policy changes e.g. Universal Credit and Adult Learner Loans Policy.

INTERVENTIONS /SUPPORT	
✓ Key Worker support by trusted individual for all projects involving vulnerable groups. This model is mirrored in support for businesses, through key account management.	- Vulnerable groups stayed on programme too long and did not progress.
✓ Support by trusted Key Worker continued after intervention to ensure impact e.g. Key Worker stayed in contact to address issues after participant had secured work; business followed-up to track impact.	- Innovative provision was not fully utilised.

FUNDING MODELS	
✓ Opportunities to vire between funded outputs enabled greater flexibility.	- Paid outputs drive activity rather than strategy so contracts can be maximised in cash terms but fail to deliver the strategic impact sought.
✓ Fair and standard payments worked, providing sufficient resources to support the delivery of the required outcomes.	- Match funding, if not secured at source via a co-financing organisation caused significant issues.

	- Funding rules across mainstream provision can adversely affect ESF provision and make it unviable.
PROCESSES, SYSTEMS AND CONTRACTUAL REQUIREMENTS	
✓ Primes were experienced in ESF and project management putting into place appropriate management and reporting systems and ensuring Delivery Partners used them. ✓ Strong relationships with funding body contract manager, especially ESFA, to resolve any issues quickly.	- Bureaucracy of ESF is onerous, especially for small providers.

5.2 In addition to the above, our consultation revealed the following perceived gaps in infrastructure and provision:

- *Capacity building support for smaller VCSE organisations* working with the target markets. This support has been omitted from later projects but was beneficial to enabling organisations that are critical to the support of excluded people to access funding and training. This need has been particularly intensified in recent months as VCSE organisations pick up the slack from over-stretched local authority provision.

- *Digital access and digital skills for unemployed and inactive people* are needed. The Digital Skills specification in the pipeline addresses the needs of businesses and focuses on employed individuals. People seeking work or making the journey towards employment are lacking the infrastructure, affordable accessibility or skills to compete in an increasingly digital world. A greater understanding of this would enable the LEP to bid for forthcoming opportunities in the National Reserve Fund which are earmarked for digital inclusion.

- *Working with employers to enable them to provide 'good work'* and support those facing inequalities to access employment. Much of the existing activity in the social inclusion projects is targeted on the demand side rather than the supply. That means that people who have barriers to work are overcoming them but finding it difficult to secure jobs with supportive employers. The Thriving at Work specification goes some way to address this by working with employed people and businesses but what is lacking is the capacity building to support businesses to take on new staff with barriers.

- *Ensuring that those furthest from the labour market are not even more marginalised*. Whilst the response to COVID19 is in its early stages, it is clear from our consultation that inequalities existing prior to the pandemic have rapidly widened and will continue to do so. There is a need to understand what and where these inequalities are most pressingly appearing and seek to put in place measures to address them.

- *Higher Level Skills* are known to be a gap in the economy and efforts to address the issues have been fraught with difficulty for a number of reasons highlighted in the report. Interventions have been piecemeal and lack the strategic coherence of other aspects of the skills agenda. The lack of strategy in this area and how it might cohere with other strategies is an omission amidst an otherwise comprehensive strategic framework.

- *Support for young people from the age of 14.* Provision for young people in ESIF is determined by EU funding rules and has a lower limit of 15 years. This does not align with the UK Key Stage 4 age group which starts at 14 when young people are studying for GSCEs. Young people often start to become disengaged at 14 so subsequent projects which do not rely on ESF funding should focus on 14+ rather than 15+. In addition to this, provision from this age that prepares young people for vocational qualifications later on and starts to incorporate employers would feed into Traineeships and Apprenticeships.

- *Discretionary 'response' funds*. Whilst the findings in this report show that the Local Response Fund did not fulfil its potential, the LEP would benefit from further discretionary funding to use as skills issues emerge and can be deployed rapidly to

address those issues. COVID19 is a case in point. As current funding stands, the LEP has limited discretionary funding available and therefore is constrained in its ability to flex provision within existing projects. In future, a 'response' fund of some sort would be advantageous to deal with economic shocks and changing circumstances.

5.3 Our consultation also identified a clear legacy from the programme delivery, including:

- LEP strategic working with:

  o An ESIF strategy and implementation plan that provided the framework for a coherent response to local challenges and opportunities, replacing a disconnected, centrally coordinated funding landscape which did not effectively address local skills issues.

  o The development of extensive local understanding knowledge about needs of different beneficiary groups; and facilitating and supporting the networks that can effectively contribute to successful skills delivery, now and in the future.

- Reduction in dependencies on the public purse: EU funds targeting the most vulnerable groups, has impacted not only on the individuals supported with improved skills and opportunities for progression, but also their families, communities and the wider economy. E.g. investing in young people who are disengaged and putting them on a more productive pathway, whilst saving public money in the long run, also enables them to add social and economic value and function effectively in society with dignity and a sense of purpose.

- Strong and effective partnership working through organisations embedded within local communities and infrastructure, with a willingness to put aside competition to contribute to seamless support delivery and progression. This has created a legacy of increased coherence among skills providers and stakeholders on which future programmes can be built and will have a greater chance to succeed.

- Research and resources: e.g. Sectoral research into all the LEP's key sectors, to contribute to future skills planning; technical courses and toolkits (e.g. Mental Health Toolkit) rolled out continue to be used long after the project has finished.

- An increased awareness and understanding of equality and diversity: Women in STEM activities were a feature of several projects and were all recognised as successful. Raising awareness of the opportunities in this sector for women and encouraging businesses to create more diverse recruitment practices will help to address the gender imbalance in the future.

- An increased awareness of apprenticeships by businesses and individual participants in the projects. Whilst the difficulties posed by Apprenticeship reform has impacted on project delivery, progression to Apprenticeships was an output in several projects which helped to keep the awareness of them high on the agenda even when there were issues. In the longer term, this will support increased progression into apprenticeships at all levels.

- Shifting the perception away from believing that a job was the be all and end all of addressing poverty. The is a move towards a more nuanced understanding of 'good' employment that has been introduced by experiences in these projects.

6. Value For Money Assessment Of Pipeline Projects

6.1 In this section we use the lessons learned to provide assessment criteria against which we can measure the VFM of pipeline projects.

6.2 We have utilised data and information shared by the LEP about pipeline projects in pulling together the matrix set out below. Whilst it does not provide a comprehensive picture, because of gaps in information (e.g. details about the proposed delivery models put forward by bidding organisations), it provides the basis for the LEP to undertake further discussions with the bidders, to ensure that, where possible, good practice is incorporated in implementation of the projects.

6.3 This approach, with on-going refinement of the criteria, provides a tool for use in further development of skills plans and commissioning, ensuring that lessons learned are incorporated into all future activities.

Key

Yes	GREEN
No	RED
Do not know/ incomplete	AMBER

Project	Did thorough research and consultation take place prior to contract?	Is the contract simple with clear outputs?	Are the interventions tried and tested?	Are the paid outputs fair for the level of work?	Is the Key Worker /account model central to the delivery?	Is the ESIF funding matched at source?	Is the Prime experienced?	Is the area of provision backed by an existing partnership or networks?	Was the procurement short in duration i.e. < 1 year	Average rating and possible indicator of success
Specialist Skills Support Programme	GREEN	RED	RED	AMBER	AMBER	RED	GREEN	RED		RED
Business Scale-Up Programme	AMBER	RED	AMBER	AMBER	AMBER	RED	GREEN	AMBER		RED
Women in the Workforce	GREEN	RED	RED	AMBER	AMBER	RED	GREEN	RED		RED
Thriving at Work	GREEN	RED	RED	AMBER	AMBER	RED	GREEN	RED		RED

Bespoke Skills	🟩	🟧	🟧	🟧	🟥	🟥	🟩	🟧	🟥	🟧
Apprenticeship Hub	🟩	🟥	🟥	🟧	🟥	🟧	🟩	🟩	🟥	🟧
T Levels	🟩	🟧	🟥	🟧	🟧	🟥	🟧	🟧	🟥	🟥

7.   Recommendations

7.1   As a conclusion to the research and consultation we would present the following recommendations to the LEP for it to consider when planning for future skills activities:

1. The LEP, in commissioning skills support, must have an up-to-date understanding of the needs of the target group. This should include the potential size of the target markets and where they are. Commissioning and contractual indicators and outputs should reflect this along with an understanding of what resources are realistically needed to engage with them effectively.

2. Prior to any further commissioning, the LEP would benefit from a clear map of the existing /mainstream provision and support for the specific target groups, what support can be provided, and what the eligibility criteria is for such support. This would help to ensure that commissioning focuses resources to where the gaps are, or where there is additional need i.e. adds value, and where relevant, can 'wrap-around' existing infrastructure.

3. In addition to mapping existing provision, efforts to horizon scan future policy directions particularly with regard to FE core funding would be beneficial. This would enable the LEP to foresee potential funding issues before they arise.

4. Projects that are commissioned should provide building blocks to support progression across all types of the learner journey, from engagement of those furthest from the labour market with multiple needs, through to progression within employment. Clear progression pathways should be developed with each 'block' targeting specific groups and resulting in progression outcomes relevant to that group.

5. Capacity building support for those smaller organisations working with the target participants, would be beneficial to support sustainability of the infrastructure, ensuring value for money of investment and preventing the 're-invention of the wheel'. This is particularly needed for the more remote areas and target groups further from the labour market.

6. Holistic and integrated sector-based support would help to address both the supply and demand needs within the economy i.e. supporting businesses to create 'good work' and offer opportunities to those with inequalities, whilst also supporting those facing barriers to access the skills and other support needed to enter into and thrive in this type of employment.

7. Investment is needed into digital skills development and improved accessibility for those in rural /remote areas, especially those that are older and facing challenges of getting into work or progressing out of low paid work. This support may combine with the capacity building support recommendation.

8. Care should be taken with projects linked to the Apprenticeship agenda as it is fraught with volatile issues and any meaningful impact is problematical to measure against a backdrop of incomplete reforms and a rapidly changing economy. Capacity building in this area and a revised short-term strategy that is effectively communicated to stakeholders will help to address current uncertainties.

9. Steps should be taken to maximise the success of pipeline projects by enhancing known and accepted support mechanisms such as forming partnership groups

where none exist e.g. digital skills, clarifying unclear outputs in specifications quickly at the outset and helping Primes find alternative sources of match.

10. Uncoupling the Training Needs Analysis component from Skills Support for the Workforce contract in future rounds and making it an employer-led rather than provider-led activity would ensure that the needs of the business are at the heart of the provision and not determined by what the provider can offer. Embedding it into the business support offer from the Growth Hub would further ensure that training needs identified by the business are part of a wider business improvement plan.

11. Whilst the strategic framework underpinning the skills programme is robust and well-articulated the area that would benefit from further development is Higher Level Skills, specifically in relation to HE provision, graduate retention and the skills needs of businesses. There is widespread acknowledgement of the challenges in understanding the Higher-Level Skills landscape in detail. The initiatives commissioned so far, however, have been somewhat piecemeal and have lacked the same coherence that is evident in other areas of the skills strategic framework. To address this issue, a piece of work scoping out existing provision (such as internship programmes run by universities) and getting a clearer picture of how HE provision supports the higher level and technical skills needs of businesses is recommended as a first step.

12. The LEP should actively prepare for future funding opportunities which do not have to adhere to the criteria which has been the norm for decades by 'unlearning' the EU funding rules. The divisions between funding streams which have emerged over decades, such as those between ERDF and ESF, and those that govern initiatives aimed at employed or unemployed people, have prevented the creativity needed to address skills issues effectively in the economy. It would be wrong to throw away what is good and proper about using public funds to address skills barriers, help vulnerable people and support local businesses. Nevertheless, the profound technology driven changes to occupational roles and wider working practices, alongside the accelerator impact of Covid 19, presents significant challenges for policy and planning in terms of designing creative, innovative and non-risk adverse solutions.

York, North Yorkshire & East Riding (YNYER) LEP ESIF Deep Dive Report

Section 1   a. Overview and purpose of research

Assess impact of ESIF investment in the YNYER LEP area, identify what worked/did not work, identify project ideas for future.
Outcome of research will:

Inform Skills Strategy, Local Skills Action Plan, Local Industrial Strategy Implementation Plan and 2020 Local Skills Report.

b. Format of discussion and question topics

45-60 minutes at a time to suit provider.

Series of questions based on contract and data provided by LEP.

Aim is to get open and honest views about the projects plus views on pipeline projects based on what works.

Information and data supplied by the LEP is anonymised – the focus is not to mine the data.

Emphasis on what works/does not work/recommendations.

Section 2a   The Project

Confirmation of overall focus /objectives of the project – i.e. what was the focus /objectives of the project (provider perspective)?

Confirmation of current status of the project (i.e. still delivering/completed etc.).

Update on delivery against targets and strategic objectives.

Their contract performance - outputs/results/impact – cross-referencing against data and identifying any short-falls/over-delivery etc.

Successes in delivering the project and its target outputs.

Section 2b   Deeper dive

Issues and challenges in delivering the project and its target outputs.

Funding processes – and any constraints impacting on outputs/perverse outcomes driven by payment methodology.

Wider issues within the skills infrastructure that have impacted on contract delivery.

Changes made to the delivery models and justification for the changes.

Added value that the provider brought to delivery and the skills infrastructure – i.e. what was delivered over and above the contractual requirements.

Areas of innovation and good practice.

Lessons learned.

Section 3

Target Group Skills needs (going forward)

Skills demand - current and projected (impact of COVID 19, increased focus on Inequalities and Inclusive Growth, and the opportunities/threats presented by a potential 'new normal').

Identification of gaps between supply and demand, in terms of ability to deliver the training needed because of:

- Funding constraints.
- Provider capability.
- Other issues/challenges.

What should be done to address these needs and challenges, that is not already being done.

Section 3   Mop Up

Summarise main points.

Any areas that the interviewee would like to raise that have not been covered.

Give contact details and gain permission to contact interviewee again should clarification be required.

Appendix B: ESIF Project Objectives and Activities

The projects within scope of the research and contributing to the LEP's Strategic Priorities are summarised in the table below:

Project	Strategic goals	Main paid activities
Access to Employment: 'Move Forward'	• Support unemployed people who are furthest from the labour market to find and keep work. • Target long term unemployed people particularly those with multiple barriers to work.	• Provide one-to-one support to address barriers to work. • Support people to find suitable employment. • Sustained employment for a number of months.
Skills Support for the Unemployed 1 & 2	• Improve the employability of long-term unemployed people. • Provide additional support to people from marginalised groups to access employment e.g. women, 50+ age group and young lone parents. • To encourage inactive people to improve skills in order to compete more effectively in the labour market. • To address basic and other skills needs of unemployed people. • To support women into STEM related progression (SSU2). • To address ageing workforce in key sectors (SSU2).	• Work with individuals to create personal learning plan in order to progress people on an agreed career pathway. • Functional skills training including literacy, numeracy and ICT. • Provision of IAG and pre-employment support including team working, coaching and mentoring, confidence building and employability training. • Advice on vacancies (including Apprenticeships), job search, CV building, applying for jobs and interview skills. • Vocational skills training.
Careers Education Information Advice & Guidance (CEIAG)	• Connect students to world of work. • Increase quality and quantity of good CEIAG. • Enable disadvantaged young people to make good choices about education and careers. • Help schools/colleges improve CEIAG.	• Providing good quality CEIAG to individuals (15-24yrs). • Gain Charter Marks in CEIAG in schools/colleges. • Employability Charters (to link business with young people).
Not in Education, Employment or Training (NEET) 1	• Targeted support of NEET young people (geographical hot spots e.g. Scarborough, rural pockets, young people with LLDD). • Address multiple barriers to help young people thrive in later life. • Support young people to stay in appropriate education, get a job with training (Apprenticeships/Traineeships).	• Activities to promote positive outcomes such as further learning or employment with training such as Apprenticeships. • Activities to promote emotional readiness/greater optimism about young people's learning, skills and behaviours to further learning or work.

Project	Strategic goals	Main paid activities
NEET 2	• Work in partnership with other organisations to create locally tailored provision. • Address rural isolation. • NEET prevention. • Focus on disadvantaged areas (Scarborough, hidden rural poverty). • Support Young Offenders. • Support young people with autism/learning difficulties. • Support care leavers. • Other priorities - young people with mental health difficulties; BAME; refugees or asylum seekers; homeless people; young people with poor literacy/ numeracy and/or few qualifications; out of work graduates.	• Employability & work readiness training and experiences. • Maths, English, ICT. • Vocational Training. • Personal and transferable skills. • Work with marginalised young people to help reengage them. • Work to prevent NEET.
BBO: Action Toward Inclusion	• To provide support to unemployed or inactive people in the most disadvantaged groups who are furthest from the labour market and experience significant barriers to work. • To support people to address barriers and tackle disadvantages helping them to move towards employment, education or training.	• Engagement with individual participants and support them one-to-one. • Work with individuals and groups to address financial and health issues. • Skills development and training. • Target people most at risk of social exclusion including those with health barriers and those with social or skills barriers.
Community Grants 1 & 2	• To provide small grants to third sector organisations that would not otherwise be able to access ESF for the purpose of supporting disadvantaged and unemployed people to move them towards employment. • Develop capacity of community and social enterprise sectors to meet local needs. • Activities to support social inclusion. • Build self-employment and enterprise skills in the voluntary and community sector.	• Management of grants £5K-£15K incorporating delivery of support including IAG, confidence building and work skills. Increased to £20k max for Community Grants 2. • Grants directed at priority groups including people with disabilities and health conditions, lone parents, 50+ age group, females, ex-offenders and disadvantaged communities.
Community Led Local	• Project focussed on specific geographical area along the North Yorkshire and East Riding coast where there are areas of coastal deprivation.	• Measures to address coastal deprivation and isolation. • Skills enhancements. • Community transport.

Project	Strategic goals	Main paid activities
Development (CLLD)	• Combines ESF and ERDF to address broad range of issues that prevent people from accessing the labour market. • Local Action Group (LAG) made up of local stakeholders make strategic decisions on where investment is needed.	• Business networks and enterprise initiatives. • Access to employment opportunities.
Skills Support for the Workforce (SSW) 1	• Enable individuals to gain skills training appropriate to needs in YNYER. • Support businesses in priority sectors to train staff in what suits their business. • Focus on agri-tech, food manufacture, bioeconomy, VCSE, construction, health & social care, visitor economy. • Focus on small/micro businesses, disadvantaged and rural areas (e.g. NY coast). • Response to redundancy.	• Skills training. • Progression to Apprenticeships or education. • Training Needs Analyses (TNAs) for businesses. • Short courses produced. • Women in STEM activities. • Reports on remote learning. • Leadership & Management pack. • Future needs reports. • Local Response Fund (LRF).
Skills Support for the Workforce 2	• Enable individuals to gain skills training appropriate to needs in YNYER. • Support businesses in priority sectors to train staff in what suits their business. • Focus on agri-tech, food manufacture, bioeconomy, VCSE, construction, health & social care, visitor economy, engineering. • Focus on small/micro businesses, disadvantaged and rural areas (e.g. NY coast). • Response to redundancy.	• Skills training. • Training Needs Analyses (TNAs) for businesses. • Progression to Apprenticeships, education or employment. • In-work progression. • Development plan.
Higher Level Skills (HLS)	• Increase uptake of HLS in cold spots. • Provide more opportunities for graduates in SMEs. • Enable individuals to fill gaps in highly skilled jobs by getting trained up (full or part L3+ qualifications). • Help businesses in high growth to fulfil potential. • Enable SMEs with high growth potential to access people with right skills. • Drive up appetite in SMEs to recruit graduates in priority sectors, encouraging Higher Level Apprenticeships.	• Upskill graduates in technical skills. • Support SMEs to recruit graduates. • Activities to promote women in STEM. • Short courses.

Project	Strategic goals	Main paid activities
Apprenticeship Services	- Increase number of employed people undertaking Apprenticeships. - Promote Apprenticeships in priority sectors to businesses. - Provide single point of contact for businesses for information on Apprenticeships, offer impartial advice, brokerage support and delivery matching service. - Offer training to enable employees to progress on to an Apprenticeship. - Work with HE institutions to increase availability of Higher and Degree Apprenticeships.	- Learner assessment plan. - Regulated/non-regulated learning. - TNAs for businesses. - Progression to Apprenticeships/Higher or Degree Apprenticeship. - Sustained Apprenticeship 3 months.

Appendix C: Individual Project Research and Consultation Findings

The following table sets out findings from the analysis of the research and consultations and summarises the lessons learned from delivery across all 14 projects, within the key themes of:

- Relationships and Collaborative working.
- Delivery models.
- Target groups and eligibility.
- Interventions and support.
- Funding models.
- Processes, systems and contractual requirements.

Where the findings were common across different projects – we have set these out under the 'Generic' heading, rather than under the individual project. Not all providers fed back specific points against all the themes.

It should be noted that these findings reflect the views of the providers and stakeholders interviewed. Where these views differed from data provided in the project reporting /evaluation mechanisms, we have also included these points, where possible and relevant.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
RELATIONSHIPS AND COLLABORATIVE WORKING		
GENERIC	- Genuine and sustained partnership working in almost all cases. - Willingness to share best practice, and develop collaborative approaches, and align provision and offer coherent interventions for recipients. - Relationships of trust were built up and sustained creating an enduring partnership legacy for future provision. - Working with partnerships to promote synergies and deliver holistic and joined up support.	- Tripartite contracting arrangement caused challenges as Primes perceived they were serving two "masters". - Size of geography and complicated patchwork of provision presented challenges to effective partnership working. - Lack of synergy with overlapping LEPs created issues that had to be dealt with on the ground by Delivery Partners instead of being worked out at a higher level.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
CEIAG	• Contract succeeded because relationships of trust were built, and collaborative working adopted throughout. • Laid excellent foundations for new initiatives such as Careers Enterprise Company and for introduction of National Careers Strategy & Gatsby Benchmarks. • Good relationship with LEP and ESFA. Attendance at network meetings and strategy group helped to cement relationships. • Networks for providers of ESIF projects worked well to share best practice, information and innovative approaches. • Working together made scarce resources go further – collaboration is the glue that holds parallel provision together.	• Lack of clarity in the contract meant that the Primes spent time at the outset liaising with the LEP in order to understand what was required.
SSW1 & SSW2	• The relationship of trust between the Prime and the Delivery Partners was highly effective. The Prime's expertise in project management was effectively utilised and it provided compliance support, paperwork support and contract management systems to good effect. • The relationship between Prime, the LEP and the ESFA was effective and characterised by a willingness to work in partnership for the ultimate benefit of the project • The Prime put training and support in place for Delivery Partners. It carried out robust due diligence checks on providers and operated a smooth procurement process. • The providers group which was introduced in SSW2 worked very well to share best practice and build trust between providers.	• Local Response Fund (LRF) required more time/effort than was given by LEP/ Calderdale to make work. The opportunity was missed to maximise rare discretionary funding. • Insufficient resources were made available and invested to enable this complex and large contract to fulfil its potential.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
SSU1	• Good working relationships with LEP from the start of the contract, thus helping with strategic direction and to ensure that delivery reflected local demand and needs. • Good working relationship with DWP and other local stakeholders e.g. York College. Had dedicated staff focused on maintaining strong relationships and promoting the offer. In ER this included a range of voluntary sector organisations.	• Reporting and being accountable to both the LEP and the ESFA took up resources that could have been better focused on delivery.
SSU2	• Connecting with FE organisations to support progression into Apprenticeships for example.	• Over reliance on referrals from JCP caused initial participant engagement issues. E.g. significant JCP resources have been re-directed to address Covid-19 requirements. • Establishing effective links with key community groups and other players was challenging and took time as the Prime was new to the area.
NEET 1& 2	• Excellent partnership work evidenced as exemplified by collaborative approaches to the provision of individually tailored support for disengaged young people • Successfully developed trust with schools to help identify and engage with young people who were NEET or at risk of becoming NEET.	• Pre-COVID significant extra resources were invested to secure necessary school engagement.
Higher Level Skills	• Effective partnership work between LEP and the funding body. • Effective Steering Group arrangements established with members investing significant support to help the contract deliver. • Good provider base making efforts to address issues.	• HE providers were not fully embedded with delivery, and alignment with existing similar or complimentary provision such as university internship programmes was challenging.
Community Grants 1&2	• LEP input for coordination and marketing/awareness raising of different programmes worked well, alongside bringing together key delivery organisations.	• Attempts to align delivery with Work and Health Programme did not work effectively.
Access to Employment	• Effective linking with smaller organisations to identify potential participants who were often overlooked or not supported by JCP.	• Limited referrals from JCP forthcoming therefore a wider spectrum of referral mechanisms needed to be put in place.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
CLLD	• Involvement of DWP on LAG was important. • Long-standing skills forums and local partnerships were key to promote the available support and ensure joined-up support.	• Duplication with the Work and Health Programme in terms of engagement with the 'harder to reach' groups.
Action Towards Inclusion	• Where providers had embedded delivery within networks of local organisations and infrastructure – much better engagement, referrals and less duplication, in addition to more innovative responses to need.	One or more of the generic comments apply.
PLANNING, COMMISSIONING & PROCUREMENT		
Generic	• The projects built on previous successful delivery and then developed further to address skills needs identified in the SEP. • All specifications were clearly aligned to the LEP strategy. • There was generally good engagement through the process with skills partners and this enabled 'buy in' and support from sector. • Innovative approaches were created where ESF eligibility was a 'grey area'.	• Issues that were cited as challenging by all projects included dealing with the overlapping LEP boundaries The overlapping boundaries caused difficulties because there were numerous projects with similar or competing provision operating in York, Selby, Hambleton, Richmondshire and East Riding districts that were not operating in the rest of the YNYER LEP area. • Due to ESIF designations of More Developed and Transition Areas projects had to deal with two contracts for the same provision. Each contract had its own output targets and profiling and even though it was for the same provision the contracts operated separately with no virement between them. This added a layer of complexity that providers found challenging. • Some providers felt that there had insufficient scoping of existing or pipeline provision from neighbouring LEPs and local authorities prior to commissioning, leading to a perception of a confused landscape. • Neighbouring LEPs developed their ESIF projects with insufficient consideration of alignment with YNYER provision which caused difficulties of competition and confusion on the ground. • Delays between specification development, procurement and contracting often meant that the delivery landscape had changed in terms of available target participants by the time

PROJECT	WHAT WORKED	WHAT DID NOT WORK
		contracts launched (for example economically inactive people and young people who were NEETs had reduced significantly) as well as national policy changes (e.g. apprenticeship reforms and the introduction of the work and health programme)which impacted on the take-up of support, or necessitated a change to the provision.
CEIAG	• Contract reflected the LEP strategy very well with a focus on improving careers education in schools/colleges and better connection of businesses to schools. The contract provided capacity-building for the Careers Enterprise Company (CEC) provision to be introduced later. • Addressed specific local strategic needs at the time. i.e. the lack of CEIAG due to the demise of Connexions several years previously and lack of consistent provision in schools.	• The contract was unclear at the beginning. The provider sought clarification from the LEP to understand what was wanted due to the innovative nature of the outputs e.g. Employability Charter. • The contract was not well aligned with existing or pipeline provision e.g. the Inspirations agenda in National Careers Service. The Prime worked hard to align provision in early months. • There were challenges in engaging schools, which required help from LAs and other agencies to overcome barriers to engagement of participants.
SSW1 & SSW2	• This provision had been offered in previous funding rounds and was known to work. Offered bespoke and flexible provision for local businesses including small and micro businesses. • The LEP used this contract to address a number of issues in the labour force in addition to training needs. E.g. development of new Leadership & Management (L&M) courses, initiatives to promote women in STEM, future skills needs reports, a report on remote learning, and short courses developed. This was a new opportunity to use ESF for a wider spectrum of activity. • A significant part of the contract (£1.5m) was devoted to the Local Response Fund which enabled the LEP to access discretionary funding for emerging skills needs. • Priority sectors matched with the LEP strategy and were broad enough to be viable.	• SSW1 was complex with multiple paid outputs. The Prime struggled to understand what was required as the original specification was unclear. The LEP provided insufficient resource to support this. • Agri-tech & bio-renewables sectors were underdeveloped, poorly understood and therefore hard to engage with. Most of the qualifications required in these sectors were at a higher level than could be delivered under this contract. • Purpose of Local Response Fund was unclear in the contract and it proved difficult to establish clarity throughout the contract.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
SSU2	• This provision had been offered in previous funding rounds and was known to work.	• The Prime experienced financial viability issues trying to deliver to rural areas. • Similar overlapping provision in East Riding with the Humber LEP caused issues around duplication.
NEET 1& 2	• The project built on good practice from previous work with these target groups.	• The Contract focussed on young people who were NEET but there were too few NEET young people in the area to achieve targets. The Prime therefore adapted the provision to focus on young people in schools who were at risk of becoming NEET. This required a change of the proposed delivery model.
Higher Level Skills	• The strategic aims set out in the contract were in keeping with previously identified skills issues relating to the need to increase higher level skills in the economy The contract set out four distinct aims which reflected realistic issues in economy.	• The strategic aims lacked coherence, were too complex and not achievable for one contract. • The paid outputs did not reflect strategic aims which meant that even if the outputs were achieved, it was impossible for the contract to achieve the desired strategic aims. • The LEP did not take sufficient strategic advice from experts prior to commissioning or link with existing similar initiatives e.g. University programmes to get graduates into SME internships. • The contract was developed in isolation and would have benefitted from more integration with the existing offer.
Apprenticeship Services	• A good strategic fit with SEP. The contract sought to increase Apprenticeships across the business community and particularly target higher and degree level apprenticeships.	• The Apprenticeship reform agenda caused widespread turmoil in the FE sector as old frameworks became redundant before new standards were ready; the introduction of the levy represented a wholesale change in how Apprenticeships were funded and there was a lack of higher and degree Apprenticeships available. These issues created issues of such magnitude that it was not possible for the contract to succeed.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
Community Grants 1&2	• This provision had been offered in previous funding rounds and was known to work.	• The ability to reach those furthest from the labour market was difficult due to lack of engagement of diverse organisations bidding for the grants, impacted by the progression outcomes required and lack of support for capacity-building of such organisations. • The specifications were out of date in terms of targets based on indicators from 3-4 years ago. Some target groups did exist in the same numbers but were less of a priority.
CLLD	• Council's commitment to strategy development and facilitation. • LAG involvement in identifying needs and making decisions about what should be supported in their areas.	• Delay between strategy development and implementation of the 5-year plan. The economy had changed from 2015 when strategy was originally drafted which negatively impacted on ability to find eligible participants.
Action Towards Inclusion	• Length of programme (3 years) enabled effective and longer-term support infrastructure to be put in place, for those that need it to ensure progression. • Good support from funding body giving realistic timescales at the beginning for development of delivery base.	• Changes in the classification of benefits claimants impacted on access to those that were previously classed as 'economically inactive', as under Universal Credit all claimants are classed as 'looking for work' until they have a work capability assessment, which may take months. This meant that support had to be refocused to more unemployed people than the contract originally made provisions for.
DELIVERY MODELS		
Generic	• Experienced Primes supported Delivery Partners by providing clear inductions, information, advice and training on audit requirements and systems, referrals and marketing resources. • Delivery Partners with the right expertise, were responsive and well embedded in the local area with a good reputation and links with local infrastructure reflecting the nature of contracts i.e. schools, third sector, HE/FE/training providers, employers. • The Key Worker /key account model drew on Delivery Partners/wider infrastructure for flexible and innovative responses to need which enabled smooth progression to positive outcomes.	• Overlapping provision caused friction at times as competing projects sought access to the same target groups. • Delivery Partners over-promised what they could deliver which caused issues for Primes and delays in re-contracting.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
CEIAG	• Prime contract holder was experienced in delivery of IAG and enabled subcontractors to deliver other parts of the contract.	• Delivery Partners had strict contracts with Primes which lacked flexibility, and this meant that not all opportunities were exploited.
SSW1 & SSW2	• The Prime had a great deal of experience of ESF and project management. It brought together a large number of Delivery Partners to reflect the size of the contract and breadth of provision required. • Delivery Partners were given comprehensive information and training sessions at the outset to hit the ground running and get appropriate systems in place. • Prime/subcontractor arrangements worked well enabling bank of responsive providers which were expanded when needed. • The contract offered flexible, responsive provision to businesses. It put employers at centre of training and offered innovative solutions to their needs.	• Some of the original Delivery Partners were unable to deliver as they had promised and were removed. • As TNAs are conducted by Delivery Partners there was an issue with impartiality in some cases. Some delivery organisations were reluctant to signpost to competitors. • LRF and some elements of SSW1 contract (such as Leadership and Management courses) were an awkward match with the rest of the contract and required greater resource both from the LEP and the Prime than was available to maximise all opportunities.
SSU1	• The provider focused on what the employers needed, then worked backwards to support individuals into employment. This included vocational requirements and personal development/ employability support to help individuals overcome progression barriers.	• Respondents made no comments about what did not work under this theme.
SSU2	• Ability to flex delivery to on-line provision during the Lockdown was useful especially overcoming geographical and mobility barriers of engagement and support.	• For many of the 'hard to reach', learner-interaction is key to support successful outputs and progression. This is challenging when delivering distance learning.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
NEET 1& 2	• Referral mechanisms worked well, in particular schools that identified young people who had, or were in danger of, disengaging. LAs and other agencies such as the NYCC Behaviour Collaborative were important sources of referrals too. • A trusted Key Worker was fundamental to the delivery model and was critical to success. The Key Worker built a rapport with the vulnerable young people on the project which enabled them to be a consistent presence through their programme and help to keep them on track.	• One or more of the generic comments apply.
Higher Level Skills	• Model of Prime and Delivery Partners was appropriate and in keeping with parallel contracts. The Prime pulled together a group of partners with the necessary experience of delivering the outputs in the contract.	• There were too many components within one contract which made it too complex to deliver effectively. • There was a lack of clarity about how complex, discrete aims were to be delivered within one contract and how they related to each other.
Apprenticeship Services	• The Prime was experienced and used its expertise to pull together a quality provider base which reflected the needs of the contract.	• HE institutions were not as engaged with the project as was hoped at the outset. • The contract had multiple delivery lines which created a mix and match set of Delivery Partners and this led to a lack of coherence in the project.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
Community Grants 1&2	• The large and experienced Prime was well-placed to integrate this contract into their wider capacity building support for bidding organisations, as well as limit duplication of activities, e.g. HLC offer £500 capacity building training. It also had greater capacity to respond to the reporting requirements from both LEP and ESFA. • Flexibility to change models to respond to changing circumstances, i.e. providing funding in rounds was particularly responsive to changing needs. This responsiveness was reflected in half of the submissions in the most recent round directly addressing issues resulting from COVID19. • Inclusive delivery model for both organisations and participants e.g. learners did not undertake assessments prior to participating in learning; and commissioning was light touch.	• Rurality was an issue (in ER) in terms of accessing potential participants and because of this, bigger organisations were usually funded rather than the smaller niche organisations.
Access to Employment	• Holistic responses to individual participant needs with personalised plans worked well. This operated under the understanding that one size does not fit all. • Responsiveness of Prime enabled their delivery team to be extended and shifted from 100% subcontracted delivery to taking some in-house.	• Engagement activities were largely unsuccessful, until the local networks were developed.
CLLD	• Taking a holistic approach combining ERDF and ESF e.g. through the Scarborough Skills Village projects enabled successful delivery to meet local skills gaps as well as respond to employer needs and opportunities.	• One or more of the generic comments apply.
Action Towards Inclusion	• Key Worker model brokered the support according to need from a range of Intervention partners which was delivered locally and responded to local needs.	• Some intervention partners dropped out, meaning that some participants had to travel further afield to access the support that they needed. Those in rural areas were particularly impacted by lower levels of locally available support.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
TARGET GROUPS/ ELIGIBILITY		
Generic	• Provision was flexed in many projects to respond to changes in the labour market.	• Complexities in ESF eligibility criteria coupled with confusion and changes in other Government funding streams and support such as Universal Credit caused issues. • In some instances, target groups do not reflect current population and are therefore unrealistic.
CEIAG	• The project was aimed at young people aged 15 to 25 years which is key transition period for young people and an important time when they need IAG. • Schools and colleges benefitted significantly from a Quality Mark in CEIAG.	• By the age of 15 some pupils had already become disengaged making it much harder to re-engage. Lowering the eligibility age to 14 years in future projects could be appropriate to engage with vulnerable young people.
SSW1 & SSW2	• SMEs were the target for this contract including small, micro and sole traders. Since the business base in this area is predominantly small and micro businesses this criterion was ideal. • Volunteers were eligible in SSW1 which was supportive for VSCE sector and helped people into employment. • The contracts achieved the contractual requirements for priority groups with the exception of people with disabilities. • Delivery Partners were able to penetrate rural areas by targeting small, remote industrial estates.	• Under SSW2 volunteers were ineligible which cut off an important avenue for the VCSE sector to help people secure and keep jobs. This was especially important in Health & Social Care and entry level jobs.
SSU1	• Responsiveness to avoid duplication. Discussions with LEP/ESFA resulted in refocusing of activities to 18+.	• Contract required delivering support to 16+ year olds; however, as 16-18-year-olds were already well-supported through other interventions, it was a challenge to engage with this group. • Delivery location postcode established eligibility rather than the residential postcode of each participant. This meant that some participants from the Bradford area were able to benefit (and this may not have been what the LEP had intended).

PROJECT	WHAT WORKED	WHAT DID NOT WORK
NEET 1& 2	• The original target group was NEET young people, but this was expanded to work with pre-NEET young people in schools i.e. young people who were disengaged or in danger of becoming disengaged.	• NEET young people were hard to engage as they can be hidden, especially in rural areas. • NEET numbers were low and therefore hard to achieve targets in contract.
Higher Level Skills	• The target groups were in keeping with the stated aims of the contract i.e. employed people looking to upskill, businesses wishing to take on graduates, and graduates themselves wishing to secure well paid and fulfilling work.	• There were too many different groups within one contract e.g. graduates, people in work, and females for the 'Women in STEM' initiatives. This created unnecessary complexity in the project and made it difficult to achieve the outputs.
Community Grants 1&2	• Significant success was evident in engaging those with disabilities and health conditions because of the types of organisations applying for funds and their ability to understand the needs of these groups. • The ability to focus on 'community of interest' groups with the provision, rather than targeting geographical areas of deprivation. This means that groups often overlooked with funds focusing on place can be supported. • There are no barriers to entry for any learners, e.g. no need to have English/Maths.	• The contract with progression outputs is a barrier for organisations working with very hard to reach groups such as people with disabilities and long term health conditions, as the time taken to enable this to happen is much longer than the time allowed in the short interventions the grant funding is designed to support. • The Prime aimed to work with smaller organisations that worked with hard to reach groups, but bigger organisations were more likely to be able to provide facilities such as childcare and ICT, to attract specific target groups.
CLLD	• The provision was targeted on the most deprived coastal areas and towards individuals with multiple barriers.	• The support was aimed at specific target groups rather than 'general' unemployed /inactive groups and the economy had changed since the original strategy development in 2015. This resulted in a struggle to engage with them and achieve the contractual targets.
Action Towards Inclusion	• The ability to flex delivery so that more unemployed people could be supported, as opposed to not achieving contractual targets, because of lower numbers of economically inactive people, originally targeted.	• Specifications required delivery to an 80:20 split of economically inactive and unemployed groups but by the start of the contract there were fewer of the economically inactive target group. • Some duplication of support occurred because of similar eligibility for support across different programmes (e.g. BBO, CLLD, Community Grants) as well as the expectation for participants to progress into jobs/learning.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
INTERVENTIONS /SUPPORT		
GENERIC	• The Key Worker model which offered support to participants by a trusted individual for all projects involving vulnerable groups. This model also worked for business-focussed projects as a trusted relationship with a person, paid dividends regardless of the nature of the activity. • Projects that continued the relationship with the beneficiary by the Key Worker after the main intervention ensured impact was maximised and tracked effectively e.g. the Key Worker stayed in contact with individual seeking work to address any issues that might arise after participant had secured work; business was followed up 18 months after intervention to track impact.	
CEIAG	• The contract had three strands of activity which worked well to address issues and capacity build for future provision. These included Information, Advice and Guidance (IAG) for individuals, CEIAG Quality Mark for Schools and Employability Charters. • IAG for individuals is perennially important and appropriate for young people at various stages. • Interventions that were embedded with school leadership worked well e.g. Quality Mark 'owned' by senior team. • CEIAG resources that were fully embedded with lesson plans and training packs were successful.	• Schools had multiple demands on their resources which meant a change of school personnel dealing with CEIAG happened frequently. This caused delays as the providers sometimes struggled to re-engage with schools that had previously been active and in some cases the activity stopped with little notice. • Targeting very vulnerable groups only can lead to mainstream students missing out on IAG. • Financial constraints prevented schools from engaging with activity in some instances.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
SSW1 & SSW2	• The contract included a variety of training provision, mostly vocational and Level 2 that addressed business and individual needs. Flexible and responsive training delivered to suit needs of businesses was successful. TNAs, individual learning plans and progressions into Apprenticeships and Education all work well. • SSW1 also had a number of more innovative initiatives including Women in STEM activity, future needs reports, L&M courses, short courses developed and remote learning reports. • Bespoke training packages were put together to meet employer's needs. ESF was used inventively to deliver good quality qualifications and support progress onto higher levels. • Training was delivered on business premises, at a time to suit the business. • Training was highly adaptive to current needs e.g. offering businesses weekend courses so that they did not have to take time out of the working week.	• Duplication of activity in overlap areas caused unnecessary competition. • Some providers could not adapt to flexibility required and were removed by the Prime. • The Local Response Fund contained multiple strands of activity which were not as fully developed or utilised as had been envisaged. For example, a Leadership & Management course was developed but not utilised. Future Needs Reports were published but not promoted by the LEP within the skills sector. • TNAs were carried out by providers. This meant there was a lack of impartiality in some cases, and businesses chose what was offered by the provider rather than be signposted to alternative (and potentially more suitable) provision available with a different provider.
SSU1	• Employment-focused delivery, including CSCS cards and other similar licences to practise, resulted in high levels of progression into employment.	• There was limited demand for the functional skills and ESoL that were offered, as other provision was available elsewhere.
SSU2	• On-line provision was useful to engage those with disabilities, those for whom classroom learning is a barrier, and to address issues around Covid 19.	• Lack of ICT capability, particularly older participants and those who live in the rural areas. • Limited access to developmental and ICT skills support in rural areas. • The contract did not make provision for higher levels of skills delivery. There was some evidence that higher level competencies were needed for participants to enable them to successfully progress into available (and post-COVID19) employment opportunities.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
NEET 1& 2	• Non-regulated learning worked well for NEET provision as it was flexed to offer personalised programmes. • Wrap around support was successful and addressed the various causes of disengagement. • A wide array of opportunities to engage and give individualised programmes was offered in this contract. • The project delivered regulated qualifications that were appropriate to the client group and helped them progress on to further learning.	• Generic, one-size-fits-all provision did not work with this group. • Low NEET numbers in a rural setting were not factored into the contract. • Costings for NEET 1 funded outputs for engagement were too low. As the funding offered for activity was low it could not be offered at the level of quality required. NEET 2 rectified this issue by boosting the funding for engagement at a realistic rate.
Higher Level Skills	• Interventions in themselves were appropriate for impact sought but not possible to achieve given multiple issues outlined previously. • Some interventions were fully delivered and worked well e.g. Women into STEM activities and short courses in higher level skills.	• The contract was complicated with multiple streams not clearly related and therefore difficult to run as a coherent project.
Community Grants 1&2	• Accessibility of provision, providing short/sharp interventions to engage those who would not consider learning. • This project worked effectively as a feeder for mainstream delivery.	• Move to more distance learning due to current circumstances, but access to digital technology (affordability and only having access to mobile data) and availability of digital skills were an issue.
Access to Employment	• One-to-one support via Key Worker model, to respond to individual barriers to progression and moving on to group work where possible and relevant. • Wrap-around support combined with employer engagement and employability and vocational skills.	• Engagement at the start was challenging. It impacted on participant starts on programme, and then the conversion rate from intervention to jobs and sustained employment. This led to a reduction in contracted participant numbers and an earlier than anticipated project closure, because lead time for participant on project was 52 weeks.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
CLLD	• Hand-holding support to smaller organisations enabling them to successfully bid and deliver support which helped to manage the programme's risk. This also enabled better engagement with the target groups. • Integration of interventions into the local area and existing local support infrastructure. • Targeted engagement and delivery/interventions for different groups worked well e.g. a hub for lone parents, language support for refugees etc. • Holistic sector-focused support i.e. supply and demand interventions for both employers and for those seeking employment, worked well e.g. for Hospitality sector.	• The 'skills' element is missing from what can be offered, as the focus is on getting people into employment. However, there is a need for 'Community Learn' provision / lower level skills development including ESoL and pre-AEB support providing access routes into education.
Action Towards Inclusion	• The provision offered types of support not typically available through mainstream provision, which worked well for this participant group e.g. counselling, debt advice, well-being support.	• English, Maths and ICT provision was not as successful as planned because participants accessed this support from elsewhere. • Vocational skills delivery was a weakness with limited provision available from within the intervention partnership.
FUNDING MODELS		
GENERIC	• Opportunities to vire between funded outputs enabled greater flexibility.	• Paid outputs drove activity rather than strategy; thus, some contracts were maximised in cash terms but failed to deliver the strategic impact sought. • Match funding, if not secured at source via a co-financing organisation, caused significant issues. Sources of match funding in the sector were scarce and innovative mechanisms to source it were poorly understood. • Funding rules in other funding streams adversely affected ESF provision and made it unviable.
CEIAG	• Payment levels for outputs were appropriate for activity and matched strategic outcome. • The opportunity to vire between non-regulated and regulated learning enabled support to be individually tailored.	• Outputs and funding mechanisms drive activity rather than strategy.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
SSW1 & SSW2	• Respondents were united in support for this provision as it met the needs of businesses and was appropriately funded for the level of activity. • The facility to vire between funding lines (regulated vs. non-regulated learning) helped maximise funding. • Regulated learning was popular with businesses as employees gained high quality qualifications that were portable and reputable. • The Prime's and ESFA's depth of knowledge of ESF meant that provision could be adapted in innovative ways to suit the businesses. • The paid outputs matched the overall strategic intention well and were set at a fair level for the activities delivered. • Progression payments worked well (particularly to education). • Penetration into rural areas was effective.	• Some providers did not have the capacity, expertise or willingness to deliver to businesses and were removed by the Prime. • Paid outputs in SSW1 were too low to be viable in some cases e.g. £50 for learner engagement. This increased to £200 in SSW2 which was fair, and a better reflection of the work involved. • Some progressions were exceedingly difficult to achieve e.g. Traineeships and Apprenticeships. Traineeships were insufficiently developed or not available in the local FE sector. Apprenticeships were affected by the reform agenda which caused confusion among businesses and an unwillingness to engage.
NEET 1& 2	• The general model of intervention which included regulated and non-regulated learning and progression payments worked well.	• Payments for initial engagement were too low £50 in first contract and could not cover cost. This payment was increased to £200 in the second contract £200.
Higher Level Skills	• Structure of paid outputs was reasonable but could not work due to eligibility and funding issues. • The contract was ultimately absorbed into SSW which was possible as it was being delivered by the same Prime.	• There was a fundamental issue with a lack of eligibility of full Level 3 qualifications due to Adult Learning Loans rules which meant that the core activity of full Level 3 qualifications could not be funded. • Progressions to Higher Level and Degree Apprenticeships were negatively impacted due to lack of development. • Apprenticeship reforms caused confusion in the skills sector generally.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
Community Grants 1&2	• Perceived by the LEP as the highest value for money project per person supported.	• Funding is for short projects, meaning that organisations make repeat applications, to support their sustainability. • Progression outcomes are a barrier (as those that this support targets are too far from the labour market to progress into employment or training following a short intervention). This means there is a shrinking pool of potential deliverers.
CLLD	• The combination of ERDF and ESF created extra flexibility to address local needs in a holistic way.	• Match was an issue as it was difficult for organisations to identify and provide eligible sources, particularly in the MDA.
Action Towards Inclusion	• Feedback reflects the generic point.	• The funding model based on defrayal is prohibitive for community organisations and limits the pool of organisations able to cash-flow/provide cash match. • Many partners have under-claimed for the delivery that they have provided and are not achieving full-cost recovery with only claiming the 15% allocation for overhead costs, alongside staff costs. • Complexity of evidencing all the spend took time and resources away from supporting delivery (this also explains the under-claiming).
PROCESSES, SYSTEMS AND CONTRACTUAL REQUIREMENTS		
Generic	• Primes were experienced in ESF and project management which enabled them to put into place appropriate management and reporting systems and ensured Delivery Partners were able to use them effectively. • Strong relationships with funding body contract managers were in evidence which enabled providers to iron out any issues quickly.	• The bureaucracy of ESF was overly onerous, especially for small providers, as considerable back-office expertise, systems and support is necessary to adhere to stringent EU funding rules.

PROJECT	WHAT WORKED	WHAT DID NOT WORK
SSW1 & SSW2	• The Prime invested in capacity building for training partners and offered on-going support in ESF compliance to ensure that the contract ran well. • The Prime spent time at the outset working with Delivery Partners to agree realistic profiles.	• Some progressions were difficult to achieve e.g. to apprenticeships and traineeships due to issues outlined in previous sections. • Delivery Partners had little control over their contract with the Prime once agreed. This resulted, in some cases, in cash being locked up in under-delivery or business being turned away due to lack of headroom in the contract.
SSU1	• The Prime had robust systems in place resulting in 100% compliance for Article 125 audits. • Flexing of delivery to respond to individual and employer needs, e.g. CSCS tests which supported progression into employment were claimed as non-regulated (whilst the learning to get to the tests were included in the GLH).	• The contract required delivery of regulated learning, e.g. 196 guided learning hours to draw down funding. However, this high number of learning hours rarely met the needs of the learners and employers, who required lower levels of training input to meet needs. • Substantial levels of delivery that met the needs of individual learners were claimed as non-regulated because they could not be claimed under regulated. • Apprenticeships outcomes were difficult to achieve when the contract moved away from supporting 16-18-year olds. Most participants wanted to go into jobs, and not always through apprenticeships.
NEET 1& 2	• The Prime built an effective relationship with ESFA which was productive and helped to resolve issues.	• Under the NEET 2 contract, the Prime was not able to re-profile with ESFA. This caused challenges in matching delivery with the profile.
Higher Level Skills	• Good relationship with compliance managers at ESFA.	• Main contract outputs were not achieved due to a number of national funding policy issues (e.g. Advanced Learner Loans policy preventing full L3s from being delivered, introduction of Apprenticeship Levy and Apprenticeship reforms not being complete).

PROJECT	WHAT WORKED	WHAT DID NOT WORK
Access to Employment	• The Prime was an experienced ESF contract holder.	• The project was cut short at a time when it was starting to hit the targets. The 52 weeks lead time needed to deliver the provision to each participant, prevented further commitment from the Funding Organisation. • There were delays to putting people onto programme because of requirement for DWP to confirm eligibility. • Initially the Prime worked off paper-based systems, which meant inefficiencies in monitoring and reporting.
CLLD	• The CRM (developed and maintained by ERYC) was essential to support streamlined infrastructure and support for beneficiaries.	• Bureaucracy and paperwork proved too onerous for many organisations, particularly smaller community ones.
Action Towards Inclusion	• Strong case studies supported publicity compliance and further engagement. • Key Workers focused on ensuring more substantial progression outcomes than simply progressing into job-search. This meant that participants got further through their customer journey (but on the other hand impacted negatively on the 'progression into job search' targets).	• Progression targets were challenging, given the over-recruitment of those that were furthest from the labour market and who needed considerably more support to progress.