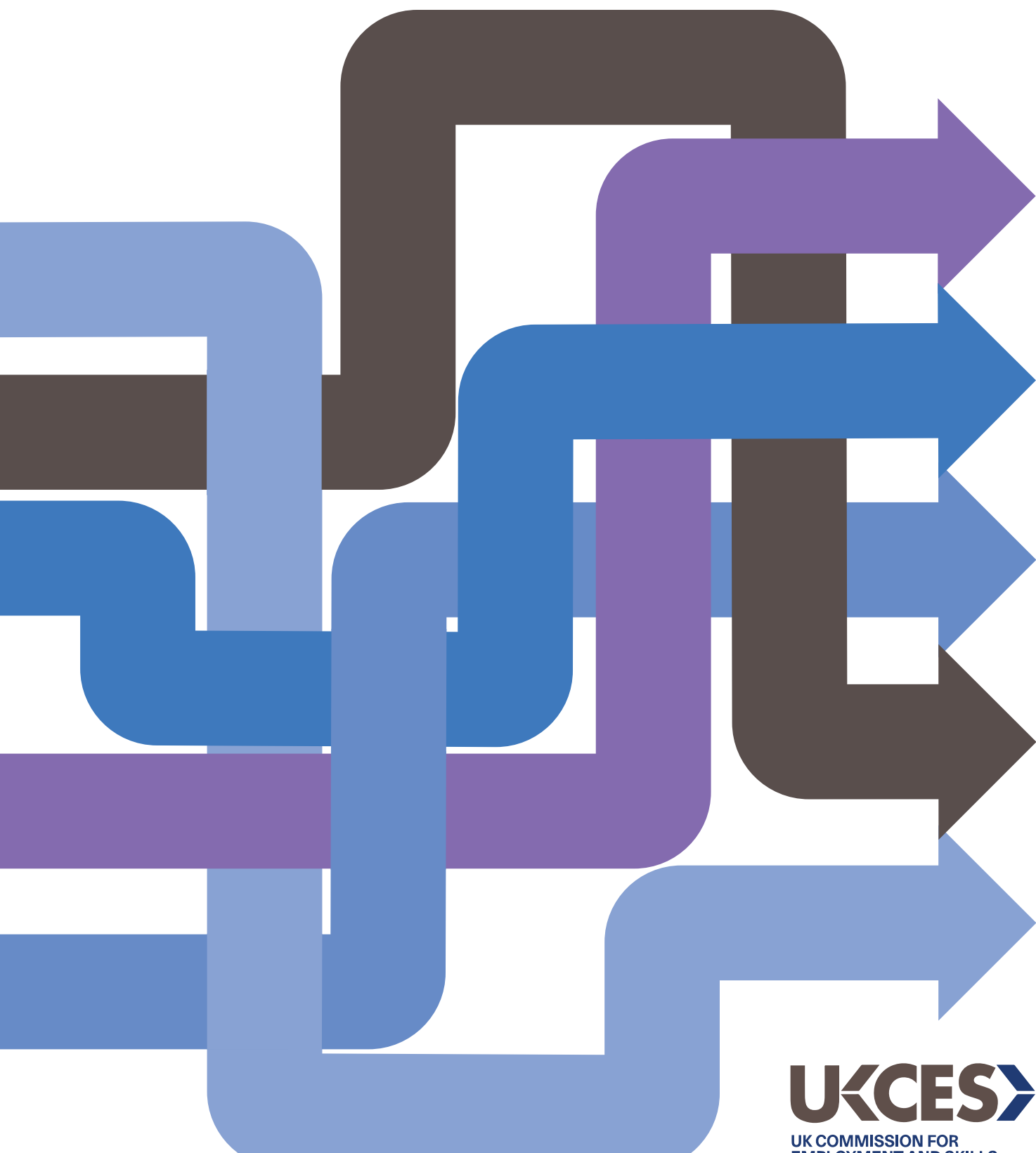


UK Futures Programme: an introduction

March 2015





Foreword: Scott Waddington, UKCES Commissioner

In April 2014, the green shoots of the recovery were starting to show after the most difficult economic period for a generation. The picture was one of optimism tempered by caution. Whilst the economy was starting to grow, productivity and wages remained low and youth unemployment high. There were also significant sectoral and regional imbalances.

It was in this context that we launched the UK Futures Programme. The Programme explores 'what works' in addressing new or persistent workforce development issues that contribute to the 'cautious optimism'. Industry is invited to come up with solutions to the workforce development issues that we know are restraining both business and wider economic performance through highly focused competitions. In our first few months, we have launched 4 competitions and invested in 12 business collaborations to design and test innovative solutions to some of our most pressing skills challenges.

The level of employer engagement, collaboration, innovation and vision has exceeded our expectations, and I'd like to thank the project teams for ensuring we have had a successful start to the programme. My fellow Commissioners also appreciate the willingness of projects to try something new and learn from what works and what might not work so well. In this way, the project teams are generating intelligence that will guide the future of skills development for policy and wider business practice. Even in a short time, we have already seen some great examples of this and I look forward to sharing the insights we have gained in the next few months.

In our next year we will progress our existing competitions and launch new ones aligned to the actions recently set out in the UKCES Growth Through People report, focussing particularly on improving workplace productivity.

Scott Waddington

Chief Executive, SA Brain & Co Ltd.; Commissioner, UK Commission for Employment and Skills

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1. Introduction

This document introduces the UK Commission for Employment and Skills' (UKCES) UK Futures Programme. Since April 2014, UKCES has been trialling innovative ideas with industry to test 'what works' in addressing current or anticipated workforce development problems that are restraining their business performance. In this document, we provide an overview of the Programme to inform potential applicants on the purpose of the Programme, and to provide background for employers and policy developers.

The introduction outlines:

- the aims of the UK Futures Programme
- what UKCES can offer in terms of co-creating solutions
- what we would expect from successful applicants
- the broad themes which indicate where we are looking to create impact through the Programme
- information about the competitions we have already launched, and those we are planning to run through the next year

2. The UK Futures Programme – an overview

This section provides an overview of the UK Futures Programme.

At UKCES, we have a driving ambition to encourage more and better investment in skills and employment opportunities for people in the UK. This is crucial to enhancing the UK's global competitiveness and to providing good jobs and people, with the capabilities to enable businesses to thrive and grow. Critically, fostering greater collaboration amongst businesses and understanding 'what works' in addressing workforce development issues, are important steps to achieving that ambition.

Since April 2014, UKCES has pursued this ambition through the UK Futures Programme by working with industry to research, develop, pilot and scale innovative solutions to tackling current and emerging workforce development issues that restrain business performance.

Through this Programme, we aim to achieve the following objectives:

- To identify 'what works' when addressing market failures in relation to workforce development, for adoption in policy development and wider business practice.

- To support collaborative approaches to workforce development issues amongst employers and, where applicable, wider social partners
- To encourage innovative approaches to addressing workforce development issues.

Essentially, the UK Futures Programme encourages an R&D approach to skills development and application in the workplace.

The UK Futures Programme mainly operates by issuing targeted competitions that aim to achieve the ambitions outlined in Section 6. Each competition has a competition brief that is published on the UK Futures Programme website and provides more detailed information including:

- the scope of the competition and the rationale for running the competition (the problem we are seeking to address)
- the target audiences (eligibility)
- details about the application process (including submission deadlines)
- contact details for further information

We may also commission research to underpin activity which will be published on the Contracts Finder website.

3. Key features of the UK Futures Programme

This section sets out the key information regarding the UK Futures Programme.

Targeted competitions: Targeted competitions are issued in response to the areas where we are looking to create impact through this Programme (see section 6 for further details). All competitions ultimately aim to improve productivity in UK businesses. The competitions we run will be identified through the insights of our Commissioners and from our research base. We will support multiple projects identified through each competition.

Testing and shared learning: Any innovation needs to be tested to know if it is fit for purpose. Testing, with a broad section of the target market, is therefore a crucial component of all projects. To understand 'what works', the lessons learnt from the experimentation – good and bad – are shared with the UKCES and, through our Innovation Labs, with other projects within the competition. This has proved to be a very effective way of sharing learning, picking up top tips and avoiding pitfalls.

Eligibility: The Programme operates across the whole of the UK. Collaborative employer-led projects are encouraged, as are proposals which also include wider social partners, such as trade unions and membership bodies. However, we will also support single employer proposals where there is potential for impact/learning to be applied in wider contexts. Intermediaries can work with employers to develop and test collaborative solutions, but it must be clear how employers are driving the proposal.

Public funding: Around £3-5m of public money will be available annually alongside private investment. Each competition will offer varying levels of public investment which will be published in the brief.

Public and private contributions: All projects we support will need to show how they would effectively utilise public money alongside private investment (cash and/or in-kind). The balance needed for particular projects will vary according to the specific nature of each competition and the individual proposed project. Further information will be provided in the individual competition briefs.

Project types: The Programme will support four different 'types' of innovative project – 'research', 'development', 'piloting', and 'scaling'. We may also offer to support the evaluation of existing activities in scope. The competition brief will indicate which of the project types are being supported. Most of our current projects fall within the 'developing' or 'piloting' categories.

Success criteria: All successful proposals will have to demonstrate the following:

- the potential for impact
- innovation
- strong employer leadership and engagement
- appropriate balance of private and public contributions
- testing and shared learning

Co-creation: All projects that are supported through the Programme will benefit from the experience, expertise, research and connections of UKCES and our Commissioners (see section 4 for further details on co-creation).

Evaluation: In addition to testing within the projects, the UKCES is also evaluating the Programme, focusing on what works, and why, to inform wider policy and practice.

Developing networks: Projects will come together on at least 3 occasions through the lifecycle of each project – at an inception meeting and at two Innovation Labs. Through the events we have held to date, effective relationships have formed and there has been a high degree of cross-fertilisation of ideas.

Maximising impact: The primary value of learning what works is using this knowledge to influence policy and wider practice. The success of the Programme is crucially dependent on actively communicating our findings and sharing good practice to influence employer practices and future public policy debates.

Exclusions: There are a number of things that we are not looking to support through the Programme. These include large scale delivery of training ('participation'); projects that could be supported through already existing routes ('mainstream'); and costs not directly linked to delivery of projects.

4. What can successful projects expect from UKCES?

This section sets out what successful applicants can expect to receive from UKCES.

A key aim of the UK Futures Programme is for UKCES to actively support projects through our co-creation role which goes above and beyond monetary investment. We have extensive experience working with partners throughout the skills world, and we have developed significant expertise that can help to shape and guide projects. Below, we outline our broad co-creation offer.

Our Commissioners will provide ongoing leadership

The strategic direction of UKCES is set by our Commissioners, forming a social partnership. They come from employers, large and small, from the commercial, public and third sectors, from unions, from universities and colleges, and from the four nations of the UK. Our Commissioners are at the heart of the Programme, stimulating innovation, challenging applicants and providing expert input. Their reach and influence is fundamental to the Programme. Commissioners have been involved in a range of activity - interviewing shortlisted applicants, attending Innovation Labs and helping to launch activities supported through the Programme.

'It was really great to have someone like Will Butler-Adams at the launch of our on-line school (Supply

Chain Sustainability Facilities Management School). He gave a really memorable speech which has really helped position our project within the sector and inspire our next steps.'

Ian Heptonstall, Action Sustainability, Supply Chain School Leadership programme.

We use our experience and expertise to support and advise projects

UKCES has considerable experience of co-investing with employers to identify and tackle problems that are restraining businesses performance. Projects will benefit from this experience via the support of a dedicated Relationship Manager who will be a consistent point of contact with UKCES and will support projects to identify and overcome difficulties. In addition, our research team are experts on testing innovation and will work with project teams to hardwire testing and learning into their project plans.

We have used the insights gained from the independent evaluation of our earlier investment programmes to produce a set of [UK Futures Programme – Guidance Documents](#). These provide greater detail about what we expect from applicants, and how to embed proven good practice at the earliest stage of projects. This is summarised in the box below.

Conditions for successful projects

UKCES has already co-invested alongside industry in workforce development solutions through a variety of investment programmes. These programmes have taught us a number of specific lessons about the conditions needed to create successful solutions to workforce development problems. The following lessons have been crucial in helping us to shape the UK Futures Programme:

Start with the problem in mind: A project founded on a rich understanding of the problem / opportunity which key players are looking to tackle, and how it is experienced by a cross-section of its audience, is better placed to respond to it than one that isn't.

Don't just engage the 'usual suspects': For a project to really meet the needs of the 'wider' audience, it needs to move beyond those employers that engage readily and reach out to a representative cross-section of employers. Sometimes these can be the 'hardest to reach'. Testing products with the 'unusual suspects' can be a powerful way of getting fresh insight and gaining their interest.

Start early and put resource behind it: Moving beyond the ‘usual suspects’ is not easy. Projects need to be realistic about the resource and time required to engage employers, plan for it, and actively review and manage the risks.

What's in it for employers? Clearly articulating the challenge, how the proposed solution tackles the problem, what's ‘new’ about it, plus the benefits/ risks of action/inaction, will help build employer engagement.

Quality counts: The nature, quality and value of the employer contribution (whether cash or in-kind) matters. Where an employer actively engages in shaping, testing and championing the project, it pays dividends.

It's never too early to plan for sustainability: The benefit of grappling with this challenge at an early stage is that it rehearses and tests the financial model as part of the development of the solution. Projects are then hard-wired to plan for the future. Testing for sustainability will be a key plank of the Programme.

In addition, as projects have encountered challenges in areas in which UKCES has expertise, we make additional guidance available or support projects directly on how to best approach a solution, such as how to test training solutions or develop a sustainable product. For example, UKCES are experts in vocational qualifications across the UK and have provided advice to projects on how they could make use of National Occupational Standards. UKCES are also responsible for the Investors in People standard, an internationally recognised framework for best practice in people management so can provide advice and support in this area.

The support of the Relationship Manager has been very helpful. He has introduced us to other projects, showing us how we can learn from them and vice versa. We didn't really expect much involvement, and were a bit wary at first, but the project has benefitted from the connections he has made for us.'

Alison Lamplough, Laing O' Rourke, Addressing Skills Deficiency in Off-site Construction project

Collaboration and connections

We know from our research that when employers collaborate they are able to achieve more than they ever could alone. This is about more than just the pooling of resources. Projects often face similar challenges, and entirely new perspectives on how to solve them can emerge when ideas are shared and potential solutions are worked through together. As

discussed above, we bring project teams together on at least 3 occasions and also run a secure on-line platform.

In addition to this, we also encourage collaboration with staff or wider partners to support project delivery and, through testing, we encourage engagement with end-users of a product under development from the outset.

We will also work with projects to engage other stakeholders who may be important to the long-term success of tackling problems, by raising awareness of the projects and facilitating meetings and connections. Our Commissioners and the work of the Commission ensures we have good relationships with major influential organisations in the field of skills and employment and we use that to support employer relationships. We also use this to produce practical guidance for employers, e.g. in communicating with colleges.

We are experts on the labour market and the world of skills

We produce the biggest employer survey in the world in which we engage over 90,000 enterprises across the UK to create authoritative business intelligence on employer skills needs and challenges. We enrich these surveys with in depth sectoral studies, and create compelling insights into the future of the labour market as well as creating practical resources to help individuals think about

their future careers. Our research also explores best practice in implementing solutions to skills problems, such as employer networks, occupational regulation and high performance working. This research, supplemented by the insight of our Commissioners, shapes the competitions we launch and can help to guide projects to develop the most effective possible intervention.

Maximising impact

The central purpose of the UK Futures Programme

is to find out what works in addressing the problems we outline in our competition briefs and to share that learning beyond the projects. In particular, as each competition comes to a close we will draw the learning together and promote to the relevant audiences, with the intention of influencing policy and practice. Our Communications team will support these activities, best achieved in collaboration with projects themselves. To do this effectively, 'communications toolkits' will be shared with projects teams.

5. What does UKCES expect from projects?

This section outlines what we expect from projects.

Within individual competitions, we will be looking to maximise the learning we gain from the innovation being tested by the projects and to understand how those insights tackle the problem we are looking to resolve. To facilitate this, we expect projects to take part in the following:

Testing and learning: Every project will develop a tailored 'Testing Plan' with the support of UKCES. This will lay out what wider learning the project is expected to generate, the steps that will be taken to test the project, and the process by which the learning will be used to reshape the project as it progresses. This will enrich our collective understanding of which aspects of any implemented solution do/don't work and why, and the insights we gain will go on to inform wider policy and practice.

Co-creation: Every project will work with their relationship manager to produce a co-creation plan that outlines how we can support each project beyond our financial contribution to your project, as outlined in section 4. We have found this invaluable in encouraging projects to consider the value which could be added by UKCES, and in connection to other projects, which most have not considered during the application process.

Inception meetings: Fostering collaboration is at the heart of the programme. We know that projects have a greater chance of success when ideas and solutions are shared between project teams. To this end, at the earliest point we bring together all successful projects within a competition and

encourage them to share and develop areas of common concern. These meetings have been really welcomed by the projects we are already working with.

Innovation Labs: For each competition we hold at least two Innovation Labs where project teams share lessons learned and work together to address common problems. The Innovation Labs crucially depend upon a commitment from projects to engage fully with the day. We expect at least two senior individuals from each project to attend the labs, and there will often be activities to complete in advance.

Monitoring reports: As projects complete delivery stages they will be expected to complete reports that provide comprehensive information on all aspects of the delivery in order to receive payment. Our intention is to ensure that the completion of the reports adds value to the projects themselves as well as the opportunity to reflect on progress and achievement of objectives.

Case Studies: we will be looking to work with some of the projects we support to compile influential and impactful case studies to share as part of the wider learning from each competition.

Evaluation: All projects are expected to take part in our evaluation of each competition. This is an important part of the learning process which allows us to draw out key insights to affect wider policy and practice and we plan to use the learning from each competition to do this. We would also expect the projects that 'do work' to continue in their own right and be sustainable.

6. Where are we looking to create impact?

UKCES' ambition is for a sustained economic recovery for the long term, driven by the skills and talents of people. Our vision was articulated in our 'Growth through People' report.

'Growth through People' outlines 5 priorities for action if this ambition is to be realised. The priorities are:

Employers should lead on skills and government should support them

- Improving workplace productivity should be recognised as the key route to increasing pay and prosperity

- 'Earning and learning' should be the gold standard in vocational qualifications
- Education and employers should be better connected to prepare people for work
- Success should be measured by a wider set of outcomes not just educational attainment

While every one of these priorities is crucial for realising growth through people, and the UK Futures Programme will be supporting each of them through individual competitions, we will be focusing particular attention on improving workplace productivity.

7. What has the UK Futures Programme achieved so far?

Despite being a new programme, a significant amount has been achieved since the UK Futures Programme was launched in April 2014.

To date, we have launched four competitions. We are currently working with 12 collaborations testing new ways of tackling skills issues across the first two competitions in the off-site construction sector (1) and using supply chains to improve management and leadership (2).

As this goes to print, we are finalising contracts for a third competition to explore workplace innovation to tackling pay and progression barriers in retail and hospitality sectors. Applications to a fourth competition on enhancing the skills required to manage innovation in the manufacturing sector are being assessed.

Timelines for further known competitions are provided in the table below.

Competition	Launch date	Closing date
5. Anchor institutions: improving management and leadership in small firms	19 March 2015	30 April 2015
6. Addressing gender imbalances in the workplace	May 2015	June 2015

We are working with partners to identify further competitions. The UK Futures Programme has successfully catalysed innovation and collaboration in the areas we have targeted, and we are exploring the opportunity to do more. Full details will be provided on our website. All links and contact details are provided in the next section.

8. Contacts and further information

Contact us:

All information on the UK Futures Programme can be found at:

<https://www.gov.uk/government/collections/ukces-futures-programme-overview>

Questions and queries regarding the UK Futures Programme can be submitted to:

enquiries.futuresprogramme@ukces.org.uk.

We aim to respond to questions within five working days.

We will advertise the commissioning of any research to underpin the programme activity on Contracts Finder: <http://www.gov.uk/contracts-finder>

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