

**FLEXIBLE
WORKFORCE
DEVELOPMENT
FUND 2019-20**

**PARTNER
TOOLKIT**



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INTRODUCTION



In December 2016, the Scottish Government announced the introduction of a Flexible Workforce Development Fund (FWDF) to provide employers with workforce development training to up-skill and re-skill their existing workforce. The FWDF was in direct response to feedback from the Scottish Government's consultation on the introduction of the UK Government's Apprenticeship Levy.

The FWDF was piloted in 2017-18 and, in accordance with the Programme for Government commitment, reviewed by the Scottish Government through commissioning an independent evaluation of Fund functionality.

This toolkit outlines a national campaign to promote the FWDF and explains how you can help to promote this to UK Apprenticeship Levy-Payers across Scotland.

BACKGROUND



PURPOSE

The purpose of the FWDF is to provide UK Apprenticeship Levy-Payers with flexible workforce development training opportunities to support inclusive economic growth through up-skilling or re-skilling of their employees. The Fund is in addition to apprenticeship support, access to which is available to all employers in Scotland; and Individual Training Accounts (ITAs), which provide eligible individuals with the opportunity to undertake learning opportunities to develop their skills for employment. The FWDF may be particularly beneficial in addressing skills gaps and training needs of the older workforce and those with protected characteristics.

The Scottish Government allocated £10 million for the FWDF in both 2017-18 and 2018-19. This annual funding was distributed between regional colleges across Scotland by the Scottish Funding Council (SFC). The Scottish Government will again provide £10 million in 2019-20 for the third year of the FWDF for a similar distribution by SFC.

POLICY DRIVERS

The key policy drivers for the FWDF remain the same and are as follows:

- Supporting the needs of Apprenticeship Levy-payers in Scotland.
- Supporting employer workforce development in line with the aims of the Scottish Government's Labour Market Strategy, particularly in the areas of up-skilling/re-skilling workers, and consistent with the ambition to raise productivity.
- Ensuring the Fund further strengthens college engagement with employers.



NATIONAL OUTCOMES AND REGIONAL OUTCOME AGREEMENTS

The FWDF will continue to support the delivery of SFC's strategic outcome of greater innovation in the economy. It will also continue to support the Scottish Government's strategic priority of high quality learning in a system which is seamlessly connected for the learner. This includes learning which prepares people well for the world of work and successful long-term careers, prioritising provision that meets known skills gaps in the economy.

Finally, the FWDF will also continue to contribute to the following Scottish Government priorities, anchored in Scotland's Economic and Labour Market strategies:

- A strong labour market that drives inclusive, sustainable economic growth.
- A skilled, productive and engaged workforce capable of meeting the needs of employers.
- Equality of opportunity to access work and to progress, to ensure everyone is able to maximise their potential.
- Increasing productivity.



NATIONAL SKILLS PRIORITIES

The 2017 Employer Skills Survey (ESS) revealed that 16% of Scottish employers reported skills gaps and estimated that 5% of the workforce lacks full proficiency: largely unchanged since 2015. Among those organisations that reported skills-shortages both technical and personal skills were cited. For example, 59% suggested that specialist skills were needed, while 46% suggested that the ability to manage and prioritise were required.

Colleges are required to develop a regional suite of training provision in support of the FWDF. That 'offer' should be developed in line with the national priorities outlined above and be informed by local Labour Market Intelligence, Regional Skills Assessments, and Skills Investment Plans. We expect this will be further enhanced by previous experience of working with employers in each region. The offer should be produced as the basis of a list of possible provision and should not be presented as an exhaustive or prescriptive 'offer' to employers. Colleges should ensure that due consideration is given to the ethos of the FWDF; a fund driven by employers who can access training provision to help meet their recognised skills gaps.

ELIGIBILITY



The FWDF will be available to all UK Apprenticeship Levy-paying employers in Scotland across the private, public and third sector.

Employers are required to provide evidence of their Levy-paying status as part of their FWDF application. This should take the form of a copy of the relevant part of the most recent Employer Payment Summary (EPS) which reports the level of Apprenticeship Levy contribution.

The FWDF does not support provision of industry qualifications/ training where there is a statutory employer obligation as required by law.

ACCESS FOR EMPLOYERS

Colleges should work with UK Apprenticeship Levy-paying employers in their region to identify the training they require that will help make a demonstrable return on investment. This may be commonly understood as a ‘training needs analysis’ and should be proportionate in nature. The analysis should form the basis of the employer’s application, and colleges should work with employers to support the application process.

Employers operating on a Scotland-wide basis or across more than one college region may only submit **one** FWDF application to the college of their choice. On their application, employers are required to formally declare that their application is on behalf of the whole company and is their sole FWDF application. If through the SFC’s national monitoring it is found that an employer has made more than one application, SFC will contact the college and advise on next steps.

It is estimated there are around 4,000 Apprenticeship Levy-payers operating in Scotland across the private, public and third sector. In this second year, following the evaluation of the pilot year programme and feedback from employers and colleges, Scottish Ministers have agreed that each Levy-payer will be able to access up to **a maximum total of £15,000 in 2018-19 and 2019-20; this is an increase of £5,000 from 2017-18.**



INCLUSION OF SUPPLY CHAIN COMPANIES

In year three of the Fund, Levy-paying employers who are eligible for the FWDF will continue to have the ability to bring benefit to their supply chain in two ways:

- (a) Levy-payers can relinquish their access to the FWDF and nominate up to two of their supply chain companies to receive all or part of their allocation, or
- (b) Levy-payers can include supply chain company staff in training they have identified as a collective priority.

This is specifically with the purpose of bringing greater benefit to the Levy-payer through investing in the development of their supply chain. In each of these methodologies, the supply chain companies involved should not be Levy-payers in their own right.

METHODOLOGY

Allocating funds to supply change companies

The UK Apprenticeship-paying employers will be required to demonstrate their eligibility at the college of their choice. The Levy-payer should then identify the training required through discussion with the college and supply chain company. The Levy-payer is required to state on their FWDF application whether they wish to pass on access to some or all of their FWDF to one or two of their supply chain companies.

There is flexibility in how the FWDF allocation, up to a maximum of £15,000, can be fully passed on and split between two supply-chain companies or between the Levy-payers and one/two supply chain companies. For example:

	Example 1	Example 2	Example 3
Levy-payer	£0	£0	£5,500
Supply-chain co. A	£15,000	£9,000	£3,000
Supply-chain co. B	£0	£6,000	£1,000
Total	£15,000	£15,000	£9,500



PRIORITY GROUPS

Employers will have flexibility to train members of their workforce through college provision to bring greatest benefit to their organisation. Within this, and in line with Scottish Government priorities of reducing the gender pay gap and tackling occupational segregation; and halving the disability employment gap; employers should consider as part of their application how they can support those with one or more of the protected characteristics listed in **section 4 (<http://www.legislation.gov.uk/ukpga/2010/15/section/4>)** of the Equality Act 2010 to gain access to training through the Fund.

Employers should also give due consideration to other specific groups in their workforce where training could bring disproportionately positive benefits such as: those with care experience; carers; those in low skilled jobs; younger workers/apprentices; and veterans/early service leavers.

Colleges should be aware of these priorities when consulting with employers on training needs and skills gaps. Employers must have due regard to the provisions of the Equality Act 2010, and the relevant guidance produced by the Equality and Human Rights Commission.

HOW YOU CAN HELP



YOU CAN HELP US PROMOTE THE FWDF IN THE FOLLOWING WAYS:

- information in newsletters, on websites and via social media
- dissemination of campaign materials

NEWSLETTERS, WEBSITES AND SOCIAL MEDIA

This toolkit contains suggested key messages you can use for newsletters, emails and on websites to inform businesses about the FWDF.

We have also provided suggested posts for use on social media accounts, as well as graphics you can use.

We would be grateful for any support you can provide through channels available to you to promote the campaign.

CAMPAIGN MATERIALS

We have developed a suite of leaflets and posters which you can display in your venues and facilities.

KEY MESSAGES



THESE ARE THE KEY MESSAGES FOR THE CAMPAIGN.

The Flexible Workforce Development Fund is for Apprenticeship Levy-paying employers from the private, public and third sector.

- If you are an employer with a wage bill of over £3m then you may be eligible to apply for the Flexible Workforce Development Fund to meet your skills gaps.
- A continued increased cap of up to £15k for Apprenticeship Levy-payers to up-skill or re-skill their existing workforce.
- Engage and motivate existing employees by offering them high quality training to bring the greatest benefits to your organisation.

The Fund is flexible.

- Apprenticeship Levy-paying employers in Scotland have the flexibility to choose the training they need.
- Eligible employers can select a college of their choice.
- Employers can use the Fund to address priority skills gaps.
- Apprenticeship Levy-payers have the flexibility to pass on the benefits of Fund access to their supply chain.

Apprenticeship Levy-payers can access the Flexible Workforce Development Fund across Scotland's regional college network.

- Access up to £15k of college training.
- The college sector is recognised as an important part of Scotland's skills and training system.
- Access training in high quality learning environments available in Scotland's colleges.

THE FUND IS NOW OPEN

Find out how to apply at www.sfc.ac.uk/flexibleworkforcedevelopmentfund
or contact your regional college today.

SOCIAL MEDIA



YOUR SOCIAL MEDIA ACCOUNTS ARE A GREAT WAY TO MAKE BUSINESSES AWARE OF THE FUND.

You can help spread the word by:

- posting to your Facebook and Twitter
- retweeting relevant tweets by others
- sharing relevant Facebook posts

You can request the Facebook and Twitter graphics we've developed, alternatively you can create your own using the key messaging section of this toolkit.



LEAFLETS AND POSTERS



WE HAVE CREATED LEAFLETS AND POSTERS TO PROMOTE THE CAMPAIGN.

If you would like copies of the leaflets and posters, or print-ready files to print them out yourselves, please refer to the Contacts section for further details.

FLEXIBLE WORKFORCE DEVELOPMENT FUND

FILL YOUR SKILLS GAP

- up to £15k now available for employers
- up-skill and re-skill your workforce
- flexibility to choose who and how you train
- apply if you have a wage bill over £3m per annum
- choose from colleges across Scotland

The Fund is now open – find out how to apply at www.sfc.ac.uk or contact your regional college today.

www.sfc.ac.uk

Smarter Scotland
Scottish Government

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Scottish Government

FLEXIBLE WORKFORCE DEVELOPMENT FUND

FILL YOUR SKILLS GAP

The Flexible Workforce Development Fund (FWDF) is now open for applications.

www.sfc.ac.uk

Smarter Scotland
Scottish Government

FLEXIBLE WORKFORCE DEVELOPMENT FUND

The Fund is available to Apprenticeship Levy paying employers from the private, public and third sector across Scotland.

If you are an employer with a wage bill of over £3m per annum then you may be eligible to apply for the FWDF to meet skills gaps within your organisation.

With a new increased cap of up to £15k, this investment could offer you the potential to up-skill or re-skill your existing workforce. A great opportunity to engage and motivate your employees by offering them high quality training, bringing the greatest benefits to your organisation.

The Fund is flexible

- Apprenticeship Levy paying employers in Scotland have the flexibility to choose the training they need.
- Eligible employers can select a college of their choice.
- Employers can use the Fund to address priority skills gaps.
- Levy payers have the flexibility to pass on the benefits of Fund access to their supply chain.

Access the FWDF across Scotland's regional college network

- Access up to £15k of college training.
- The college sector is recognised as an important part of Scotland's skills and training system.
- Access training in high quality learning environments available in Scotland's colleges.

The Fund is now open – find out how to apply at www.sfc.ac.uk or contact your regional college today.

CONTACTS



To discuss marketing activity or request leaflets and posters, please contact Scottish Government Senior Policy Manager: **janice.alexander@gov.scot**

Any other queries/requests for additional information should be directed to the FWDF mailbox **fwdf@sfc.ac.uk**, in the first instance.

For further information please contact Sharon Drysdale, Assistant Director SFC: **sdrysdale@sfc.ac.uk** or Gavin Bruce, Assistant Director, Funding: **gbruce@sfc.ac.uk**.

A list of regional college contacts is available on the SFC's website **www.sfc.ac.uk/flexibleworkforcedevelopmentfund**



FREQUENTLY ASKED QUESTIONS

Q1. Why is it only UK Government Apprenticeship Levy-payers who can access the FWDF?

Establishing the Fund was in direct response to the level of employer support expressed in the consultation the Scottish Government undertook on the introduction of the Levy. The FWDF is a further expansion of the package of skills and training measures available in Scotland to support employers develop their workforce.

Q2. Are public funded bodies eligible for FWDF?

The fund is available to all UK Apprenticeship Levy-paying employers in Scotland across the private, public and third sectors.

Q3. Will SFC provide a list of Apprenticeship Levy-payers in each college region?

This information is currently unavailable because the Levy is not collected by the Scottish Government.

Q4. What evidence is required from employers to demonstrate eligibility?

Employers are required to submit evidence of their eligibility to pay the Apprenticeship Levy to accompany their FWDF application. This should take the form of a copy of the relevant part of the most recent Employer Payment Summary (EPS) which reports the level of Apprenticeship Levy contribution. HMRC guidance is available at the following link: <https://www.gov.uk/guidance/what-payroll-information-to-report-to-hmrc>

Q5. Why is a training needs analysis necessary?

Through engagement between employer and college, an agreement should be reached about what the employer needs are, based on increasing productivity and tackling known skills gaps, and then agree the training and funding required. This process should be proportionate to the size of the business and Fund size available. The analysis should form the basis of their application and colleges should work with employers to support the application process.

Q6. Can colleges use the FWDF to support development costs?

No. All FWDF must be used for the delivery of training to meet employer needs.



Q7. What training courses are NOT supported by the FWDF?

Secondary education/full-time education courses/full-time higher education courses/advanced professional qualifications at SCQF 11.

Training which is a statutory requirement for the individual's continuing employment, including any training which an employee is required by law to undertake in order to carry out the duties associated with his or her employment (e.g. certain health and safety training).

Lessons towards attaining a driving licence category A or B.

Outward bound type courses; and leisure or sporting activities other than those that lead to a recognised coaching or teaching qualification.
Postgraduate study.

Q8. Why doesn't the FWDF cover training required by law?

The Scottish Government expects employers to meet their statutory obligations as required by law.

For example, an employer may be legally required to have one person trained in Health & Safety at Work for each site where they operate. The employer has already trained the required number of individuals as set out in statute, but wishes to train more with the aim of further reducing the incidence of accidents. The employer is of the view that more Health & Safety trained employees would reduce time lost due to accidents and sick leave and would therefore have a positive impact on productivity. In this instance, FWDF could be used to train the additional employees.

Q9. Can a college use other training providers to deliver on their behalf?

A college cannot sub-contract other training providers to deliver on their behalf. However inter-college collaboration is acceptable and encouraged to deliver activity that meets the needs of levy-payers.

Q10. Why is an employer cap applied to FWDF?

The FWDF is designed to maximise the potential number of Apprenticeship Levy paying employers who are able to access the Fund, while providing a degree of simplicity for employers and colleges. The Scottish Government does not have access to HMRC data to enable access to the Fund on a proportionate basis.



Q11. What happens if the cost of an employer's training needs exceeds the capped amount capped amount for the FWDF?

FWDF can be used as part-payment towards training of a higher cost.

Q12. How were the college allocations of FWDF devised?

Allocations are based on the estimated number of Apprenticeship Levy paying employers, and their employees, in each college region.

Q13. What is the timeframe for funded activity to take place under FWDF?

Year 3 of the FWDF covers the AY 2019-20, with the application window open from 1 August 2019 to 31 July 2020. All training must be contractually agreed by 31 July 2020 (and have commenced by 31 August 2020) to be included as part of colleges Year 3 (2019-20) FWDF allocations. We expect all training provision associated with 2019-20 funding to be delivered and completed by 31 December 2020.

Q14. What happens if the college declines an employer's FWDF application?

The 'training needs analysis' undertaken between the college and employer should ensure an employer's identified training needs reflect FWDF criteria and priorities. Employers should be notified by the college, in writing, if their application has been unsuccessful. It may be that as a result of high demand for the FWDF, the application was unsuccessful; if so, the employer's application would be held on a waiting list until funds were redistributed or until future rounds of funding became available. If an employer wishes to appeal a decision taken by a college they should make an approach to the Scottish Funding Council (SFC) in the first instance. Approaches will be handled on a case-by-case basis and led by an overseeing group of SFC and Scottish Government officials.

Q15. How are the Scottish Government and SFC going to monitor the FWDF?

The FWDF will be monitored through regular college reporting on the quantitative outputs using the SFC reporting form provided.