KPMG

Evaluation of the Cyber Runway Programme

A KPMG report for the Department for Science, Innovation and Technology

May 2025

Important notice

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The Client should note that our findings do not constitute recommendations as to whether or not the Client should proceed with any particular course of action.

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We have not verified the reliability or accuracy of any information obtained in the course of our work, other than in the limited circumstances set out in the Contract.

Our work commenced on 3 January 2025 and our fieldwork was completed on 21 February 2025. We have not undertaken to update our Report for events or circumstances arising after that date.

This engagement is not an assurance engagement conducted in accordance with any generally accepted assurance standards and consequently no assurance opinion is expressed. Nothing in this Report constitutes a valuation, tax or legal advice.

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Executive summary

1.1   Context for the evaluation

A strong cyber security sector is essential for the modern digital economy. DSIT plays a key role in supporting the sector and in delivering the Government's digital and cyber-related commitments, including through addressing known issues firms in the sector face, such as in relation to commercial and entrepreneurial skills, access to the funding and wider barriers to growth and commercialisation.

One of the interventions DSIT is responsible for which was developed to help cyber firms overcome these issues is the Cyber Runway Programme (the "Programme"). Running since 2021/22, it is the largest cyber accelerator in the UK, supporting firms at various stages of growth.[1] The Programme is funded by DSIT and is delivered by Plexal, with support from Deloitte and the Centre for Secure Information Technologies (CSIT).

1.2   About the evaluation

DSIT commissioned KPMG to carry out an independent evaluation of the Programme. This includes:

— A process evaluation: to provide insights on the effectiveness and efficiency of Programme delivery and where improvements can be made.

— An impact evaluation: to understand the benefits to Programme participants, and the wider socio-economic benefits, and the extent to which these can be attributed to the Programme, as well as whether the Programme ultimately met its objectives.

— A value for money (VFM) evaluation: to assess whether the benefits of the Programme outweigh the costs.

The process evaluation relates to the current year (2024/25) of the Programme, and the impact and VFM evaluations relate to the full Programme duration (i.e. 2021/22 to 2024/25).

The evaluation analysis draws on primary and secondary data. The primary research conducted includes quantitative surveys and semi-structured focus groups and interviews with Programme participants, unsuccessful applicants, coaches and mentors, and delivery partners. The secondary data included the End of Programme survey conducted by Plexal, FAME data relating to participant businesses and unsuccessful applicant businesses, and Programme Key Performance Indicator (KPI) monitoring data.

Full details of the scope of the evaluation, the evaluation research questions ("RQs") and the data sources and collection approaches are set out in Sections 2.2 and 3.3.

1.3   Key findings

The key findings for each of the evaluations are set out below in relation to each RQ. The findings should be considered in the context of the limitations of the study (see Section 3.4). In particular, the sample of individuals that participated in the primary research may not be representative of the wider population, respondents may have had difficulty answering questions due to recall challenges, and a number of assumptions have been made in the analysis.

1.3.1   Process evaluation

To answer the process evaluation RQs, findings from the analysis of the primary and secondary data were triangulated.

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[1] The Programme is split into four workstreams: Launch for start-ups and early-stage entrepreneurs, Grow for SMEs, Scale for scale-ups, and Ignite for high-potential founders.

1.3.1.1 RQ1: What worked well, or less well, for whom and why?

— In terms of the application and assessment process, the analysis indicates that Programme participants and unsuccessful applicants found the process straightforward, with nothing surprising or onerous requested in the initial application. 97% of Programme participant survey respondents and almost 63% of unsuccessful applicant survey respondents agreed or strongly agreed that the application form was easy/ straightforward to complete. The opportunity to participate in an interview following submission of the application form was valued, and it was noted that this differs to other business support schemes where the chance to further discuss the business idea is not always offered.

— However, the selection process and which workstream to apply for was reportedly somewhat unclear to applicants, suggesting that more clear guidance is required. 71% of unsuccessful applicant survey respondents felt that having more information about the selection process would have been helpful, and 57% of unsuccessful applicant survey respondents felt it would have been helpful to have had more information about the eligibility criteria.

— Amongst unsuccessful applicant survey respondents, provision of more detailed feedback was the most frequently reported way in which the application process could be improved, selected by 63% of survey respondents. Delivery partners explained that feedback for unsuccessful applicants is not provided as standard, but is provided on request. However, one unsuccessful applicant that participated in the focus group reported not receiving feedback despite making several attempts to obtain it.

— In terms of Programme delivery, Programme participants in the focus groups said they thought that communication from Plexal in relation to arrangements for sessions works well. However, it was noted that last minute changes to the schedule of sessions were sometimes problematic for Programme participants who were at times then unable to attend. This was echoed during the coaches and mentors focus group where it was shared that session dates were often added at short notice.

— In general, Programme participants found the length, planned timings and format of Programme sessions to be effective. Focus group participants stated that the sessions had a "nice number" of people, and offered a "good mix" in terms of participating individuals and variety of themes. 81% of Programme participants stated that they were either satisfied or very satisfied with the quality of support offered in relation to 1-1 sessions, and 80% in relation to in-person events. It was suggested that more in-person and 1-1 sessions would be well-received and may improve overall engagement. This was supported by coaches and mentors who agreed that engagement tends to be better during in-person sessions.

— 82% of Programme participants stated that they were satisfied with the Programme content and how it was delivered. This was supported by the findings from the coaches and mentors survey in which 73% of coaches and mentors agreed that the Programme content was useful for participants. However, some focus group Programme participants said that they felt some of the sessions were 'too general', and that – while the speakers were good – the Programme might have benefitted from having more specialist speakers.

— Programme participants shared that the Programme offered good opportunities to network with peers, but less so with industry experts and investors. Over 60% of Programme participant survey respondents stated that the Programme had helped them (either entirely or to a great extent) make new connections with peers, while 21% said this in relation to connections with investors.

1.3.1.2 RQ2: What can be learned from the delivery methods used?

Following on from the assessment of what worked well, less well and for whom (in response to RQ1), the following learnings are drawn:

— It was noted that different channels of communication (email, WhatsApp, email etc.) work well for Programme participants.

— Programme participants shared that the format and delivery of sessions works well, and in general they thought the speakers were good, but would have liked additional specialist speakers.

— Programme participants shared that changes to scheduling was sometimes problematic, including for participants who were still able to attend the sessions because the group sizes were smaller and might have benefited from the full number of planned participants attending the session.

— Virtual sessions were recognised as good alternatives to in-person sessions, but may not be as effective as in-person sessions.

— The delivery partners stated that feedback is intentionally not given to applicants as standard. They stated that it is only given on request, in part as a means of determining which applicants are most proactive. However, according to one unsuccessful applicant who participated in the focus group, feedback was not given even when requested, suggesting that the mechanism for providing feedback may not be as fair or effective as it could be, preventing future applicants from becoming successful.

1.3.1.3 RQ3: How might the existing Programme be improved to become more effective?

Following on from the assessment of what worked well, less well and for whom (in response to RQ1), the following Programme improvements may be considered:

— Programme participants and unsuccessful applicants both felt that there could be greater clarity in terms of which workstream they should apply to. Therefore, the differences between workstreams and who they are suitable for could be made clearer to applicants to support the application process and experience of the Programme.

— Discussions with Plexal were considered helpful to Programme participants and applicants, however some individuals were unclear on who they could reach out to and how. Therefore, clarity on who to contact, when they can do so and regarding which areas of the application or assessment process may help individuals to submit higher quality applications and get more from their experience on the Programme.

— Feedback is not provided as standard to any applicants, and as such, some unsuccessful applicants reported that they do not know how to improve future applications. There therefore may be merit in providing feedback as standard to support unsuccessful applicants in understanding why their application was not successful and how to improve it in future.

1.3.2 Impact evaluation

The impact evaluation utilised three methods: i) a comparison of the outcomes and impacts of the Programme participants to the unsuccessful Programme applicants, ii) analysing the self-reported impacts of the Programme on business outcomes, and iii) using contribution analysis which is a process for examining if an intervention has contributed to an observed outcomes by exploring the evidence for the theory of change.

1.3.2.1 RQ1: Has the Programme delivered against its Key Performance Indicators (KPIs) both for FY 24/25 and longitudinally across the years of delivery?

— It is too early to fully assess performance against all KPIs for 2024/25 as the Programme had not yet ended at the time of conducting the analysis, meaning that full data was not yet available. However, the available Programme monitoring data shows:

  - Two target KPIs had been met or exceeded across all the workstreams (in relation to regional representation and minimum number of individuals/ companies on the cohorts); and

  - No workstream had delivered against all the target KPIs by December 2024 (the month up to which data was available), with the KPI/ KPIs not met varying across the workstreams.

— In relation to the performance of the Programme against its KPIs longitudinally across the years of delivery from 2021/22 to 2023/24, the available data shows:

  - The diversity KPIs were most frequently met or exceeded across workstreams across the years of Programme delivery.

  - Ignite in 2023/24 was the only workstream across the years of Programme delivery where all KPIs were achieved.

- The KPIs relating to achieving 100% Programme completion by the cohort, and the KPI relating to the number and value of connections made, are frequently 'unknown' meaning that it is not possible to assess whether these KPIs have been met or not.

1.3.2.2 RQ2: To what extent has the Programme been effective at supporting the growth of participating companies and the wider cyber ecosystem?

Summary of Programme participation and delivery findings

As set out in theory of change (see Section 4), it is necessary for Programme participants to engage in the Programme and for delivery to be effective and meet participant needs in order for the intended outcomes, such as improved connections/ networks, improved skills and confidence and increased confidence, to be realised.

Awareness: The analysis indicates that the main route through which individuals became aware of the Programme is via Plexal (cited by 60% of Programme participant survey respondents), though it is unclear whether this is through direct contact from Plexal or via more general Plexal communications/ advertising. Other sources of awareness, e.g. through industry contacts (cited by 13% of Programme participant survey respondents), social media (cited by 10%), and via DSIT (cited by 5%) were also cited, albeit by fewer individuals. While a variety of channels are used to raise awareness of the Programme, the skew towards individuals becoming aware through Plexal, suggests more could be done to reach a broader range of individuals to encourage greater diversity among participants and applicants.

Motivation for applying: The most commonly selected reasons for applying to the Programme, among both participants and unsuccessful applicant survey respondents, related to it being backed by the UK Government (cited by 63% of Programme participants and 50% of unsuccessful applicants), its strong reputation (cited by 50% of Programme participants and 38% of unsuccessful applicants) and as a result of recommendation (cited by 55% of Programme participants and 25% of unsuccessful applicants). This suggests the Programme is well thought of in the industry and there are clear motivations to apply.

Attendance: In total over the four years of Programme delivery, there have been 311 participants;[2] 107 in 2021/22, 61 in 2022/23, 72 in 2023/24 and 71 in 2024/25.[3] The analysis shows that the majority (75%) of Programme participants attended more than three quarters of the Programme sessions, and when asked why they did not attend all sessions the main reason cited was the inability to make the date/ time (reported by 36% of respondents), or a perceived lack of relevance (9%).[4] In addition, Programme participants considered the sessions to be engaging, and coaches and mentors perceived participants to be engaged, suggesting a good degree of engagement overall.

Programme delivery: The Programme is delivered by Plexal supported by coaches and mentors who run sessions and provide 1:1 support to Programme participants. Coaches and mentors come from a range of backgrounds. The majority (62%) of them are founders or co-founders of start-up businesses, and therefore can be expected to bring relevant and applicable experience to share with Programme participants. The data also shows that coaches and mentors are predominantly motivated to support delivery of the Programme because they enjoy coaching and/ or mentoring (selected by 79% of coaches and mentors survey respondents) and have a strong interest in the sector (67%). These factors may enhance the quality of the Programme for participants. However, the results also show that while coaches and mentors surveyed are self-reportedly not motivated by pay, dissatisfaction expressed by focus group coaches and mentor participants regarding pay (see Section 5.2.3.2) may mean that this is a factor considered by them, and therefore may stop some people from becoming coaches and mentors.

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[2] This is not necessarily the unique number of participants as some participants have taken part in multiple workstreams over the four years of Programme delivery.
[3] Data from KPIs shared by Plexal.
[4] Perceived lack of relevance was also reported in free text responses in the Programme participant survey, and by Programme participants in the focus groups.

Summary of Programme outcome findings

Connections/ networks: The Programme facilitates introductions with peers and industry experts, and provides time for networking opportunities throughout delivery of sessions and events. The evidence shows that the Programme helped participants make connections particularly with industry peers, and, although to a lesser extent, with industry experts and investors. 62% of Programme participant survey respondents stated the Programme had helped them (either entirely or to a great extent) make new connections with industry peers, while 38% said it helped them make connections with industry experts and 21% said it helped them make connections with investors. In the interviews and focus groups, some of participants indicated they would have liked more introductions to be made to industry experts and investors in particular.

Some focus group Programme participants described tangible commercial benefits from the connections made, and even in the absence of commercial benefits, many focus group Programme participants stated that they had benefited from meeting peers with whom they could share experiences of their journeys, knowing that they could relate.

Knowledge and skills: The evidence indicates that the Programme was successful in providing participants with new knowledge and skills, particularly in relation to how to plan business growth (cited by 56% of Programme participant survey respondents), marketing skills (48%) and leadership skills (44%).

Confidence, aspiration and resilience: The evidence indicates that the Programme has contributed to developing participants' confidence, with 58% of Programme participant survey respondents reporting that they felt participation in the Programme helped to grow their confidence. Increased confidence was subsequently cited as a reason for how the Programme helped Participants secure additional investment by 27% of Programme participant survey respondents.

Summary of Programme impact findings

Impacts on innovation

An intended impact of the Programme is to increase innovation in the firms participating. The findings suggest that the Programme helps the majority of Programme participants to introduce, and make improvements to, processes, products or services. 51% of Programme participant survey respondents said that they either had introduced, or are planning to introduce, new processes, products or services within a year following participation in the Programme, and approximately a quarter plan to in the medium term (within two to five years) or longer term (more than five years). Similar proportions of Programme participants stated that they plan to make improvements to their processes, products or services, after participating in the Programme. The qualitative research suggests that the Programme supports this by providing direction on how to make changes and supporting with business vision.

Impacts on employment

The Programme is designed with the objective of supporting the scaling and growth of businesses participating, with tailored support provided dependent on the business stage. The findings suggest that the Programme has supported Programme participants to grow their business, as measured in terms of number of employees. However, it is challenging to accurately determine the extent of this growth directly attribute it to the Programme, given the mixed evidence from the analysis conducted:

— Analysis of business-level employment data held in the FAME database,[5] shows across the 2022/23 and 2023/24 cohorts 33% of Programme participants saw an increase in employment in their business from the year before participating in the Programme to the year after participating, compared to 5% of unsuccessful applicants that saw an increase over this timeframe. This suggests that the Programme has helped additional participant businesses grow in terms of

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[5] Company information of Programme participants and unsuccessful applicants was matched to the Moody's FAME database to extract information relating to employment. The change in employment from before participating in/ applying for the Programme to after participating in/ applying for the Programme was then compared between Programme participants and unsuccessful applicants. See section A1.1 for further detail.

number of employees, that would not have realised this growth without the Programme. In addition, for the 2022/23 cohort, comparing the change in the average number of employees per business between Programme participants and unsuccessful applicants from the year before participating to the year after participating, suggests that an additional 2.9 employee jobs per business have been created among Programme participants as a result of the Programme, which would not have occurred without the Programme.

— Analysis of the End of Programme survey[6] results shows that in 2022/23, the year for which attribution of employment changes to the Programme is possible, 5% of Programme participants reported an increase in the number of employees from before starting to completing the Programme, as a result of participating in the Programme, while 0% reported a decrease. There was an estimated total increase of 3.9 full-time equivalent (FTE) employees, with an average increase of 0.2 FTE per participant business which was as a result of participating in the Programme.

— Analysis of the participant and unsuccessful applicant survey results shows:

  - Across the four years of Programme delivery, between 54 and 78 FTE jobs in total are estimated to have been created, based on the self-reported attribution estimates of Programme participant survey respondents, and taking into account displacement.[7]

  - On average each business that responded to the participant survey, increased its number of employees by 6.2 FTEs, of which 1.9 FTEs can be attributed to participating in the Programme. After considering the impact of displacement, the number of additional FTEs created is estimated to be around 1.

  - Across the four years of Programme delivery, unsuccessful applicant businesses saw/ expect an average increase of approximately 4.6 FTE jobs per business from before applying to two years after, compared with 6.2 FTEs per business among Programme participants over the same period. The difference of approximately 1.7 FTEs, is the increase in employment per business which may be attributed to the Programme

— The insights gathered from the interviews and focus groups support the findings above with research participants sharing that they increased the number of employees to varying extents in their businesses following participation in the Programme. For example, one Programme participant interviewee stated that they had hired two people, with plans to hire two more; another interviewee stated that their headcount before participating in the Programme was between 10 and 15, and afterwards it had increased to between 45 and 50, some of which they said were attributable to participating in the Programme. Others noted no change in headcount.

Taken together this suggests the Programme has supported Programme participants to grow their business, as measured in terms of number of employees, although the scale of impact is small.

Impacts on firm revenues

The findings suggest that the Programme has supported participants to grow the revenue of their businesses, although, similar to the employment impacts, the evidence is not conclusive on the exact extent of this growth:

— Analysis of the End of Programme survey results shows that in 2022/23, 5% of participants reported an increase in revenue, as a result of participating in the Programme, from before starting to completing the Programme, while 0% reported a decrease. There was an estimated total increase of £7k in revenue, with an average increase of £645 per Programme participant which was reported to be as a result of participating in the Programme.

— Analysis of the participant and unsuccessful applicant survey results shows:

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[6] Following participation in the Programme, Plexal asked Programme participants to complete an End of Programme survey, which included questions on whether their employment and revenue had changed since joining the Programme. The End of Programme survey in 2022/23 is the only year where respondents were asked to what extent changes are due to participation in the Programme, and therefore is the only year for which attribution of employment changes to the Programme is possible. See section A1.2 for further detail.

[7] Displacement refers to the proportion of Programme participants' growth that comes at the expense of other businesses in the same market. See section A1.3 for detail about the methodology used to take account of displacement.

- Across the four years of Programme delivery, a total of between £5.1m and £6.4m of additional business revenue is estimated to have been generated as a result of participating, taking into account displacement. The average amount of additional revenue generated per participant is estimated to be between £73k and £76k (based on the survey sample).
- Comparing the change/ predicted change in revenue from before participating in/ applying for the Programme to two years after for Programme participants and unsuccessful applicants, the estimated change in revenue attributable to the Programme for the years 2023/24 and 2024/25 is £184k per business.

— Programme participants in the interviews and focus groups shared that their revenue had increased since participating in the Programme. However, they noted that attributing this growth to the Programme was challenging.

Impacts on investment levels

Monitoring data from Plexal shows that £112m of investment was raised following participation in the Programme by 34 of the 210 businesses for which information is available. However, evidence is not available to be able to determine the extent to which this is attributable to the Programme.

Wider evidence gathered for the evaluation shows that 58% of Programme participant survey respondents stated that they have not secured additional investment since participating in the Programme, while 42% have. Of those who secured additional investment, the survey findings indicate that the Programme has helped them achieve this through the connections made and increased confidence.

Therefore, while there is some indication that the Programme has helped participants secure additional investment they wouldn't have otherwise, the total additional value of this is unclear.

1.3.3 Value for money evaluation

The VFM evaluation involved analysis whereby the costs and benefits of the Programme were compared. This was done by first identifying the costs and benefits associated with the Programme, and then developing various methodologies to monetise them, where feasible. Wider costs and benefits that it was not possible to quantify were assessed qualitatively, drawing on the impact evaluation evidence. Given benefits are likely to accrue over time, the potential future benefits were also considered and discounted in line with Green Book guidance.[8]

1.3.3.1 RQ1: To what extent has the Programme used public resources in a way that maximises public value? Is this Programme the best use of public funds?

Overall, the analysis indicates that the Programme monetised benefits exceed the costs, on the basis that the benefits persist over time. The key findings of the assessment of costs versus benefits is summarised below and set out in full in Section 7.2.1.2.

The total monetised Programme costs (in 2025 prices) are estimated to be between £3.9m and £4.1m for the four years of Programme delivery. This includes:

— The costs to government, since the resources used to fund the Cyber Runway Programme would likely be used elsewhere in the absence of the Programme (£3.6m). This cost was estimated from financial information shared by DSIT.

— The opportunity cost to Programme participants for the time associated with participating in the Programme (£285k to £557k),[9] as this time would have been spent on alternative activities in the absence of the Programme. This was estimated by multiplying the estimated number of hours spent participating in the Programme by the estimated salary that would otherwise have been earned by participants in this time as a proxy for the value of the alternative use of their time.

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[8] All benefits are discounted to Year 1 of participation in the Programme using the social discount rate of 3.5%, as per Green Book guidance.
[9] Two approaches were used to estimate the opportunity cost: one that included the travel time; and one that did not.

However, there are a number of cost areas not included in the monetised costs, e.g. time spent completing the application and assessment process by individuals (both unsuccessful applicants and participants), and DSIT resource costs relating to overseeing the Programme's delivery. There was a lack of available data to be able to estimate these, and therefore the monetised costs are likely to be an underestimate of the total costs of the Programme.

The total monetised benefits associated with the four years of the Programme are estimated to be between £12.3m and £17.6m. This includes:

— Participant benefits in the range of £285k to £557k, capturing that participants realised benefits from the Programme, such as new knowledge and skills. To quantify these benefits the value of the time participants spent taking part is used as a proxy. It can be assumed that people would only take part if the value they gain from taking part exceeds the opportunity cost of their time. Therefore, the value of participants' time may be considered a lower bound for the value of Programme benefits realised by participants.
— Economic benefits associated with the additional economic activity generated by businesses that participated in the Programme in the range of £12.0m. to £17.0m. These economic benefits are monetised in terms of GVA based on the estimated additional employment and revenue attributed to the Programme, estimated as part of the impact evaluation. It is assumed that this additional economic activity would be sustained by the businesses over time.[10]

In addition to the monetised benefits, there are potential future benefits that have not been quantified but should be taken in to account when considering the overall VFM of the Programme. As detailed in Section 7.2.1.2 these include benefits associated with: improved business confidence, aspiration and resilience; increased innovation; returns from investment; and improved business survival. These may translate into additional economic benefits over time.

1.3.3.2 RQ2: How could the value for money be improved?

To answer this RQ a light-touch approach was agreed with DSIT in the form of gathering information through the focus groups and interviews with stakeholders.

The evidence assessed indicates that while a number of potential areas of improvements were suggested by Programme participants, such as more 1-1 and in-person sessions, specialist speakers and avoiding scheduling changes to sessions, it is not clear if they would enhance VFM given that some at least would have associated costs as well as benefits.

The delivery partners stated that they do not feel the resources for the Programme could have been better used, and that efforts to create efficiencies, negotiate discounts and maximise value are made in order to support the VFM of the Programme. Plexal stated that it feels the Programme delivers more now than it used to (although it is noted that Programme costs have also increased in some years to reflect this), and in such a way that others would not be able to achieve. These views, however, need to be interpreted cautiously given the role of delivery partners in the Programme.

The intention was to also compare the VFM of the Programme to that of comparator programmes to understand the relative value and if there was evidence relating to any differences in delivery of the Programmes that could explain this. However, DSIT was unable to provide VFM evaluations for relevant comparator business support schemes in the cyber sector to enable this. For a more detailed assessment of how the VFM of the Programme could be improved a review of the procurement process used to tender for the delivery of the Programme and the approach by DSIT to overseeing the delivery of the Programme also could be undertaken, which was out of scope for this study.

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[10] The economic benefits have been valued for a period covering 10 years from the start of participation in the Programme, with these benefits starting to be realised from Year 3 (i.e. 2 years after completion of the Programme). The analysis assumes that there is a one-off increase in revenue/ employment as a result of participating in the Programme and that these businesses do not continue to grow at a higher growth rate than the rest of the sector.

2 Introduction

DSIT has commissioned KPMG to carry out an independent evaluation of the Cyber Runway Programme (the "Programme"). This section provides the context for the evaluation, describes the Programme, sets out the scope of the evaluation and explains the approach taken.

2.1 Context for the evaluation

2.1.1 The cyber security industry

The UK cyber security industry is an innovative, growing industry, underpinned by world leading scientific research and development. The Cyber Security Sectoral Analysis 2025[11] shows that the UK's cyber security sector:

— generated revenue of £13.2 billion in the financial year 2023/24, an increase of around 12% from the previous year;

— employed approximately 67,300 Full Time Equivalents (FTEs), an increase of around 6,600 (11%) within the last year;

— has 2,165 active firms providing cyber security products and services;

— generated around £7.8 billion in Gross Value Added (GVA) with an estimated GVA per employee of £116,200; and

— raised £206 million of investment across 59 deals within cyber security firms in 2024.

A strong cyber security sector is essential for the modern digital economy. As set out in the AI Opportunities Action Plan,[12] government's vision is for the UK to be a leader in AI. It is recognised that cyber security is fundamental to achieving this ambition and is critical to the UK's economic resilience.[13]

The UK is a leading player, being ranked third in the Harvard Belfer Center's Cyber Power Index, but it faces strong competition to stay ahead.[14] While UK companies and academics develop cutting-edge technology, in many cases support is needed to develop their commercial and entrepreneurial skills, and to help secure access to the funding required to thrive and overcome the barriers to commercialisation.

DSIT plays a key role in supporting the sector to overcome these barriers and in delivering the Government's digital and cyber-related commitments. DSIT leads policy aiming to improve cyber resilience, grow the cyber security sector, improve cyber security skills and address the cyber security of new and emerging technologies.[15] Various DSIT policies intend to meet these aims, such as the new Product Security and Telecommunications Infrastructure Act which came into effect in April 2024,[16] and DSIT's work with the UK Cyber Security Council to improve career pathways and professionalisation.

One of the interventions that DSIT is responsible for is the Cyber Runway Programme, which was developed to help cyber firms commercialise and grow. Details of this Programme are set out below.

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[11] Cyber security sectoral analysis 2025 - GOV.UK
[12] AI Opportunities Action Plan - GOV.UK
[13] Cyber security sectoral analysis 2025 - GOV.UK
[14] National Cyber Strategy
[15] Improving UK cyber resilience: AI, software and skills - GOV.UK
[16] The UK Product Security and Telecommunications Infrastructure (Product Security) regime - GOV.UK

2.1.2 The Cyber Runway Programme

The Programme is a bootcamp and accelerator programme for UK cyber businesses, split into four workstreams:

— Launch for start-ups and early-stage entrepreneurs: Launch aims to increase the number and success of early-stage cyber security businesses. It supports new businesses, and aims to help them translate ideas into proposals and potential new businesses. Launch is delivered as a three-day bootcamp with touch-points throughout the year including group workshops and 1:1 coaching.

— Grow for SMEs: Grow supports existing UK cyber security SMEs at the early growth stage of the business lifecycle. It supports businesses with skills, connections and product development with the aim of helping them to grow and attract investment. It is delivered to 20 cohort members over 6 months mainly as a virtual course covering key business areas, such as pitch practice, engineering support and networking opportunities.

— Scale for scale-ups: Scale supports cyber security scale-up businesses, and aims to address barriers to growth nationally and abroad. It is delivered to 20 cohort members over 6 months and provides participants with a range of support including leadership coaching, 1:1 support, and networking opportunities with investors and potential clients.

— Ignite for high-potential founders: Ignite provides extra support to Programme alumni to support their national and international growth. It focuses on the development of 'strong performers'[17] with an emphasis on supporting underrepresented (female and ethnic minority) founders. It is delivered to 6 participants through a tailored package of support.

The Programme is funded by DSIT and is delivered by Plexal, with support from Deloitte and the Centre for Secure Information Technologies (CSIT). It was first run in 2021/22.

The Programme application process includes completion of an application form and subsequently an interview. Applicants are scored on a range of criteria which varies across the workstreams, but broadly includes: the feasibility of the business idea (for Launch); the innovativeness of the idea; the sustainability of the business; the likelihood/ ability of delivery of the idea; the applicant's ability to absorb support and be coachable; and diversity of the leadership team relative to the sector and other applications.[18]

2.1.3 Market failures and the rationale for intervention

The Programme aims to address a number of market failures including: asymmetric information resulting in the sub-optimal demand for business support and barriers to businesses accessing external finance to grow; and sub-optimal levels of innovation due to the spillover benefits realised by other firms.

— Demand for business support: The use of business support (including information, advice and guidance) can improve business skills and in turn business outcomes (including survival and growth). However, despite the benefits just 26% of small and medium enterprises (SME) employers in the UK reported seeking external information or advice in the last year.[19] This may be due to insufficient information about where or how to access such information or advice, or a lack of awareness of the benefits of support.

— Access to external finance: Information failures affect both the demand for, and supply of, external finance. Finance providers do not have perfect information about the likely returns on their investments, and have to rely on collateral and/ or business track record. Therefore, some potentially viable businesses may struggle to obtain external finance. In addition, businesses may not fully understand the benefits of obtaining finance, and therefore not try to obtain external finance, thereby hindering business investment and growth.

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[17] There does not appear to be a clear definition set out in the guidance of what constituted 'strong performers'. DSIT said it refers to companies which have achieved significant investment or generated significant revenue.
[18] For the 2022/23 cohort, the Guide for Applicants can be found here – this is the latest Guide available online; criteria may be different in the 2024/25 cohort to which this evaluation relates.
[19] Department for Business &Trade. 2024. Longitudinal Small Business Survey: SME Employers (businesses with 1 to 249 employees) – UK, 2023

— Innovation: Businesses that innovate may not gain all the benefits from their innovation as some benefits accrue to other firms through diffusion. The level of innovation is therefore likely to be less than socially optimal because businesses do not take into account these spillover benefits realised by other businesses when determining their innovation activities.

The "Programme aims to address these market failures by supporting cyber businesses at each stage of their development, providing access to investors, and upskilling participants.

2.2   About the evaluation

As detailed in the HM Treasury Magenta Book,[20] evaluation of public sector interventions serves two main purposes: learning and accountability. Evaluation provides evidence of what is working well, less well, and for whom which can be used to improve policy, as well as help manage risk and uncertainty. It is also vital for accountability and transparency as it provides evidence in relation to the efficiency and effectiveness of interventions, linked to Government's responsibility to maximise public value and the outcomes delivered for taxpayers' money.

With these objectives in mind, DSIT commissioned an independent evaluation of the Cyber Runway Programme. The purpose of this evaluation is to provide the evidence base to inform DSIT's case-making for future Programme funding, inform continuous improvement of Programme delivery and enable DSIT to understand and report on Programme impact, delivery effectiveness/ efficiency and value for money (VFM).

This research includes the three main types of evaluation activity:

— A process evaluation: to provide insights on the effectiveness and efficiency of Programme delivery and where improvements can be made.
— An impact evaluation: to understand the benefits to Programme participants, and the wider socio-economic benefits, and the extent to which these can be attributed to the Programme, as well as whether the Programme ultimately met its objectives.
— A VFM evaluation: to assess whether the benefits from the Programme outweigh the costs.

The Programme has been running since 2021/22. An evaluation of the initial year of delivery was previously conducted.[21] Therefore, as agreed with DSIT, the scope of this study is to undertake a process evaluation of the current year (2024/25) of the Programme, and an impact and VFM evaluation of the Programme over the full Programme duration (i.e. 2021/22 to 2024/25).

The evaluation seeks to answer each of the headline evaluation research questions and sub research questions set out in the Table 1 below. These research questions were agreed with DSIT at the outset of the study.

Table 1: Evaluation research questions

Type of evaluation	Headline evaluation research questions	Agreed sub evaluation research questions
Process evaluation	How effective and efficient was delivery of the Programme?	1. What worked well, or less well, for whom and why? 2. What can be learned from the delivery methods used? 3. How might the existing Programme be improved to become more effective?

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[20] HM Treasury. 2020. Magenta Book Central Government guidance on evaluation
[21] https://www.gov.uk/government/publications/evaluation-of-the-cyber-runway-programme/evaluation-of-the-cyber-runway-programmeDSIT. 2023. Evaluation of the Cyber Runway programme

Impact evaluation	Has the Programme achieved its expected impacts and to what extent can these be attributed to the Programme (as opposed to other factors)?	1. To what extent has the Programme been effective at supporting the growth of participating companies and the wider cyber ecosystem? 2. Has the Programme delivered against its Key Performance Indicators (KPIs) both for FY 24/25 and longitudinally across the years of delivery?
VFM evaluation	Has the Programme used public resources efficiently?	1. To what extent has the Programme used public resources in a way that maximises public value? Is this Programme the best use of public funds? 2. How could the VFM be improved?

2.3   Report structure

The remainder of the report is structured as follows:

— Section 3 sets out the approach taken to the design and implementation of the evaluation for the different types of evaluation (process, impact and value for money).

— Section 4 sets out the theory of change for the Programme explaining the pathways through which expected impacts may arise. This section includes a logic model which shows visually the causal mechanisms to the impacts and the assumptions upon which it is based.

— Section 5 sets out the findings from the process evaluation including the methodology and key findings.

— Section 6 sets out the impact evaluation including the methodology and key findings.

— Section 7 sets out the VFM evaluation including the methodology and key findings.

— Appendix 1 is a technical appendix detailing the methodological approach to the evaluation.

3 Overview of the evaluation approach

3.1 Introduction to the evaluation approach

The evaluation was designed in line with best practice guidance including the HMT Magenta[22] and Green[23] Books. A range of approaches were used to gather the evidence and conduct the evaluation to answer the research questions. This included developing a theory of change, undertaking primary research, collating secondary data, and quantitative and qualitative analysis including contribution analysis and cost-benefit analysis.

3.2 Evaluation scoping

As described in Section 2.2, the research questions that the evaluation seeks to answer were agreed with DSIT at the outset of the study.

In line with the Magenta Book guidance, at the evaluation scoping stage a theory of change was also developed in order to understand the intervention – i.e. the Cyber Runway Programme. The theory of change identifies how the Programme is expected to achieve its objectives and the associated outcomes and impacts. The theory of change was developed based on a review of background documents about the Programme as well as input from DSIT. Section 4 presents the theory of change and describes the pathways through which expected impacts arise.

3.3 Evaluation methods

3.3.1 Data collection methods

In order to gather the evidence required to answer the evaluation research questions, both primary research was conducted and secondary data was collated. The primary research involved quantitative surveys conducted using the survey software Qualtrics[24] and qualitative focus groups and interviews with the following categories of stakeholders:

— **Programme participants**: individuals who took part in Cyber Runway in 2024/2025 and potentially in other cohort years, but whose responses for the purpose of the process evaluation pertain specifically to the 2024/2025 cohort;

— **Unsuccessful applicants**: individuals who applied to the Programme in 2024/2025 and potentially in previous years, but who have yet to ever be successful in gaining a place on the Programme;

— **Coaches and mentors**: individuals who supported delivery of the Programme in a coaching and/ or mentoring capacity, including through supporting and delivering; workshops, 1:1 sessions and other forums were delivered by coaches and mentors. These individuals respectively bring industry specific, business and/ or personal knowledge to the Programme with a view to supporting participants in achieving their goals and motivations for participating in Cyber Runway; and

— **Delivery partners**: the organisations and individuals who organise Cyber Runway, including: the application and assessment process, design and development of the Programme contents and subsequent delivery of the Programme.

The fieldwork took place between 31st January 2025 and 21st February 2025.

Table 2 below sets out the data collection methods for each of the four stakeholder groups and the sample size for each.

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[22] HM Treasury. 2020. Magenta Book Central Government guidance on evaluation
[23] HM Treasury. 2022. The Green Book. Central Government Guidance on Appraisal and Evaluation
[24] Qualtrics. 2025. Qualtrics

Table 2: Primary research data collection methods

	Programme participants	Unsuccessful Programme applicants	Coaches and mentors	Delivery partners (Plexal, CSIT and Deloitte)
Data collection method	Quantitative survey: 87 responses (varies by question as reported in the analysis) 2x focus groups: 11 participants in total 4x 1-to-1 interviews with participants from each workstream	Quantitative survey: 13 responses (varies by question as reported in the analysis) 1x focus group: 2 participants and 1x 1-to-1 interview	Quantitative survey: 30 responses (varies by question as reported in the analysis) 1x focus group: 3 participants	1-to-1 interviews with each delivery partner

Note: the survey was distributed to the following numbers of individuals: Programme participants: 285 from previous years; and 92 from current year. Unsuccessful applicants: 120 from previous years; and 119 from current year.[25] Coaches and mentors: 86 from all years.

Bespoke research instruments including surveys and topic/ interview guides were designed in collaboration with DSIT in line with best practice, such as using clear and neutral language to avoid response bias.[26] The surveys were designed to gather the information required for analysis to answer the research questions. The surveys were built in Qualtrics and distributed via Plexal. The secondary data collated from DSIT and Plexal for analysis included monitoring data and finance information.

The approach taken for each of the evaluation types (process, impact and value for money) are described below.

3.3.2 Process evaluation

To gain in-depth understanding of the Programme delivery and answer the process evaluation research questions, analysis of the data and information collected in the surveys, focus groups and interviews was undertaken, as well as analysis of the secondary data. This involved:

— Survey analysis: The analysis of the survey results involved reviewing and cleaning the data and deriving descriptive statistics to identify patterns and draw conclusions.

— Qualitative data analysis: A systematic manual approach was adopted to analyse the qualitative data gathered in focus groups and interviews. Key themes were identified and a matrix developed with columns for each topic area and rows for each focus group participant/ interviewee (anonymised). This was then populated such that patterns within the data could be identified including areas of agreement and disagreement, within and across the stakeholder groups.

— Secondary data analysis: This included reviewing and drawing conclusions from the feedback surveys completed after Programme events.

Findings from the analysis of the primary and secondary data were then triangulated to answer the process evaluation questions. Section 4 sets out the methodology adopted for the process evaluation in more detail, as well as the key findings.

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[25] It should be noted that Plexal distributed the survey to all individuals who had been unsuccessful in at least one year in their application to the Programme, but may have been successful in other years. This data was then cleaned to reflect only individuals who had never been successful in their application to the Programme.
[26] Government Analysis Function. 2025. Questionnaire design guidance

3.3.3 Impact evaluation

To assess the effectiveness of the Programme in supporting participants to grow their business, and the Programme's delivery against KPIs, analysis of the monitoring data and primary data collected was undertaken. To understand the extent to which impacts would have been realised without the Programme the following approaches were used:

— Firstly, undertaking a comparison of the outcomes and impacts of the Programme participants to the unsuccessful Programme applicants (the counterfactual group).

— Secondly, analysing the self-reported impacts of the Programme on business outcomes.

— Thirdly, using contribution analysis which is a process for examining if an intervention has contributed to an observed outcomes by exploring the evidence for the theory of change. This is done by examining the consistency of the evidence in supporting the impact pathways and the congruence of the evidence with the theory of change.

Section 5 sets out in further detail the methodology adopted for the impact evaluation together with key findings.

3.3.4 Value for money evaluation

To assess the VFM of the Cyber Runway Programme a comparison of the estimated costs and benefits was conducted in line with HMT Green Book Guidance. The cost information was collated from the secondary data as well as additional costs (such as the time of participants) derived from primary data collected. Various methodologies were developed to monetise, where possible, the benefits identified in the impact evaluation (see Section 7 for further detail). Given benefits are likely to accrue over time (and so may not be visible in the timespan of the evaluation), the potential future benefits were assessed based on the latest data, discounted in line with Green Book guidance.

In addition to a cost benefit analysis (CBA), the intention was to assess whether the Cyber Runway Programme is the best use of public money by comparing the VFM of Cyber Runway to that of comparator programmes. However, DSIT were unable to provide VFM evaluations for relevant comparator business support schemes in the cyber sector. Therefore, it has not been possible to undertake this comparison.

Section 7 describes the methodology used for the VFM evaluation in more detail and presents the key findings.

3.4 Limitations of the study

There are a number of important limitations that should be considered when reviewing the study findings. These are as follows:

— **Representativeness of sample**: The views provided by the individuals who took part in the primary research (including the quantitative surveys, and focus groups and interviews) may not be representative of the wider populations of Programme participants, unsuccessful applicants or coaches and mentors. This may be due to:

- Self-selection bias: While the surveys were distributed by Plexal to the whole populations of Programme participants, unsuccessful applicants and coaches and mentors, completion of the survey was not mandatory. Similarly, while the whole populations were invited to take part in the focus groups and interviews, participation was not mandatory. Therefore, as individuals voluntarily chose whether to participate, it is possible that the views expressed by the sample who participated differ to the views of the wider populations they represent. This can particularly occur when individuals choose to participate in research because they have particularly positive or negative views they want to share.

- Sample size: The limited number of individuals who responded from some stakeholder groups means that the views shared may not be representative of the wider populations. This is particularly true for the sample of unsuccessful applicants (see Table 2 for the achieved number of responses).

To reduce the likelihood of the above sampling limitations occurring, a number of measures were taken:

- The surveys and invitations to focus groups and interviews were sent by Plexal to the whole population of stakeholders;

- Multiple reminders were sent to individuals to prompt participation in the research and with the aim of boosting the number of responses received;

- The surveys were issued at a point that was sufficiently distant from other planned surveys (e.g. the annual End of Programme survey) to reduce survey fatigue among stakeholders.

- Where available, other information sources were used to avoid overreliance on the participant and unsuccessful applicants surveys, and to triangulate findings.

— **Survey design**: The surveys were designed in line with best practice including Government Social Research Professional Guidance[27] and Government Analysis Function guidance,[28] and were agreed with social researchers in DSIT to make the surveys user-friendly and straightforward to complete. The surveys included multiple choice questions and were kept short in length to maximise the response rate. Care was taken to avoid asking for information that was not necessary to answer the research questions.

— **Attribution of impacts:** The impact evaluation seeks to assess the extent to which observed impacts can be attributed to the Programme. Various methods are used to do this but each have limitations:

- Self-reported attribution: The participant survey asked Programme participants how their revenue and employment had changed since participation in the Programme and the extent to which this was due to the Programme. However, some respondents may have had difficulty recalling the information requested, therefore introducing error, or in cognitively assessing the extent of attribution to the Programme.

- Comparing Programme participants to unsuccessful applicants: Comparisons were made between these two groups to understand the impact of the Programme. However, if these groups systematically differ then the unsuccessful applicants may not be a strong counterfactual for the analysis. For example, applicants to the Programme are scored on a range of criteria including their ability to absorb support and be coachable, the sustainability of their business and their likelihood/ ability to deliver/ scale their idea/ solution.[29] Therefore, it may be that Programme participants are systematically more likely than unsuccessful applicants to have better business outcomes in terms of revenue and employment.

Efforts were taken during the data cleaning process, to improve the quality of the sample where possible. For example, where responses were inconsistent, such as when respondents provided an estimated percentage of revenue attributable to the Programme but did provided an estimate of the change in revenue.

— **Reliance on secondary data**: The secondary data shared by DSIT and Plexal, (e.g. KPI and logframe data) were assumed to be correct and suitable for inclusion in the analysis. It was not independently quality assured as part of this study.

— **Assumptions**: It was necessary to make a number of assumptions in order to carry out the analysis. These assumptions were agreed with DSIT and are clearly specified in-situ throughout the analysis accompanied by supporting justification. However, the analysis and findings are sensitive to the assumptions made and therefore ranges are presented for a number of the results.

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[27] Government Social Research. 2021. GSR Professional Guidance Ethical Assurance for Social and Behavioural Research in Government

[28] Government Analysis Function. 2025. Questionnaire design guidance

[29] For the 2022/23 cohort, the Guide for Applicants can be found here – this is the latest Guide available online; criteria may be different in the 2024/25 cohort to which this evaluation relates.

4 Theory of Change

4.1 Introduction to the Theory of Change

The first step taken to conduct the evaluation was to develop a detailed understanding of the intervention – in this case the Cyber Runway Programme – and how it is expected to deliver its objectives. This was then set out in a theory of change.

The theory of change, as illustrated visually in a logic model, demonstrates how the Cyber Runway Programme is expected to deliver its objectives through its inputs and activities, and the outputs, outcomes and impacts associated with this.

The theory of change for the Cyber Runway Programme was developed through a detailed review of the background Programme documentation and in consultation with policy officials and analysts at DSIT. It aims to build on the theory of change previously developed for the evaluation of the Programme in its initial year, including by incorporating assumptions upon which the theory of change relies and including the Ignite workstream. It was designed to broadly capture the activities of the Cyber Runway Programme and the workstreams; it does not capture bespoke/ tailored activities that may be provided by some coaches or mentors to some Programme participants.

The theory of change forms a key building block for the evaluation that was used to identify the information that needed to be collected for the evaluation and is also used as part of the contribution analysis within the impact evaluation to support the attribution of impacts to the Cyber Runway Programme.

4.2 Theory of Change for Cyber Runway

The theory of change shows the different ways in which the Cyber Runway Programme is expected to generate impacts through the activities delivered. The theory of change, illustrated through a logic model, is set out below.

Figure 1: Cyber Runway theory of change: split over the following two pages

Workstream	Inputs	Activities	Outputs
Cyber Runway workstream	Resources committed	Delivery actions	Short-term results

Workstream (Cyber Runway workstream):

Launch: support to establish new cyber businesses

Grow: support for small businesses, to help grow and achieve commercial success

Scale: support to help established businesses grow rapidly, in the UK and internationally

Ignite: support for established cyber security industry experts who want to become role models for the sector, work on being more impactful leaders or get access to a unique community of peers who have similar hopes, fears and experiences

Cyber Runway Ignite criteria: open to anyone in the leadership team of UK-registered cyber security startups who want to develop as a leader. Requirement to have launched a product and be revenue-generating

Regional events: Focus on bringing together local cyber ecosystem and programme participants. This includes 4 events per year

Inputs (Resources committed):
- Funding from DSIT
- Strategic input from DSIT, e.g., programme direction
- Planning and delivery by Plexal, Deloitte and the CSIT
- Promotion/ advertising by DSIT, Plexal, Deloitte and the CSIT
- Time and resource input from cyber security experts
- Time and resource input from coaches and mentors

Activities (Delivery actions):

Launch activities:
- 3-day in-person bootcamp
- Group workshops
- 1:1 sessions
covering a variety of subject areas including developing value proposition, developing sales strategy, and support in identifying funding routes

Grow activities:
- Pitch sessions
- In-person events
- Expert lead workshops
- Mentoring and 1:1 advice
- Engineering support to support product development
- Provision of resource library

Scale activities:
- Leadership coaching
- 1:1 support
- In-person events
- International event, e.g. Slush24
- Business support covering strategy, funding and investment, mental health and wellbeing, inclusion and diversity, international expansion, recruitment, marketing and sales support

Ignite activities:
- In-person events and networking opportunities with peers and investors
- 2 day corporate retreat and VIP networking dinner
- Virtual workshops, mentoring, and networking
- 1:1 leadership coaching
- international trip
- Other business support

Provision of graduation event

Regional events:
- Networking opportunities
- Themed talks and workshops

Outputs (Short-term results):
- Individuals/ businesses attend workshops/ 1:1 sessions/ bootcamps/ in-person events
- Introductions/ contacts made
- Individuals/ businesses participate in graduation event
- Provision of industry expertise and feedback to participants from coaches, mentors and industry experts
- Individuals/ businesses access resources and support

Assumptions:
- Programme designed to be applicable to real world business situations
- Diverse applicants (by gender, ethnicity and geography)

Assumptions:
- People attend and actively engage with the sessions
- People take advantage of the networking opportunities, e.g., introducing themselves to others
- Diverse participant take-up (by gender, ethnicity and geography)

Outcomes

Impacts

Medium-term results | Intermediate impacts | Long-term impacts

Increased/ improved connections/ networks with industry experts, peers and international partners (for Scale and Ignite)

Improved understanding among participants of:

- Cyber security landscape, industry challenges and the market
- Sales strategy
- Marketing
- Investment opportunities
- Business growth planning including international expansion (for Scale businesses)
- Recruitment
- Personal and employee wellbeing
- Leadership approaches

Improved skills among participants including:

- Leadership skills
- Pitching and securing funding
- HR functionality

Increased business confidence, aspiration and resilience of participants

Increased number of viable start ups (for Launch participants)

Increased funding and financing

Increased rate of commercialisation and or development of new and improved products/ services

Improved sales strategy

Enhanced innovation rates

First time access and increased access to international markets

Improved company culture

Improved business resilience and survival

Business growth

Increased business investment

Increased sales

Increased revenue and profit

Increased GVA

Increased productivity

Increased number of employees

Increased exports (for Scale and Ignite businesses)

More diverse workforce (by gender, ethnicity and geography) and sector (by geography) in support of the National Cyber Security Strategy

Growing and more resilient cyber sector

Improved employee retention

Assumptions:

- Programme activities meet participant needs
- Effective delivery to upskill and share knowledge with participants
- Connections/ networks made by participants

Assumptions:

- Application and implementation of improved understanding and skills to the business
- Connections/ networks utilised by participants

Key:

- All arrows show the pathways to impacts and different colours/ hues are used aid readability

Each element of the theory of change is described below.

— **Inputs**: These are the resources committed to the delivery of the Cyber Runway Programme. The inputs to the delivery of the Cyber Runway Programme include the funding from DSIT, as well as the time provided by delivery partners and those involved in the running of the various activities delivered as part of the Programme e.g. workshops, events, etc.

— **Activities**: These are the actions taken and support provided through the Programme. The activities are grouped by workstream given the different offerings provided under the different workstreams. For example, the bootcamp is specific to the Launch workstream. The activities also include the delivery of the graduation event and regional events which are relevant to all workstreams.

— **Outputs**: The outputs arise as a result of the various activities delivered as part of the Cyber Runway Programme. In relation to participants, the key outputs expected are that Programme participants attend the activities, access the resources and support available, and meet peers and industry experts. In relation to those involved in the delivery of the Programme, such as the coaches and mentors, it is expected that they provide coaching and mentoring to the participants, industry expertise and feedback to participants.

— **Outcomes**: These are the expected short and medium effects of the Programme. The outputs of the Cyber Runway Programme are expected to have direct results for the participants of the Programme including improved knowledge and understanding of the cyber security industry and across various business areas covered by the Programme (e.g. marketing and recruitment), as well as improved skills (e.g. leadership). Other intended outcomes of the Programme for participants include increased business confidence, and new and better networks.

— **Impacts**: These are the expected long-term effects that arise as a result of the Cyber Runway Programme. The impacts are grouped into intermediate and long-term impacts to reflect the time period over which the impacts are expected to materialise.

— The intermediate impacts capture the intended business improvements that would result from the improved understanding and skills of participants in the Cyber Runway Programme, such as participants/ their businesses implementing improved business strategies, obtaining increased funding, and undertaking more innovation.

— The long-term impacts capture the results that would be associated with these business improvements, such as improved business resilience, increased investment, increased sales and revenue, and increased productivity. The intended impacts of the Programme on the sector are also captured within the long-term impacts, such as increased diversity of the cyber workforce and the sector. The theory of change also includes some impacts that are specific to certain workstreams. For example, the increase in viable start-up businesses is specific to the Launch workstream which aims to increase the number and success of early-stage cyber security businesses, and the increase in exports specific to the Ignite workstream which aim to support international growth.

— Assumptions: These are the assumptions upon which the theory of change depends, and are detailed at each causal step in the logic model.

The theory of change for the key categories of impacts that are applicable to all workstreams are described below.

Business investment: The opportunities to network with investors, the support provided to participants with pitching, and the sessions delivered about funding and investment, is expected to improve participant's ability to obtain finance, as well as improve their knowledge about different sources of finance. This, in turn, is expected to lead to participants obtaining new/ additional finance either through investors met as part of the Cyber Runway Programme or them being more likely to obtain finance from other sources compared to if they hadn't participated in the Programme. Obtaining finance is expected to result in increased business investment, which in turn is expected to lead to business growth.

Business growth (in terms of business survival, and increases in sales, revenue, employees and productivity): The variety of ways business support is provided during the Cyber Runway Programme, including through workshops, events and coaching, and the range of subject areas covered, including strategy, funding, recruitment, etc. is expected to lead to increased knowledge and skills among participants, as well as increased business confidence and aspiration. Research has found that business leaders' ambitions are strongly linked to realised business growth.[30] If participants apply the knowledge and skills they gain through the Programme to their business, this is expected to lead to improved business outcomes and business growth. These business outcomes and growth would not necessarily be achieved without participating in the Cyber Runway Programme. This theory is supported by evidence, such as research by Henley (2024) which finds that obtaining business advice raises business productivity by 10%.[31]

Workforce and sector diversity: A KPI is set for the Programme in relation to the proportion of participants from outside the South East of England, and aspirational KPIs are set in relation to the proportion of participants that are female and from ethnic minority background. To help achieve this, diversity is a criteria upon which applicants to Cyber Runway are scored. This includes the diversity of applicants relative to the sector, as well as the diversity among the applicants received. The expected result of this is that the business make-up of the cyber sector is more diverse than would be the case if such KPIs had not been set. However, given the small number of participants in the Programme relative to the size of the overall sector, the impacts are likely to be limited.

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[30] Enterprise Research Centre. 2013. Growth and growth intentions
[31] Enterprise Research Centre. 2013. What Kind of Business Advice Improves Small Business Productivity?

5 Process Evaluation of delivery of Cyber Runway in 2024/25

5.1 Overview of methodology

5.1.1 Research questions

The process evaluation focusses on assessing the effectiveness of the delivery of the Programme in 2024/25. A previous process evaluation was published in 2023 covering the Programme in its initial year of 2021/22.[32] As set out in Section 2.2, the process evaluation focuses on assessing the effectiveness and efficiency of the delivery of the Programme. The process evaluation seeks to answer the following three RQs:

— RQ1: What worked well, or less well, for whom and why?

— RQ2: What can be learned from the delivery methods used?

— RQ3: How might the existing Programme be improved to become more effective?

5.1.2 Approach to the analysis

The findings are based on analysis of the information and data gathered through the primary research with the four stakeholder groups (see Section 3.3.1 for details), and analysis of secondary data, specifically the feedback surveys following Programme events.

The analysis includes:

— **Quantitative analysis** of the participant, unsuccessful applicant and coaches and mentors surveys. This involved downloading the survey data from Qualtrics and cleaning it in terms of deduplicating responses using IP addresses and cross-checking of the unsuccessful applicant survey with data from Plexal to make sure only unsuccessful applicants (i.e. those who have never participated in the Cyber Runway Programme were included in the sample). From this, descriptive statistics were derived to identify patterns and draw conclusions. The analysis also involved assessment of the secondary data which included feedback from Programme participants about specific events/ sessions, e.g. following Slush 2024.[33]

— **Qualitative analysis** of the evidence and insights gathered in focus groups and interviews. A systematic manual approach was adopted to analyse the evidence, involving identifying the key themes from this primary research and developing a matrix with rows for each topic area and columns for each focus group participant/ interviewee (anonymised). This was then populated such that patterns within the evidence could be identified, including areas of agreement and disagreement within and across the stakeholder groups.

Findings from the analysis of the primary and secondary data were triangulated to answer the process evaluation questions.

It should be noted that references in the process evaluation findings to 'Programme participants', 'unsuccessful applicants', and 'coaches and mentors' relate only to individuals in each of these groups who participated in the research, rather than to the whole population in each case. As detailed in Section 2.4, the views of these individuals may not be representative of those of all individuals involved in the Cyber Runway Programme in 2024/25.

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[32] DSIT. 2023. Evaluation of the Cyber Runway programme
[33] Slush.

5.2 Detailed process evaluation findings

5.2.1 Findings: RQ1 – What worked well, or less well, for whom and why

5.2.1.1 Application and assessment process

This section analyses the information and data gathered from the focus groups, interviews and participant, unsuccessful applicant and coaches and mentors surveys in relation to what worked well and less well regarding the 2024/25 Programme application and assessment process.

Application form and process

In general, both the Programme participants and unsuccessful applicants thought that the application form was straightforward to complete. 97% of Programme participant survey respondents stated that they agreed or strongly agreed that it was easy/ straightforward to complete, and 63% of unsuccessful applicant survey respondents answered in the same way. Small numbers of survey respondents (among both Programme participants and unsuccessful applicant groups) shared that more guidance on how to complete the application form might have made it easier, but the majority of respondents in both groups shared that they felt they had all the support and information needed, and did not experience difficulties during the application process.

During the focus groups, Programme participants noted that, while the application form was quite lengthy (which was also cited among Programme participant survey respondents) there was nothing surprising about what was requested and completing it was not onerous. It was also stated that the process was not dissimilar to that of other business support scheme application processes and, as such, individuals who had applied to other schemes shared that they felt that they knew what to expect from it and were prepared for the sorts of questions they would need to answer.

Further to this, two specific elements were referenced by some research participants as areas that they felt were good about the application process; these were:

— the ability to fully articulate the business idea: by virtue of the form being straightforward and well structured; and

— the chance to interview: which was noted as something that not all business support schemes allow for. This provided participants with an opportunity to clarify the answers they had given on the application form.

Both the Programme participants and unsuccessful applicants generally reported that they had sufficient information to decide whether or not to apply. However, a key finding is that there is a lack of clarity on which workstream prospective applicants should apply to. Several Programme participants and unsuccessful applicants (who were part of different focus groups) stated that they did not know which stream would be most suitable for them. A number of participants stated that even at this stage – as current Programme participants – they were uncertain of this. This was echoed in findings from the survey in the free text responses, in which one Programme participant stated that they applied for Launch, but was told that Grow would be better suited to their business stage, despite the business being in early development and pre-customer.

Unsuccessful applicants also provided views on wider areas of improvement to the application process through their survey responses. The survey results are shown in Figure 2, below.

Figure 2: Suggested improvements to the Cyber Runway application process – based on unsuccessful applicant survey responses
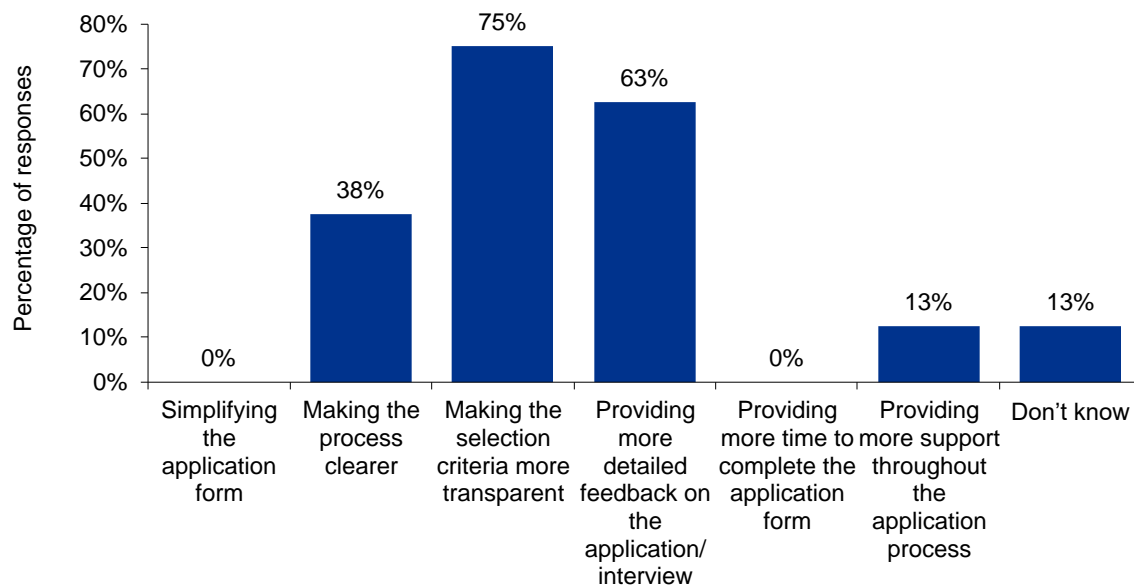
Source: KPMG unsuccessful applicants survey; KPMG analysis
Respondents were able to pick multiple options from a given list
Number of respondents (n) = 8

The two most frequently reported areas for improvement related to the transparency of the application criteria and the provision of feedback. 75% of unsuccessful applicant survey respondents shared that they felt the selection criteria could be made more transparent and 63% felt that more detailed feedback could be provided. Both of these areas are discussed in more detail below.

Selection criteria

In terms of the selection criteria for the Programme and its workstreams, a 'Guide for Applicants' is made available online[34] which sets out the areas against which applicants will be scored for each workstream.[35] Plexal said that it considers that the criteria for being accepted are clear and that these criteria are shared in advance.

However, some Programme participants and unsuccessful applicants disagreed and shared that they felt the selection criteria were unclear. As shown in Figure 2 above, 75% of unsuccessful applicant survey respondents reported transparency of the selection criteria as an area for improvement for the application process. This was echoed among Programme participants during a focus group, in which one Programme participant stated that they felt they were lucky to have been accepted onto the workstream for which they applied and suggested that if they had been more aware of the criteria they could have completed the application differently.

The survey evidence also shows that there was some lack of understanding among respondents about how they would be selected to participate in the Programme. Programme participants were asked to what extent they agree that it would have been helpful to have had more information about the selection process when deciding whether to apply. 55% of participants tend to or strongly disagree with this[36] (suggesting that the majority felt they had sufficient information). However, 71% of unsuccessful applicants felt that having more information about the selection process would have

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[34] For the 2022/23 cohort, the Guide for Applicants can be found here – this is the latest Guide available online; criteria may be different in the 2024/25 cohort to which this evaluation relates.
[35] Criteria for Launch include: feasibility; skills and experience; Programme fit and diversity. For Grow and for Scale: innovation; sustainability; capacity; Programme fit; and diversity.
[36] 20% agree and the balance neither agree nor disagree.

been helpful.[37] Additionally, when asked to what extent they felt it would have been helpful to have had more information about the eligibility criteria, 57% of unsuccessful applicant survey respondents and 24% of Programme participants reported that they tend to or strongly agree that more information would have been helpful. This compares to just over 14% and 55% of unsuccessful applicant and Programme participant survey respondents respectively who shared that they tend to or strongly disagree – suggesting that they did not require additional information.

Therefore, while Plexal feel the selection criteria are clear and shared with applicants, this was not the view of some unsuccessful applicants and Programme participants who suggested that the selection criteria should be made clearer.

Feedback

In terms of feedback on applications, Programme participants shared in the focus groups that they did not receive feedback on their application and only received a notification that their application had been successful. Plexal explained that for unsuccessful applicants, feedback is not given as standard, but rather is provided on request.

Figure 3 sets out perceptions of the feedback process amongst unsuccessful applicant survey respondents.

Figure 3: Perceptions of feedback – from unsuccessful applicant survey respondents[38]
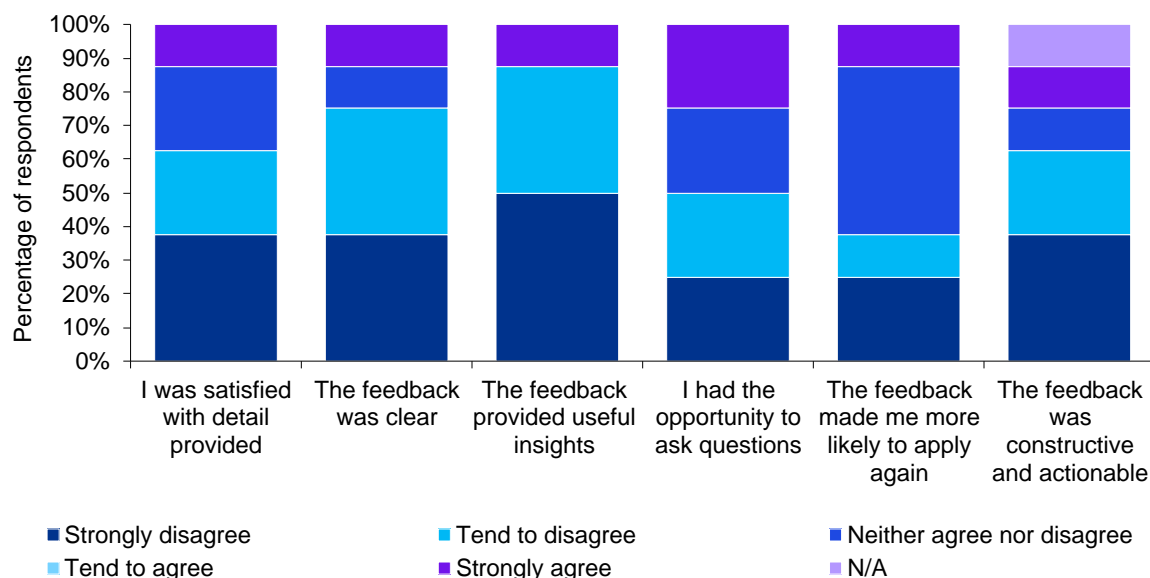
Source: KPMG unsuccessful applicants survey; KPMG analysis
n = 8

Amongst unsuccessful applicant survey respondents, provision of more detailed feedback was one of the most frequently reported way in which the application process could be improved, selected by 63% of survey respondents.

Figure 3 shows that 63% of unsuccessful applicants reported that they were not satisfied with the level of detail provided in the feedback and 75% reported that the feedback was not clear or helpful in terms of explaining why the application was unsuccessful. It also shows that approximately 63% of

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[37] 29% neither agree nor disagree.
[38] Survey responses have been summarised in Figure 3. The full wording is as follows: I was satisfied with the level of detail provided; The feedback I received was clear and helped me understand why my application was unsuccessful; The feedback provided useful insights on how to improve future applications; I had the opportunity to ask questions and seek clarification about my feedback; Receiving the feedback made me more likely to apply again in the future; The feedback I received was constructive and actionable.

unsuccessful applicants did not find the feedback that they received to be constructive or actionable, and 88% reported that the feedback did not provide useful insights on how to improve future applications. The latter observation is noteworthy, given all of the unsuccessful applicants who participated in the interviews and focus groups shared that they would like to apply to the Programme again, but are unsure what they did wrong on previous attempts. They stated, for example, that they were left wondering whether they applied to the wrong workstream (despite discussion with Plexal to help confirm – in one instance); whether the lack of success was owing to their geographic location; or whether they completed the form incorrectly. The unsuccessful applicant who sought feedback reported making several attempts to obtain it, but suspected that they 'fell through the cracks' and did not receive it which they felt was a 'shame'.

The experience of receiving feedback partly contradicts the information shared by the delivery partners who were asked about the process for giving feedback during a focus group. The delivery partners stated that constructive feedback is given to applicants when requested, as is evidenced by it being actioned and some unsuccessful applicants subsequently becoming successful in future applications. It was noted by delivery partners, however, that feedback calls are not given as standard, and that feedback might not be relevant subject to the business stage that applicants are at. It was also suggested by delivery partners that they considered that not providing feedback to everyone can help to identify those applicants who are most keen to engage and improve, because they tend to be the ones who reach out for feedback. The delivery partners noted that this helps to raise the profile of these applicants and they are likely to be remembered if they apply in subsequent years. This is discussed further in Section 5.2.2.1.

Unsuccessful applicants taking part in the focus groups, said that they did not receive feedback, with one applicant stating that it was not clear who should be contacted to ask for feedback. In another case feedback was reportedly requested, and chased for, but never received.

Communication with Plexal

A number of focus group participants shared that they spoke to Plexal prior to, and during, the application process. They stated that speaking to Plexal helped provide clarity on which workstream would be most suitable for them and helped to supplement their knowledge of the Programme and decide which workstream to apply for, enabling them to tailor their application accordingly. For example, one participant shared that they did not know the extent to which their services business (as opposed to products business) would be a good fit for the Programme, but discussions with Plexal helped to clarify the relevance.

One further specific comment that was shared by a Programme participant related to how they might have been deterred from applying had they not had a telephone conversation with Plexal. They stated that the Programme may be perceived to be 'very cyber-focussed', and that applicants whose offering is not necessarily a cyber product or service but rather is underpinned by cyber security in order to operate, might not be aware that the Programme could benefit them. This finding is elaborated on in Section 5.3.3.1 where suggestions for Programme improvement are discussed.

5.2.1.2 Programme delivery

This section analyses the information and data gathered in relation to what worked well and less well regarding the delivery of the 2024/25 Programme. In addition to analysing input from delivery partners and Programme participants, this section also includes insights from the primary research conducted with coaches and mentors who supported the delivery of the Programme, including consideration of: scheduling and communication; organisational set up of sessions; and quality and format of sessions.

Scheduling, registering and communication

In general, Programme participants who participated in the focus groups considered that the scheduling and communication of arrangements for sessions, e.g. time and location, etc. worked reasonably well, noting that several channels were used to keep participants informed, including through WhatsApp group chats, by email, via diary notifications and on participants' individual online portals. However, some Programme participants shared that sessions were sometimes "dropped" at

short notice, which made managing diaries and coordinating schedules quite challenging, especially for startup businesses. This was also noted by a Programme participant survey respondent who referenced "fairly last-minute workshops" as a reason for not being able to attend all Programme sessions, and by another Programme participant survey respondent who stated that longer lead times are needed. Similar scheduling challenges were anecdotally referenced by further Programme participant survey respondents, including with suggestions to provide a schedule of events at the beginning of the Programme to aid with planning.

A similar theme was identified during the coaches and mentors focus group, where it was shared that session dates were often added to the diary at short notice, and on other occasions, they stated that they had to wait for extended periods to have dates confirmed. Plexal said that sometimes sessions are added at short notice where a need is identified within a cohort to try and tailor the support. One coach/ mentor noted that there was some "flakiness" among the Plexal delivery team with regard to session delivery, which may have been as a result of the Programme becoming bigger in more recent years.

In terms of registering for sessions, some Programme participants stated that it was straightforward to register, but others shared that had not been their experience, particularly in relation to 1:1 sessions wherein it was not clear how to book sessions without reaching out to Plexal. Some Programme participants suggested that experiences may have differed by workstream.

Coaches and mentors said that they are keen to do more to support the Programme but that the "siloed" communications of the Programme mean that they don't understand the wider context or scope of the Programme and therefore cannot tailor their material accordingly. Further to this, some of the coaches and mentors felt that communication in general could be improved in two respects:

— **Email communication**: it was shared by one coach/ mentor, and reiterated by another, that emails from them to Plexal are at times not responded to; and

— **Communication from Plexal colleagues**: there was a sense among the coaches and mentors that they were liaising with "junior colleagues" from Plexal, who challenge them on commercial aspects that they do not feel are appropriate to be challenged on, particularly by individuals who they feel may not fully understand business-mentor relationships. This reportedly left some coaches and mentors feeling "undervalued" and "underappreciated". However, Plexal noted that they have not received feedback to this effect and find that speakers return to the Programme. Further to this, albeit not in relation to scheduling specifically, one Programme participant survey respondent shared similar sentiment regarding the utilisation of "junior" Plexal staff who were tasked with facilitating weekly online discussions in randomised groups. The participant reporting this felt that the staff were not knowledgeable, and as such the discussions were often very basic and not a good use of time.

Programme sessions: participant numbers, length and timing

In terms of the sessions themselves, Programme participants shared that they felt the set up worked well, stating that the number of attendees at each session was "about right". An exception to this was the mentor sessions, where Programme participants stated that the sessions were too big and that a queue formed in order to access the mentors. The mentors and coaches also commented on this, sharing that the sessions are given on a 'first come, first serve' basis, and that they have only 12 slots and 25 individuals to see. As such, they tend to 'give away' more than they are contracted/ paid to do.

By contrast, some Programme participants shared that a few of the non-mentor sessions might have benefited from having a small number of additional participants, but that those sessions tended to be the ones that had been rescheduled at the last minute, and so possibly the additional participants were unable to attend because of the short notice (linking back to the point made above regarding scheduling).

During the delivery partner interviews it was acknowledged that some individuals may not be able to attend all sessions due to other commitments, However, the short notice rescheduling of sessions was not given as an explanation that the delivery partners were aware of for why some participants were unable to attend. Delivery partners shared that they felt the reasons pertained to:

— sessions not being relevant to all participants (e.g. if participants had recently raised funding, they may not need to attend pitch sessions);

— the ability to more readily opt out of virtual sessions;

— participants not being aware that they could benefit from the session;

— rooms were full; and/ or

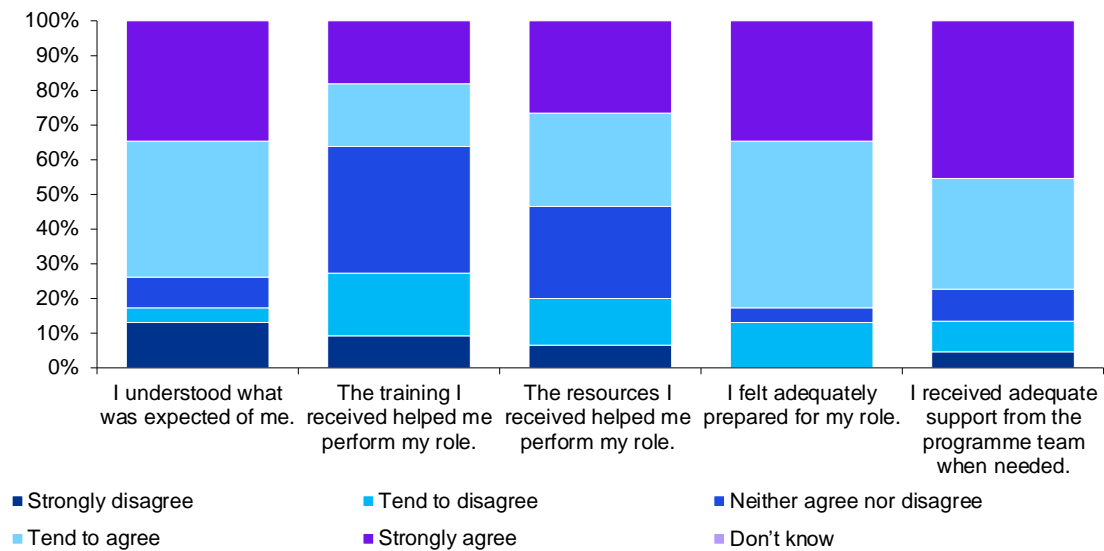— participants having full time jobs and busy schedules outside the Programme.

In terms of length of the sessions, there were some differing views among focus group Programme participants and no clear consensus view. Some Programme participants shared that they thought the length of the sessions worked well and noted that not much more could be readily included. To that point, one Programme participant suggested that the sessions be made slightly shorter, because there is 'a lot to digest' in the 90-minute sessions. Other participants also referenced that the sessions were long, but that they were expecting that to be the case before starting the Programme and were therefore prepared for it. One Programme participant stated that the length of sessions was not problematic for them because they were not working full time while attending the Programme, but if they had been, then the length of sessions might have been an issue.

During the coaches and mentors focus group, reference was made specifically to the 'office hours' sessions, which they said they felt were "crucial" to supporting Programme participants. However, the time allowed for these was reduced in the 2024/25 year from 1 hour to 30 minutes, which they explained was not sufficient, especially for addressing more technical questions.

Generally, Programme participants were satisfied with the time of day during which the sessions were held, acknowledging that timings might not work for everyone whenever they were scheduled. One suggestion made by a Programme participant was to hold the sessions on a Saturday or over a lunch break, while another Programme participant stated that they would have preferred sessions to be held in the morning. This highlights inconsistent preferences among participants. Where sessions could not be attended, Programme participants shared that they were able to catch up with the recordings online which they valued.

Programme sessions: content and quality, networking and format

Content and quality: In order for the Programme to be delivered effectively, coaches and mentors need to receive necessary support. Figure 4 shows the views of coaches and mentors in terms of the support they received while participating in the Programme.

Figure 4: Coaches and mentors perception of support while working as part of Cyber Runway

Legend:
- ■ Strongly disagree
- ■ Tend to disagree
- ■ Neither agree nor disagree
- ■ Tend to agree
- ■ Strongly agree
- ■ Don't know

Source: KPMG coaches and mentors survey; KPMG analysis
n = varied by statement: not all survey respondents selected an answer in relation to each of these statements, and some selected 'N/A'. N/A responses have been removed from the sample in all cases. Sample sizes therefore range between: 11 and 23 for each statement.

It shows that in the majority of cases, coaches and mentors tended to or strongly agreed that they received adequate support from the Programme team (77%) and they felt adequately prepared for their roles (83%). However, 27% reported that they did not feel the training they received was helpful and 20% reported that the resources they received did not help them to perform their role.

Focus group Programme participants generally agreed that the sessions were well-run and that the variety and mix of sessions worked well. This was shared by Programme participant survey respondents, with the majority (82%) stating that they were satisfied with the Programme content and how it was delivered. It was noted by focus group Programme participants that the sessions were well-structured and covered a wide range of topics to suit the different stages and needs of the participating businesses. Approximately 86% of Programme participant survey respondents stated that they would recommend the Programme to others, citing the quality of the content, network-building possibilities, and exposure opportunities as some of the key reasons why. This is supported by findings from the coaches and mentors survey, as shown in Figure 5 below.

Figure 5: Perspectives of coaches and mentors in relation to perceived participant benefits
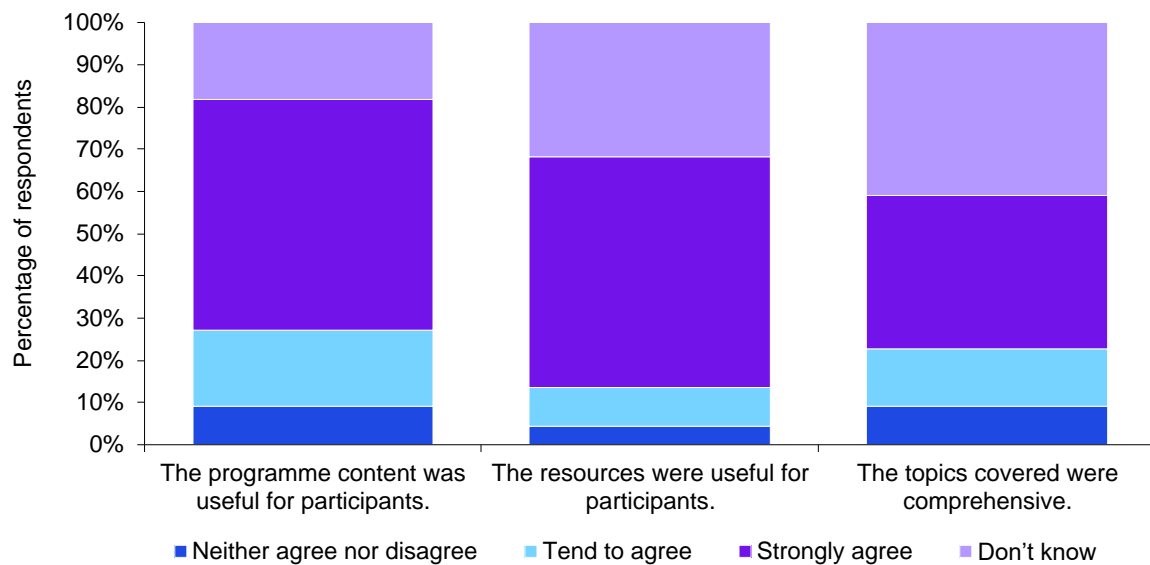
Source: KPMG coaches and mentors survey; KPMG analysis
n = 22

This shows that:

— 73% of coaches and mentors agreed that the Programme content was useful for participants, and 0% disagreed that it was useful.[39]

— 64% agreed that Programme resources were useful for participants, and 0% disagreed; and

— 50% agreed that the topics covered were comprehensive, and 0% disagreed.

However, some focus group Programme participants said that they felt some of the sessions were 'too general', and that – while the existing speakers were good – the Programme might have benefitted from having more specialist speakers or subject matter experts (SMEs) on certain topics. One such topic, mentioned by two participants in different focus groups was investment, in particular increased access and exposure to venture capitalists.

Delivery partners stated that there are opportunities to provide feedback mid-Programme, as well as during/ after events using a QR code to access feedback forms. For example, Programme participants who attended the Launch bootcamp (in the 2024/25 cohort) were asked for their views on the quality of the event, and the majority (more than 80%) stated that it was 'excellent'.

Networking: In terms of networking sessions, the delivery partners stated that they tried to facilitate or 'choreograph' as many opportunities as possible for networking, including in formal and informal settings. They noted that the Programme is substantially about networking and even participants who may not have seen the value in networking (because they did not think their product or business would benefit from it) have changed their minds since participating in Cyber Runway. This is echoed by coaches and mentors survey respondents where 64% tended to or strongly agree that there were sufficient networking opportunities for participants and 0% disagreed.[40]

Focus group Programme participants shared that they felt the opportunities to come together through the Programme were good and that the community it creates is really helpful. It was noted by one participant that industry peers might not have come together in this way in the absence of the Programme or how it is designed. Programme participant survey respondents shared similar views on

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[39] When asked to what extent coaches and mentors agreed that the Programme was useful for participants, 9% neither agreed nor disagreed; 18% tended to agree; 55% strongly agreed; and 18% responded 'Don't know'.
[40] 5% tended to disagree; 27% stated 'Don't know'; and 9% neither agreed, nor disagreed.

the networking aspects of the Programme, with 77% stating that they were satisfied with the quality of support in relation to networking opportunities with peers, however, fewer than half of the survey respondents (46%) said that they were satisfied with the quality of support in relation to networking opportunities with investors. This feedback was echoed elsewhere in the survey, with some Programme participant respondents sharing that they would have appreciated more opportunities to network with "larger companies" to discuss their products, and to increase the focus on "networking with potential customers".

Format: Focus group Programme participants did not explicitly comment on the mix of in-person and virtual sessions, but did share that they particularly enjoyed the 3-day kick-off bootcamp for Launch. One Programme participant stated that it was the most useful element of any support programme that they had participated in. Similar comments were shared through the end of bootcamp feedback gathered by Plexal, in which participants stated that the Programme was "well structured", and that the sessions were informative and insightful. This was echoed by the coaches and mentors who stated that there was a "fantastic energy" at the 3-day bootcamp as well as at the in-person learning sessions. Delivery partners also referenced the 'retreat type events' held at the start of the workstreams as something that worked well in 2024/25.

Delivery partners acknowledged that it would not be realistic to host all sessions in-person, due to the distances that some Programme participants would be travelling to attend. This view was shared among the coaches and mentors, who noted that ideally there would be a mix of in-person and virtual sessions. Delivery partners also shared this view, noting that participants come from various locations and therefore a balance of in-person and virtual events is required and that virtual events might be more inclusive.

The majority (59%) of coaches and mentors survey respondents agreed that the mode of delivery supported effective learning and development for participants, and 86% agreed that they felt participants were generally interested and engaged, in sessions etc...[41] In the coaches and mentors focus group, the coaches and mentors explained that there were some issues with virtual sessions, ranging from connectivity challenges (which was not the experience of delivery partners, who stated that the 'tech worked well' for the virtual sessions) to not feeling confident that all participants were fully engaged. They also stated that in-person sessions can be more suitably tailored to suit the learning and engagement styles of participants in a way that virtual sessions may not allow for, e.g. walking and talking at the same time. Notwithstanding the challenges of bringing participants together in-person, delivery partners shared the view of coaches and mentors: that in-person events are 'always more engaging'. Delivery partners also noted that it can be hard to form a connection with participants on-screen, with cameras off.

Similar sentiment was echoed by Programme participant survey respondents, with approximately 80% indicating that they were satisfied with the in-person events, and multiple survey respondents stating that more face-to-face engagement and events might help to improve the content and delivery of the Programme.

5.2.2 Findings: RQ2 – What can be learned from the delivery methods used

5.2.2.1 Programme delivery

Following on from Section 5.2 which assessed the evidence in relation to what worked well, less well and why regarding Programme delivery, the purpose of this section is to bring together the views shared by research participants to identify what can be learned from the delivery methods used.

The key themes arising from the interviews and focus groups in relation to this are detailed below:

— **The use of different communication channels is beneficial**: Programme participants shared that a number of communication channels were used to keep participants up to date (email, WhatsApp, calendar alerts). Accordingly, Programme participants could be communicated with

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[41] 0% disagreed; 9% stated 'Don't know'; and 5% neither agreed, nor disagreed.

throughout the Programme in a "clear and consistent" manner – according to one Programme participant. Delivery partners shared that some of the channels, e.g. WhatsApp groups remain open after the Programme and are very interactive.

— **The format and delivery of the sessions works well**: Broadly, Programme participants shared that they were happy with the format of the sessions, including in terms of participant numbers, times, length and content. While it was acknowledged that the 2024/25 speakers were good, some Programme participants felt that SMEs or specialists would have made the sessions better. Similarly, coaches and mentors felt that if they had a more detailed understanding of the end-to-end Programme they would have been better placed to deliver more relevant and tailored content. Further to this, both the Programme participants and coaches and mentors, highlighted the value of the mentor sessions, which were often oversubscribed. Therefore, additional mentor sessions might improve Programme delivery and the experience of participants. One suggestion provided by a Programme participant survey respondent was to have one dedicated mentor per start up.

— **In-person events work well and are the preferred delivery approach of Programme participants and coaches/ mentors**: While virtual sessions enabled participation from individuals who could not attend in-person (e.g. due to travel constraints), all research participant groups noted that in-person events are preferable since they allow for more tailored content delivery to suit the specific participants' learning styles. This is consistent with feedback from previous years. It was stated during the delivery partner interviews that the Programme has evolved to include more in-person sessions since its first year when it was run virtually, and this was done based on feedback and evidence on which approaches led to the best outcomes.

— **Short notice scheduling and rescheduling is problematic**: Programme participants and coaches and mentors felt that scheduling and rescheduling of sessions was an issue, both in terms of having to rearrange their diaries to accommodate changes and also because rescheduling may have led to fewer participants being available to attend some sessions which would have benefited from a larger group. Plexal noted that if events were rescheduled at short notice, e.g. owing to external factors such as train cancellations or due to illness, they were held virtually and recordings made available for those unable to attend. However, as discussed above, such sessions may not have been as effective.

— **Provision of feedback**: The delivery partners stated that feedback is intentionally not given to applicants as standard. They stated that it is given on request only as a means of determining which applicants are most proactive. However, according to one unsuccessful applicants who participated in the focus group, feedback was not given even when requested, suggesting that the mechanism of providing feedback may not be as fair or effective as it could be and thus preventing future applicants from becoming successful.

5.2.3 Findings: RQ3 – How might the existing Programme be improved to become more effective

5.2.3.1 Application and assessment process

This section summaries the findings in relation to how the application and assessment process could be improved, based on the views of the 2024/25 cohort research participants.

As set out in Section 4.3.2.1, the main areas that were highlighted by research participants as opportunities to make the existing application process more effective are as follows:

— **Clarity on which workstream to apply for**: While some Programme participants stated they had a clear view of which workstream would be most suitable for them, they reported that this tended to arise following discussion with Plexal prior to, and/ or during, the application process. The majority of Programme participants and unsuccessful applicants in the focus groups shared that they were not clear on which workstream would be the most suitable fit for them and for their business. Interview and focus group participants suggested that in order to make the application and assessment process more effective, illustrative examples of businesses that would be most suitable to apply for each workstream might be helpful, to enable applicants to compare their business to those and better determine which workstream to apply for.

— **Clear channels of communication**: Interview and focus group participants shared that, where they had taken place, discussions with Plexal were helpful, both in determining which workstream

to apply for and in helping them to better understand the Programme more broadly and whether it would be appropriate and of value to them. During the delivery partner interviews, it was shared that "all applicants know they can speak to Plexal" and Plexal stated that team members are introduced at Welcome sessions. However, not all applicants who participated in this research felt that they had a good understanding of who they could reach out to or how. 13% of unsuccessful applicant survey respondents stated that they felt the application process could be improved if more support had been available throughout. If more can be done to clearly specify how, and for what purpose, applicants can contact Plexal, this might address the concerns and lack of clarity about the Programme noted by the research participants. It may also enable prospective applicants to submit higher quality applications to the most appropriate workstream for them and their business.

— **Provision of application feedback**: While it was noted by Plexal that feedback is not provided to all applicants as standard, research participants reported having mixed experiences in terms of receiving feedback when they had requested it and there was also a lack of clarity among some applicants about whether they would, or would not, receive it and/ or how to request it. Given that this lack of feedback could affect the quality of future applications (for this Programme and similar business support Programmes) this issue was highlighted as an area for improvement by successful and unsuccessful applicants taking part in the focus groups and interviews. Providing further clarity on Plexal's feedback process, including how feedback can be requested, would be beneficial to applicants. This might include clearly specifying the contact details of the most suitable person within Plexal to send feedback requests to, and the timeframe during which feedback can be obtained. A further suggestion made by one unsuccessful applicant is to provide examples of successful applications, particularly example responses to free-text response questions. Collectively, these approaches might support future applicants to become successful, rather than repeatedly fail to join the Programme (which had been the experience of one unsuccessful applicant who intends to apply again, but continues to be unaware of what they are doing wrong).

— **Clarity on selection criteria**: As noted further above, the majority of unsuccessful applicant survey respondents stated that making the selection criteria more transparent was the main way in which the application process could be improved. Even among those who participated in the Programme, one survey respondent stated that the application process could be improved through greater clarity on what would constitute a rejection prior to completing the application form (which may be considered a form of selection criteria clarity).

Though not discussed specifically in relation to the application process, but rather in relation to whether or not the Programme was a 'good use of time', it was noted by focus group participants that some of the sessions would be best attended not necessarily by themselves, as the Programme participant, but by other members of their business to whom the sessions were more specifically targeted. As such, one applicant stated that they asked on day 1 of the Programme if there would be a possibility to 'mix and match' who attended the sessions from their business, so that the most relevant people were in the room. This was permitted. Accordingly, this participant noted that it helped to make the Programme as beneficial use of time as possible. However, not all applicants taking part in the focus groups were aware that different people from their business could attend the sessions and, as such, they commented that their business may not have taken as much from the Programme as it could have done. Given this, there might be an opportunity during the application and assessment stage – or prior – to make clear that different employees can attend the different Programme sessions.

5.2.3.2 Programme delivery

This section synthesises the analysis set out in Section 4.3.2.2 and provides an assessment of how the Programme delivery could be made more effective, based on the views shared by research participants from the 2024/25 cohort.

— **Increase the number and/ or proportion of mentor sessions:** Based on the demand for mentor sessions from Programme participants in the 2024/25 cohort and the challenge of accommodating the demand by the coaches and mentors, it may improve Programme effectiveness to increase the number and/ or length of mentor sessions in future Programme

years so that participants have more opportunities to engage with mentors throughout the Programme. Further detail on the extent to which the mentor and coaching sessions had tangible impacts is addressed in the Impact Evaluation set out in Section 5.

— **Include additional sessions or opportunities to engage with SMEs:** Programme participants felt that the 2024/25 cohort speakers were good. However, they felt that there would have been value in including additional or alternative speakers that may be more "relevant", including to cover more specific topic areas, for example, venture capital was cited by multiple participants as a potential area. Delivery partners also noted that elements of the Programme could be made more specific, referencing technology and trends towards use of AI.

— **Increase the number of in-person sessions:** Based on the collective input of the research participants, in-person sessions and events are preferred over virtual events. As such, while a mix may need to be maintained to allow for participation from individuals who are unable to attend in-person, increasing the number, or proportion, of in-person events – perhaps with a virtual attendance option to enable participant choice – may lead to improved outcomes for Programme participants as well as coaches and mentors.[42]

— **Communication processes, including session scheduling:** Notwithstanding the challenges associated with scheduling a large Programme of events, it was noted by Programme participants and coaches and mentors that short notice scheduling had been problematic, as previously detailed. In order to improve the effectiveness of the Programme in subsequent years, additional Plexal resource may be required to address this.

— **Support for coaches and mentors**: Experiences of the training and resources received to support delivery of their roles was mixed, and perception of proportionality of pay was poor. In order for the Programme to be successfully delivered, and for the outcomes and impacts specified in the theory of change to be realised, individuals supporting the Programme – such as coaches and mentors – need to feel sufficiently satisfied and motivated and equipped with the right training and resources to deliver the Programme effectively. As such, the factors relating to pay, training and resources that were reported to have the most scope for improvement should be considered for future years of the Programme.

One additional perspective shared by a focus group Programme participant on the Launch workstream was in relation to the time period over which the Programme took place. It was stated that there was a lot of momentum at the beginning, however some of that was lost, as was the continuity of the Programme, because the sessions were spaced out over a long period of time. It was suggested that if the events took place over a shorter timeframe, the momentum might have continued, which may have led to better outcomes or experiences. A similar point was made by one of the coaches and mentors, who stated that potentially more could be done to maintain the momentum of the Programme through the year between sessions.

Notwithstanding the focus of the process evaluation being on the most recent 2024/25 cohort, comments from the delivery partners about the structure and delivery of the Programme more generally suggest that it has evolved over the last four years (since inception) to become less virtual, with more in-person, more interactive, tailored and personalised sessions. Based on the input from research participants in support of this study, it is likely that the continued development of Programme in these respects would be well received and would increase the overall effectiveness of the Programme.

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[42] Secondary data on the attendance rates of in-person and virtual sessions was not available to confirm the perspectives shared in the surveys.

6 Impact Evaluation 2021/22 to 2024/25

6.1 Methodology for analysing the impacts of the Programme

6.1.1 Research questions

As set out in Section 2.2, the focus of the impact evaluation was assessing the extent to which the Programme achieved its expected impacts and the extent to which these can be attributed to the Programme (as opposed to other factors). The two impact evaluation research questions (RQ) are:

— RQ1: Has the Programme delivered against its Key Performance Indicators (KPIs) both for FY 24/25 and longitudinally across the years of delivery?

— RQ2: To what extent has the Programme been effective at supporting the growth of participating companies and the wider cyber ecosystem?

6.1.2 Overview of approach to the analysis

To assess the performance of the Programme against its KPIs (RQ1), the monthly logframes submitted by Plexal to DSIT were analysed, to produce annual KPI reports for the four years of Programme delivery (2021/22, 2022/23, 2023/24 and 2024/25).

For each reporting year, the most recent available data was taken from the final recorded logframe for that Programme year. For example, for the Programme year 2021/22, data from the last recorded period – the February 2022 logframe – was used. All previous monthly logframes were reviewed to make sure all date was captured in the last recorded period. Each KPI was then assessed against its target to determine whether it had been achieved or not.

To assess the effectiveness of the Programme in supporting participants to grow their business and the wider cyber ecosystem (RQ2), analysis of primary and secondary data was conducted. This included analysis of:

— Moody's FAME data;

— End of Programme survey;

— Programme participant, unsuccessful applicant and coaches and mentors surveys ('surveys'); and

— Qualitative primary research i.e. interviews and focus groups.

The table below provides a summary of the analyses used to assess the effectiveness of the Programme in supporting business participants and the business growth of participants across the different measures of business growth considered (employment, revenue, investment and survival).

Table 3: Summary of analyses used to evaluate the potential business impacts of the Programme

	Moody's FAME data analysis	End of Programme survey analysis	Participant and unsuccessful applicant surveys	Qualitative primary research
Programme outcomes			✓	✓
Business innovation			✓	✓
Employment impacts	✓	✓	✓	✓
Revenue impacts		✓	✓	✓
Business investment			✓	✓
Business survival	✓			

Full details of each of the four methods of analysis are given in the Appendix.

6.2 Detailed impact evaluation findings

The following sections set out the findings in relation to the Programme's performance against its KPIs (RQ1) and the effectiveness of the Programme (RQ2). The findings from the individual analyses (described above) are presented.

6.2.1 Findings: RQ1 – Programme performance against KPIs

This section provides an overview of the performance of the Programme against its KPIs for FY 24/25 as well as longitudinally across the years of delivery.

Table 4 shows the monitoring data for the Programme by KPI for FY 2024/25 for each workstream as well as regional events. This draws on the data from the monthly logframe reports for the Programme that Plexal submits to DSIT.

Table 4: Performance against KPIs 2024/25

2024/25 KPI	Launch		Grow		Scale		Ignite		Regional Events	
	Target number/ %	Achieved number/ %	Target number/	Achieved number/ %	Target number/ %	Achieved number/ %	Target number/ %	Achieved number/ %	Target number/ %	Achieved number/ %
Regional representation	50% of candidates from outside the South East of England	90%	50% of candidates from outside the South East of England	50%	50% of candidates from outside the South East of England	71%	50% of participating individuals and companies from outside London and the South East of England (NUTS 1 UKI and UKJ)	83%	N/A	N/A
Minimum number of individuals/ companies on cohort	25	26	20 at each academy	23	15	16	6	6	N/A	N/A
Attendance at sessions, preferably in situ but with virtual access for those who have to miss a session	N/A	N/A	80%	73% (1)	80%	75% (1)	80%	100%	minimum of 15 businesses should attend each event	16
Number of events	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5	2
Completion of Cohort	100%	100%	100%	Unknown	100%	Unknown	100%	Unknown	N/A	N/A
Connections made per individual, and value of connections (subsequent investment)	2 and a combined value exceed the Programme cost	Unknown	2 and a combined value exceed the Programme cost	Unknown	2 and a combined value exceed the Programme cost	Unknown	10 and a combined value exceeding the Programme costs	Unknown	N/A	N/A
Participant feedback	90% favourable score on participant feedback questionnaire	89%	90% favourable score on participant feedback questionnaire	Unknown	90% favourable score on participant feedback questionnaire	Unknown	90% favourable score on participant feedback questionnaire	Unknown	90% favourable score on participant feedback questionnaire	95%
Female candidates	30%	27%	30%	35%	30%	71%	30%	50%	30%	Unknown
Minority ethnic candidates	15%	54%	15%	50%	15%	65%	15%	0%	15%	Unknown
Disability (record)		8%				59%				

Notes:
(1) Incomplete data at time of recording.

It is too early to fully assess performance against all KPIs as the Programme had not yet ended at the time of conducting the analysis meaning that logframes for the end of the Programme were not yet available. It should be noted that the majority of the KPIs do not relate to the expected outcomes and impacts of the Programme except for the KPI around connections made.

The available Programme monitoring data indicates:

— Two KPIs had been met or exceeded across all the workstreams. These KPIs related to the regional representation of the Programme participants and the minimum number of individuals/ companies on the cohorts.

— No workstream had achieved all the KPIs by December 2024 (the month up to which logframes were available). In particular, it is too early to assess whether the KPI regarding 100% completion by the cohort has been achieved for each workstream and the KPI regarding the number and value of connections made by participants.

— The KPI/ KPIs not met vary across the workstreams. For example, while the attendance KPI had not been met in the Grow and Scale workstreams, the diversity KPIs had not been met in the Launch and Ignite workstreams.

Table 5 below shows the performance of Cyber Runway against its KPIs longitudinally across the years of delivery from 2021/22 to 2023/24 for each workstream[43] as well as regional events.

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[43] Ignite was not included in the initial year of delivery. KPIs were only set for regional events in 2023/24.

Table 5: Performance against KPIs from 2021/22 to 2023/24

KPIs	Launch Target number/ percentage	Launch Achieved 2021/22	Launch Achieved 2022/23	Launch Achieved 2023/24	Grow Target number/ percentage	Grow Achieved 2021/22	Grow Achieved 2022/23	Grow Achieved 2023/24	Scale Target number/ percentage	Scale Achieved 2021/22	Scale Achieved 2022/23	Scale Achieved 2023/24	Ignite Target number/ percentage	Ignite Achieved 2022/23	Ignite Achieved 2023/24	Regional Events Target number/ percentage	Regional Events Achieved 2023/24
Regional representation	50% of candidates from outside the South East of England	80%	78%	54%	50% of candidates from outside the South East of England	42%	60%	58%	50% of candidates from outside the South East of England	40%	35%	45%	50% of participating individuals and companies from outside London and the South East of England (NUTS 1 UKI and UKJ) in 2023/24	N/A	50%	N/A	N/A
Minimum number of applicants	40 for 2021/22	45	N/A	N/A	40 per academy for 2021/22	75	N/A	N/A	40 per academy for 2021/22	32	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Minimum number of individuals/ companies on cohort	20	20	20	24	15 at each academy for 2021/22 and 2022/23. 20 at each academy for 2023/24	67	15	24	20	20	20	18 (3)	6	6	6	N/A	N/A
Attendance at sessions (preferably in situ but with virtual access for those who have to miss a session for 2023/24)	100% for 2021/22 and 2022/23	83%	97%	N/A	100% for 2021/22. 80% for 2022/23 and 2023/24.	58%	77%	76% (2)	100% for 2021/22. 80% for 2022/23 and 2023/24.	63%	88%	78% (2)	80% in 2023/24	N/A	87%	minimum of 15 businesses should attend each event	15

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Number of events	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	8	8
Completion of Cohort	100%	Unknown	90%	100%	100%	Unknown	Unknown	Unknown	100%	Unknown	Unknown	Unknown	100% in 2023/24	N/A	100%	N/A	N/A
Connections made per individual, and value of connections (subsequent investment)	2 connections per individual Combined value to exceed the programme cost	Unknown	Unknown	22	2 connections per individual Combined value to exceed the programme cost	Unknown	Unknown	Unknown	2 connections per individual Combined value to exceed the programme cost	Unknown	Unknown	Unknown	5 business introductions and 1 introduction to adjacent government or industry projects per company in 2022/23. 10 and a combined value exceeding the programme costs in 2023/24.	5 and 1	10	N/A	N/A
Participant feedback	90% favourable score on participant feedback questionnaire	Unknown	Unknown	90%	90% favourable score on participant feedback questionnaire	Unknown	75%	Unknown	90% favourable score on participant feedback questionnaire	Unknown	82%	Unknown	Average quantitative feedback score is greater than 7 in 2022/23. 90% favourable score on participant feedback questionnaire in 2023/24.	Unknown	95%	90% favourable score on participant feedback questionnaire	87%
Female candidates	30%	40%	44%	25% (1)	30%	42%	80%	46%	30%	65%	55%	65%	30%	33%	50%	30%	12%

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Minority ethnic candidates	15%	55%	17%	58%	15%	55%	40%	54%	15%	40%	20%	55%	15%	50%	16%	15%	16%
Disability								4				1			2		

Notes:
(1) Against the original target of 20 cohort members 30% female candidates was achieved, but the decision to allow some cofounders to join the cohort reduced the overall percentage of female candidates
(2) Incomplete data as excludes virtual attendance at final sessions
(3) Reduced number was agreed with DSIT in order to achieve a consistent quality of cohort
(4) Attendance is estimated as an average across the months; attendance is based on in-person/ live attendance at sessions, as opposed to access to videos/ materials.

While there is a lack of data against some of the KPIs which means it is not possible to fully assess performance against all KPIs, the available data shows:

— Ignite in 2023/24 was the only workstream across the years of Programme delivery where all KPIs were achieved. Launch in 2023/24 would have achieved all KPIs, including the target of 30% of Programme participants being female with the original target of 20 cohort members. However, a decision to allow some cofounders to join the cohort reduced the overall percentage of female candidates.

— The diversity KPIs were the KPIs most frequently met or exceeded across workstreams across the years of Programme delivery. The KPI regarding the percentage of Programme participants from minority ethnic groups was far exceeded in the Launch, Grow and Scale workstreams in 2021/22 and 2023/24 with 40% or more achieved vs. a 15% target. The KPI regarding the percentage of female Programme participants was met or exceeded across all workstreams in every year of Programme delivery except for Launch in 2023/24.[44]

— The KPI relating to the minimum number of individuals/ companies on a cohort was met across all workstreams in every year of Programme delivery except for the Scale workstream in 2023/24, where 18 cohort members were achieved vs. a target of 20. However, it was noted that this reduced number was agreed with DSIT to achieve a consistent quality of the cohort.

— Across the years of Programme delivery, the Launch workstream has failed to meet one KPI each year, but the KPI that hasn't been met has varied across the years. The Scale workstream has failed to meet at least two KPIs in each year of Programme delivery, with the KPI relating to the regional representation of Programme participants never being met.

— The KPIs relating to achieving 100% Programme completion by the cohort, and the KPI relating to the number and value of connections made, are frequently 'unknown' meaning that it is not possible to assess whether these KPIs have been met or not.

This suggests a mixed picture in terms of the performance of the Programme against the KPIs and there is evidence of room for improvement in terms of the data quality and reporting on KPIs to DSIT. It should also be noted that the majority of the KPIs do not relate to the expected outcomes and impacts of the Programme except for the KPI around connections made.

6.2.2 Findings: RQ2 – Effectiveness of Programme in supporting the growth of participating businesses

6.2.2.1 Programme participation and delivery

As set out in the theory of change, for the intended outcomes and impacts to be realised, it is necessary for people to apply for, and participate in, the Programme and for the Programme to be delivered in a way that meets the needs of Programme participants. Therefore, the following areas are considered:

— **Awareness of the Programme, motivation for applying and attendance:** For the Programme impacts to be realised people need to be made aware of the Programme, apply to it and engage in the Programme. Understanding the extent to which Programme participants attended sessions is key to understanding the degree of engagement and therefore the likelihood of people realising benefits from the Programme; and

— **Programme delivery by coaches and mentors:** Coaches and mentors are responsible for delivering part of the Programme. Understanding their motivations for being part of the Programme, and extent to which they are satisfied with their experience, helps to understand the quality of Programme delivery for participants.

#### Awareness, motivation for applying and attendance

The survey of Programme participants found that the majority (60%) became aware of the Cyber Runway Programme through Plexal, with the balance hearing about it from a number of other

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[44] As explained above, the target of 30% of Programme participants being female would have been met for Launch in 2023/24 with the original target of 20 cohort members. However, a decision to allow some cofounders to join the cohort reduced the overall percentage of female candidates.

sources, including through: industry contacts (13%); social media (10%); and/ or direct contact by DSIT (5%). Similar channels were cited among the unsuccessful applicants, with approximately 38% reporting to have heard about it through Plexal and 25% through social media. A larger proportion of Programme participants had become aware of the Programme through Plexal compared to unsuccessful applicants. This may be because Plexal targets specific businesses, such as alumni or those that are known through their network so these businesses may be more likely to be accepted on to the Programme. Plexal noted that it uses a targeted approach to reach the right individuals particularly for later stage companies.

Programme participants and unsuccessful applicants reported similar motivations for applying, as shown in Figure 6, below.

Figure 6: Programme participants and unsuccessful applicants - motivation for applying to Cyber Runway[45]
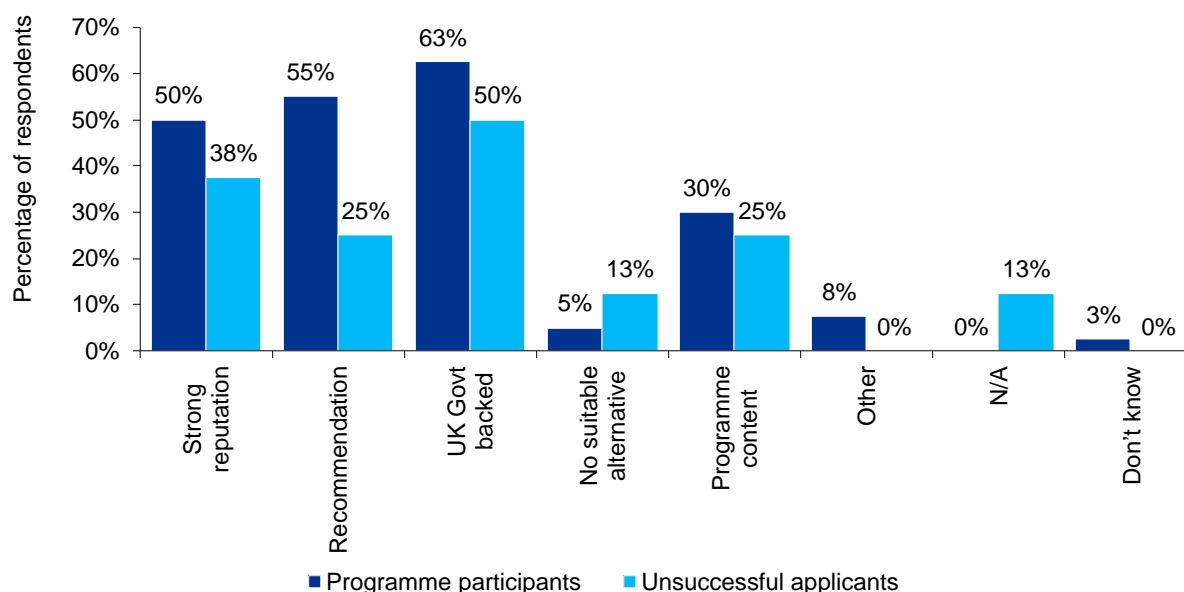
Source: KPMG Programme participant and unsuccessful applicant surveys; KPMG analysis
n = 40 Programme participants; n = 8 unsuccessful applicants

It can be seen that the most commonly selected reasons for applying to the Programme, among both Programme participants and unsuccessful applicant survey respondents, related to one of the following three reasons: it is backed by the UK Government, a recommendation, and/ or its strong reputation. These findings suggest that the Programme is positively recognised in the cyber sector, and that participation is therefore recommended and might be valuable.

In terms of attendance, approximately 30% of Programme participant survey respondents reported to have attended all the available workshops, sessions and events, and 45% reported to have attended more than three quarters but not all. When asked why they did not attend all sessions, the main reason cited was inability to make the date/ time (reported by 36% of respondents), with other reasons relating to a perceived lack of relevance of some sessions.

**Programme delivery by coaches and mentors**

In order for the expected outcomes and impacts to be realised, it is necessary for the Programme to be attractive to coaches and mentors so they take on the coaching/ mentoring roles. They also need

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[45] Survey responses have been summarised in Figure 6. The full wording is as follows: Strong reputation of the programme; Recommendation to the programme; The programme is backed by the UK Government; No suitable alternative programme; The programme content; Other; N/A – I did not apply but was asked to join the programme; Don't know.

to be supported through Programme delivery to make the Programme effective (see theory of change in Section 4.2).

The coaches and mentors survey found that the coaches and mentors who support delivery of the Programme have a range of professional backgrounds, as set out in Figure 7, below. The majority (62%) of coaches and mentors are business founders or co-business founders of start-ups, and almost half have specific cyber security technical expertise.
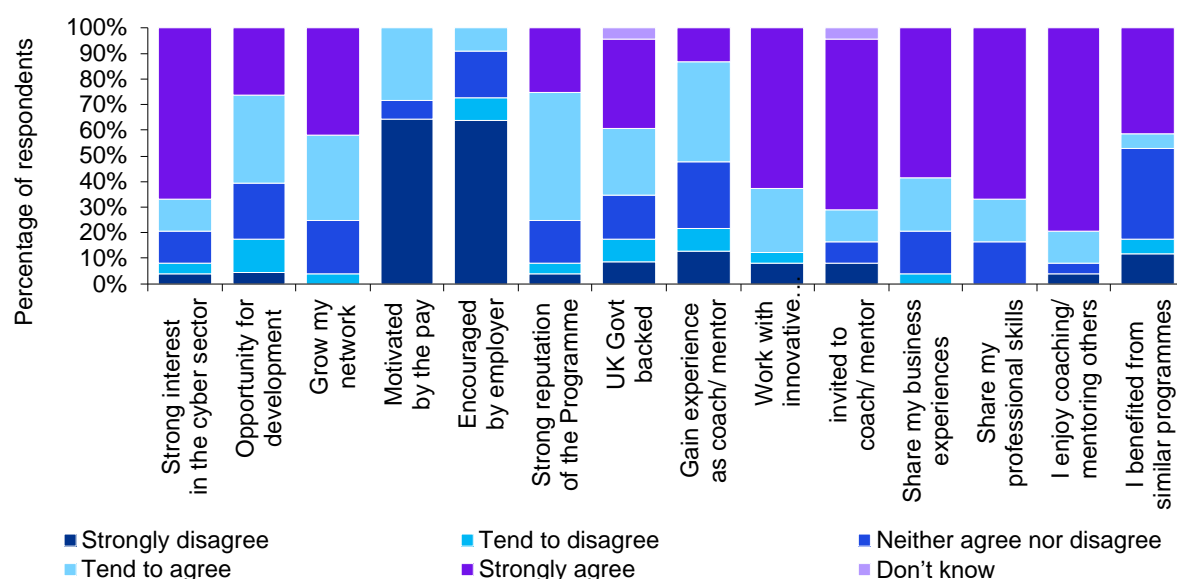
Figure 7: Professional background of Cyber Runway coaches and mentors[46]
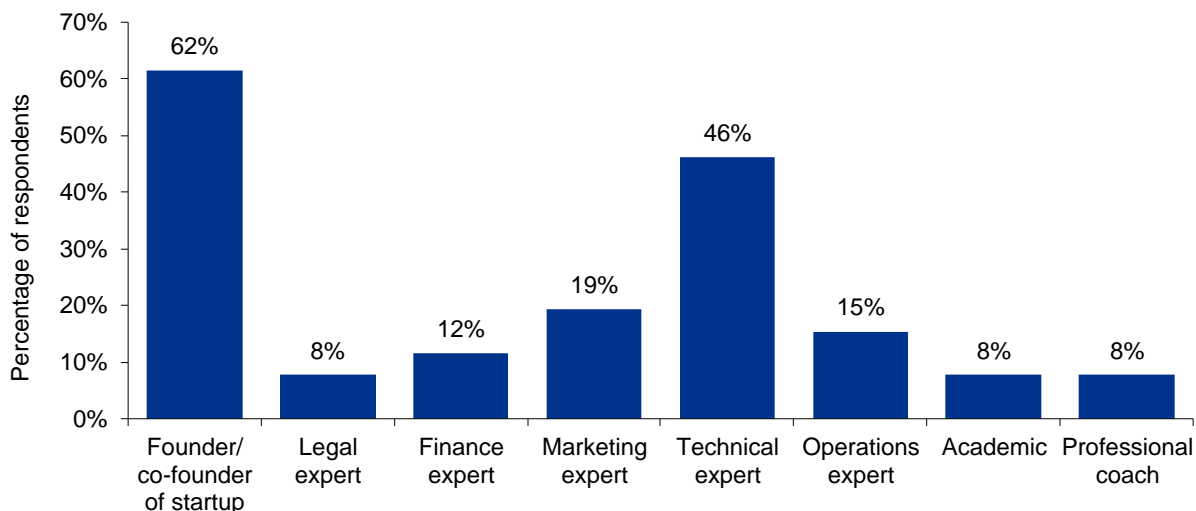
Source: KPMG coaches and mentors survey; KPMG analysis
n = 26

In terms of the motivation for becoming a coach or mentor, Figure 8 sets out the reasons provided in the coaches and mentors survey.

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[46] Survey response options have been summarised in Figure 7. The full wording is as follows: Founder or co-founder of a start-up; Legal expert; Finance expert (including a Chief Commercial Officer); Marketing expert; Technical expert (including a Chief Technology Officer); Operations expert; Academic; Full-time professional coach.

Figure 8: Motivation for becoming a coach or mentor[47]

- Strongly disagree
- Tend to disagree
- Neither agree nor disagree
- Tend to agree
- Strongly agree
- Don't know

Source: KPMG coaches and mentors survey; KPMG analysis
n = varied by statement; not all survey respondents selected an answer in relation to each statement, and some selected 'N/A'. N/A responses have been removed from the sample in all cases. Sample sizes therefore range between: 11 and 24 for each statement.

It shows that the coaches and mentor survey respondents strongly agreed with the following reasons for becoming a coach or mentor: enjoyment of coaching/ mentoring others (selected by 79% of respondents); having a strong interest in the cyber sector (67%); wanting to share professional skills (67%); and being invited to coach/ mentor on the Programme (67%). The data shows that no coaches and mentors strongly agree that they are motivated by the pay (although 30% report that they tend to agree that they are motivated by pay). However,, as set out in Section 5 (process evaluation) there is qualitative evidence that suggests they tended to feel underpaid relative to what they delivered and the demand for their time from Programme participants (based on their sessions often being oversubscribed).

6.2.2.2 The expected outcomes and impacts of the Programme

The theory of change sets out the outcomes and impacts which are expected to be realised through attendance and engagement in the activities of the Programme. The outcomes include:

— Increased/ improved networks and connections;

— Improved knowledge and skills (including industry-specific and business skills); and

— Increased business confidence, aspiration and resilience.

In turn, it is expected that participants apply and implement their new knowledge and skills, and leverage their connections in order for the intended impacts to be realised. The expected impacts in relation to business growth include:

— Increased innovation;

— Increased employment;

— Increased revenue; and

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[47] Survey response options have been summarised in Figure 8. The full wording is as follows: I have a strong interest in the cyber sector; I saw this as an opportunity for professional development; I wanted to grow my network; I was motivated by the pay; I was encouraged to participate by my employer; The programme has a strong reputation; The programme is government backed; I wanted to gain more experience as a coach/ mentor; I wanted to work with innovative businesses; I was invited to coach/ mentor; I wanted to share my business experiences; I wanted to share my professional skills; I enjoy coaching/ mentoring others; I benefited from similar programmes in the past and wanted to give others a similar experience.

— Increased business investment.

It is also expected that participation in the Programme improves business survival.

The following sections set out the findings in relation to the extent to which the Programme outcomes and impacts have been realised, and assesses the extent to which the Programme has been effective in supporting the growth of participating businesses, based on data analysis conducted, including contribution analysis.

6.2.2.3 Programme outcomes

This section sets out the findings from the analysis of the primary data (qualitative – focus groups and interviews; and quantitative – surveys), in terms of the extent to which Programme outcomes (as identified in the theory of change) were realised. This includes the extent to which Programme participants felt that:

— they increased their connections and/ or built networks;

— they improved their knowledge and skills; and

— there was an increase in business confidence, aspiration and resilience.

It also includes a summary of the extent to which participants felt that participating was a good use of their time more broadly and that they achieved what they wanted to from the Programme.

Increased connections/ networks

By connecting Programme participants with industry peers, experts, investors and international partners, there is potential for them to grow their networks. This may lead to longer term business growth, through increased funding opportunities, improvements to business strategy and increased rates of commercialisation. As such, Programme participants who took part in this research were asked about the connections that they made through the Programme and the networking opportunities that it presented.

Overall, Programme participants in focus groups and through the survey shared that they were broadly satisfied with the networking opportunities the Programme offered. Survey respondents shared this was particularly the case in terms of networking opportunities with industry peers – with almost 80% of Programme participant survey respondents stating that they were satisfied with the quality of the support in terms of networking with peers, though to a lesser extent with investors (54%). Further to this, when asked about the business benefits gained through the Programme more broadly, 'improvement to connections/ networks with peers' was the most commonly selected business benefit by approximately 74% of survey respondents, followed by 'improvements to connections/ networks with industry experts' selected by 60% of survey respondents.

When asked specifically about the extent to which the Programme helped participants to make connections, over 60% of Programme participant survey respondents stated that the Programme had helped them (either entirely or to a great extent) make new connections with peers, as shown in Figure 9, below.

Figure 9: The extent to which the Cyber Runway Programme helped participants to make new connections
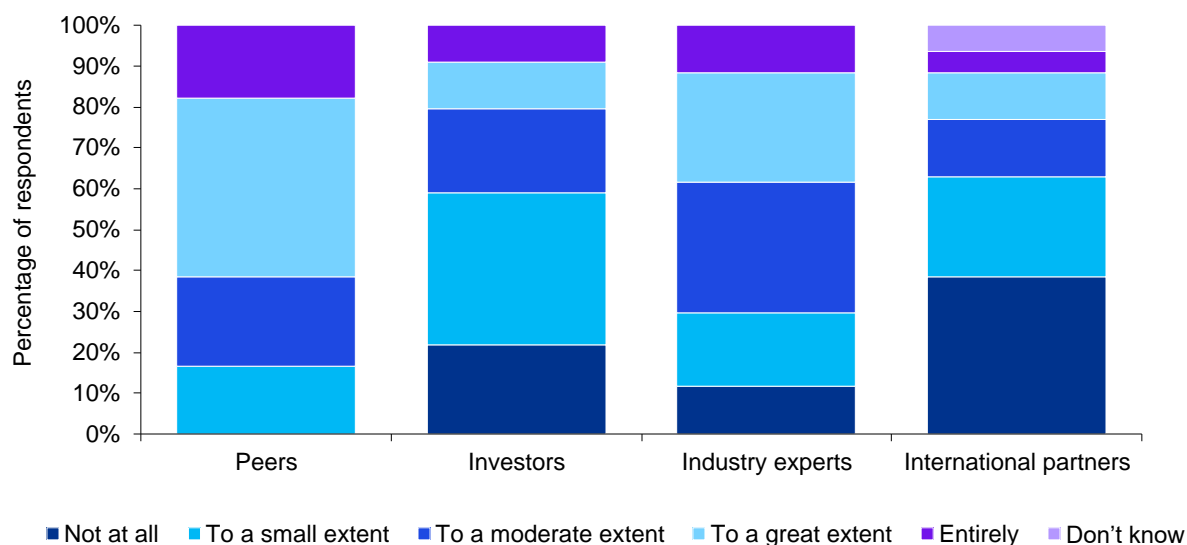
Source: KPMG Programme participants survey; KPMG analysis
n = 78

However, the proportion of respondents stating that the Programme had entirely helped, or helped to a great extent, to make connections with industry experts was lower, at 38% and even more so in terms of helping participants to make connections with investors, at 21%. Supporting commentary from survey respondents echoed this, with one stating that ideally there would have been more "networking opportunities with larger companies to discuss [their] products" and another stating that "it would be much more useful to focus on networking with potential customers".

Focus group and interview Programme participants agreed that, overall, the Programme provided opportunities to connect with peers and industry experts, and to build networks which have subsequently been leveraged in a number of cases. Some focus group Programme participants were able to provide tangible examples of how new connections that were established from participating in the Programme have supported the development of their business, including in terms of employment impacts and savings realised through headcount adjustments (see Section 5.3.2.3 – Employment impacts) and more generally by providing support through very complex and challenging business processes.

It was also shared during focus groups with Programme participants that their new connections may hold commercial benefits down the line, but that the new networks formed go beyond that and also provided opportunities to "share the journey" of developing a business with people who understand the challenge, and who thus help them to retain "the passion" they have for their business. It was referenced by one Programme participant that they appreciate knowing that they aren't "the only one", which helps them to keep going. Another Programme participant stated that it can be challenging "to be vulnerable as an entrepreneur" and that having a network of people who are willing to listen, not judge and who understand the struggles is something that "money cannot buy". Others in the same focus groups shared the sentiment.

Overall, the evidence suggests the Programme offered good networking opportunities for participants, particularly with industry peers with whom they have found emotional support as well as potential for commercial support in the future. Feedback from Programme participants indicates that they feel they may benefit from additional networking opportunities with industry investors and potential customers which may lead more directly to business growth impacts in the longer term.
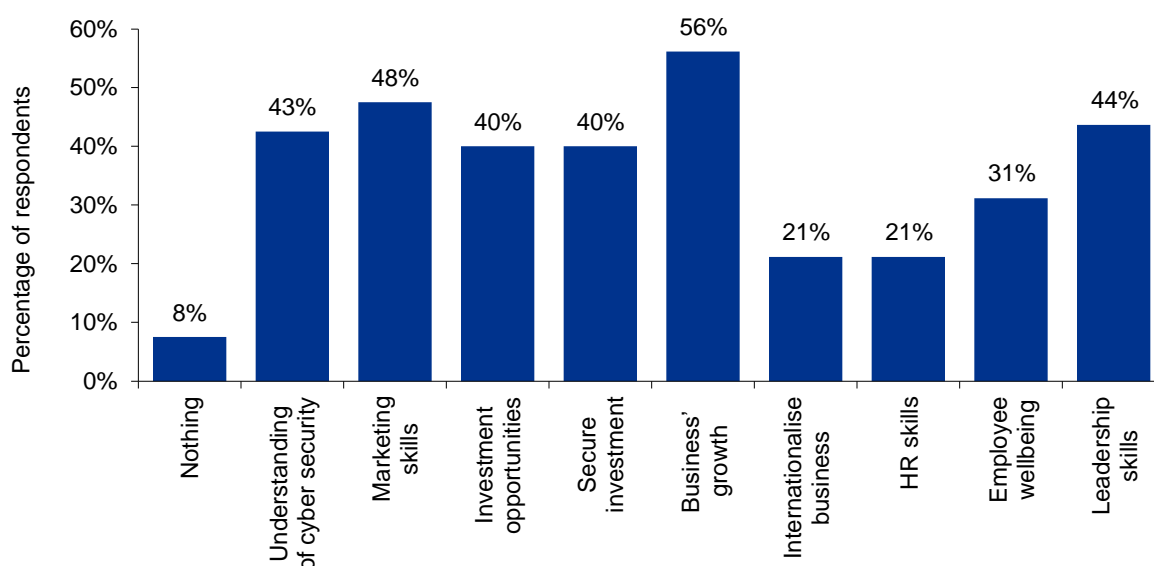
Improved knowledge and skills

As set out in the theory of change, improvements to participants' knowledge and skills are expected to be achieved through engaging with the Programme.

Overall, Programme participants across the survey, focus groups and interviews generally felt that they gained new knowledge and skills from participating in the Programme, with only 8% of survey respondents stating that they did not gain anything from participating.

Figure 10 shows the benefits that participants reported to have gained through participating in the Programme in relation to skills and knowledge.

Figure 10: Knowledge and skills gained by Programme participants on the Cyber Runway Programme[48]

Source: KPMG Programme participants survey; KPMG analysis
n = 80

As shown in Figure 10 above, the most frequently reported knowledge and skills gained were in relation to:

— Improvements in understanding of how to plan business growth, selected by 56%;

— Improvements in marketing skills, selected by 48%;

— Development of leadership skills, selected by 44%; and

— Improvements in understanding of the cyber security landscape, selected by 43%; and

— Improvements in ability to secure investment, e.g. through improving pitching skills, selected by 40%.

[48] Survey response options have been summarised in Figure 10. The full wording is as follows: Nothing – I did not gain anything from participating in the Cyber Runway Programme; I established/ improved my connections/ networks with industry experts; I established/ improved my connections/ networks with peers; I established/ improved my connections/ networks with international partners; I improved my understanding of the cyber security landscape and industry challenges; I developed new/ improved marketing skills; I learnt about investment opportunities; I improved my ability to secure investment e.g. by improving my pitching skills; I improved my knowledge/ understanding of how to plan my business' growth; I improved my knowledge/ understanding of how internationalise my business; I developed new/ improved HR skills (e.g. in recruitment and retention); I learnt how to improve and support employee wellbeing; I developed new/ improved leadership skills; I grew in confidence from participating in the programme; I became more resilient from participating in the programme; I developed knowledge and skills to support business resilience and survival; I became more ambitious from participating in the programme; Other; Don't know.

The areas relating to planning of business growth, marketing skills, investment opportunities and understanding of the cyber security landscape were also the most commonly cited areas in which coach and mentor survey respondents stated that they thought Programme participants would gain from the Programme. This shows alignment between the perceived benefits (from the coaches and mentors perspective) and the realised benefits (from the Programme participants perspective).

Programme participants who took part in the focus groups and interviews also shared that their perspectives in relation to development of leadership skills, with one focus group participant stating that that one of the most important aspects for them was "finding their voice" and establishing what it means "to be a leader", echoing the perspective that the Programme supports development of leadership skills, perhaps most notably though the Ignite workstream which is designed to support development and growth of sector leaders.

Focus group Programme participants stated that the Programme helped participants to gain clarity on "where to go" within the industry and gave them confidence that they are taking the right routes and supported their go-to market strategies. Other focus group Programme participants shared that the Programme helped in terms of learning how to test products and how to take them to market by sharing information on the key aspects that need to be considered. Similarly, another focus group Programme participant stated that the Programme helped them to develop their vision and how to achieve it, which has resulted in market expansion.

Similarly, there was agreement of focus group Programme participants with survey respondents in terms of the Programme supporting their understanding of investment, with participants sharing that they felt they had increased investment knowledge, citing additional awareness of how to raise funds, build equity and close deals – which enabled one Programme participant to secure their first deal.

Collectively, these findings indicate that the Programme was broadly successful in providing participants with new skills, particularly in relation to how to plan business growth, secure investment, develop leadership skills and in terms of marketing. It also suggests that the Programme supported participants in terms of business confidence, aspiration and resilience (discussed below).

Increased business confidence, aspiration and resilience

As set out in the theory of change it is expected that through participating in, and engaging with, the Programme, participants' confidence may increase and in turn ambition, aspiration and resilience.

In terms of the benefits reported in the Programme participant survey, the following benefits in relation to confidence were cited:

— 58% of Programme participant survey respondents shared that they felt participation in the Programme helped to grow their confidence;

— 53% of respondents shared that they felt it helped them to become more resilient; and

— 41% said it helped them to become more ambitious.

This theme was echoed by Programme participants who took park in the focus groups and interviews, in which multiple Programme participants shared that the Programme supported them in terms of developing confidence, from which they have also developed ambition for their business. One Programme participant noted that prior to taking part they experienced "negative self-talk", but through the Programme they have gained confidence and resilience which they can channel into their business. Other Programme participants agreed that the Programme had helped them to grow in confidence, including through meeting other people who are doing the same things as them, and through participating in the different sessions, such as pitching.

Use of participant time

The findings in relation to increased connections, improved knowledge and increased confidence, suggest that participation in the Programme is a good use of people's time. When asked specifically

about that in the survey, 85% of Programme participant respondents agreed that attending was a good use of time, with only 8% stating that it was not.

Further to this, Figure 11 below, sets out the extent to which Programme participant survey respondents felt that they achieved what they wanted from participating in the Programme, as a further indicator of percieved value of the time spent.

Figure 11: The extent to which Programme participant survey respondents felt that they achieved what they wanted to from participating in the Programme
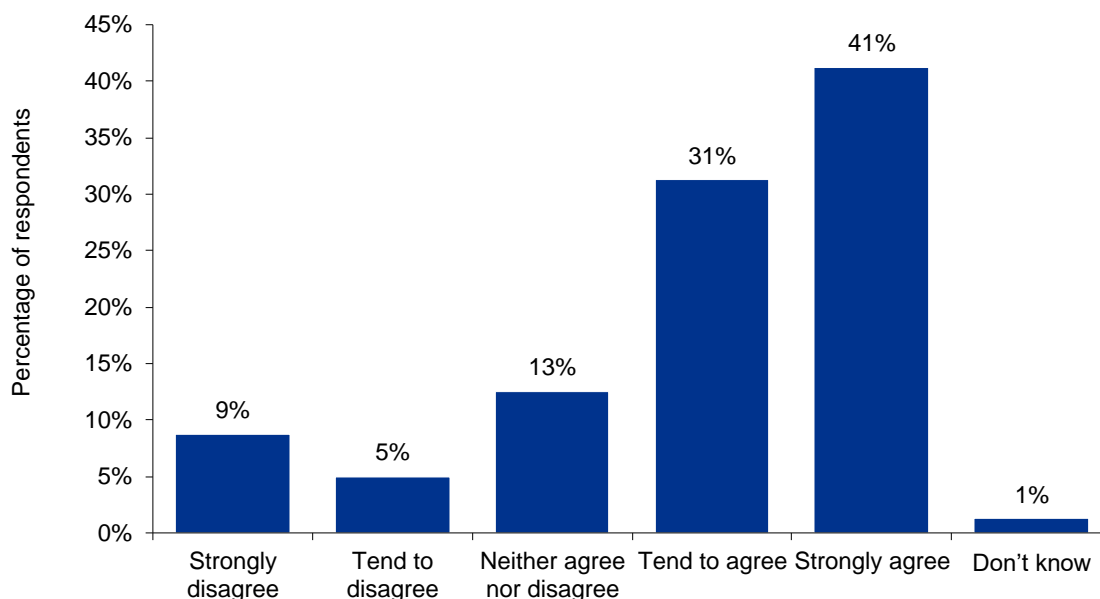
Source: KPMG Programme participants survey; KPMG analysis
n = 80

Almost three-quarters of Programme participants survey respondents agreed that they achieved what they wanted from participating in the Programme, signalling that it was a good use of time for majority. This was supported by findings from the Programme participant focus groups, where all Programme participants agreed that they achieved what they were hoping to, in a number of different ways. Particular references were made to: the opportunities to pitch to "big names"; improvements in cyber security knowledge in a business context (as explained above); and through support in gaining confidence and feeling less alone (as explained above).

Many Programme participants were especially positive, with one Programme participant stating that the Programme "more than surpassed expectations" and that had they known how valuable it would turn out to be, they would have expensed their costs of participation through their business rather than covering them personally, because it proved to be that beneficial. Others agreed that it was a "very good use of time", hence participating in the Programme more than once, across multiple workstreams.

Programme participants (across the focus groups, interviews and survey) reported a range of reasons for why they considered the Programme a good use of time and supplemented this with suggestions to further enhance use of time in future years:

— **Connection to others**: In line with the findings above relating to networking and building connections, Programme participants in the focus groups shared that the Programme was a good use of their time because of the ability to connect with entrepreneurs who are on similar journeys and who can therefore resonate with the challenges of starting and running businesses. As such, it was suggested that it might have been beneficial for 'meet ups' to be arranged as part of the

Programme, in order for the use of time to be further enhanced. One Programme participant stated that they had to independently find past alumni to set up meetings, which would have been more useful to have had earlier on, particularly at earlier workstream levels. Other Programme participants in the same focus group echoed this, stating that they felt Plexal should have facilitated meet ups, and while they understood that a virtual environment was utilised to aid accessibility, they felt that in person events throughout would have been more useful, and noted that they understood Plexal to have the physical office space to accommodate that. Other Programme participants agreed with this, and also referenced DSIT's role in the Programme, and suggested physical meets might be facilitated through that, too.

— **New knowledge**: Programme participants also noted that it was a good use of their time because they gained knowledge about certain topics that they would not otherwise have gained (see more detail above on new knowledge and skills). Particular reference was made to the Ignite workstream, with multiple Programme participants speaking highly of it, stating that it was 'second to none' and recalling that other Programme participants feel similarly towards the Programme. It was suggested that the 'higher up' you go (in terms of the workstreams), the more useful the Programme appears to be, which, research participants shared, could be owing to the smaller group sizes, and thus ease of building connections. Others in the same focus group shared the same views, noting that it is easier to 'get to know' one another in smaller groups.

— **Background work**: One focus group Programme participant shared that background work was required from them in order to get the most out of the sessions, e.g. in terms of utilising the resources and dedicating sufficient time to the Programme prior to participating. It was suggested by one Programme participant in a focus group that this ought to be made clearer to participants in order for the Programme to deliver maximum advantage. An additional focus group Programme participant echoed this, stating that, "you get out what you put in". Similar themes were suggested in the survey with one respondent suggesting that more background and prep material should be provided before sessions in order to get the most out of them.

— **Introductions to Cyber Runway Programme alumni**: A suggestion made by another Programme participant in the focus group was to have alumni speakers share how to best use the time on the Programme and get the most out of the experience. Other Programme participants shared this view, stating that it might be valuable to have 1:1 sessions with others who have previously participated in the Programme, in line with the point noted above regarding physical meet ups.

— **Sessions attendance by relevant individuals**: Programme participants in focus groups also indicated that the Programme was most effective and made the best use of participants' time, when the most suitable individuals from within the business could attend different sessions. As referenced in the Process Evaluation findings (see Section 5.2.1.1), participants in the 2024/25 cohort commented on the benefits of being able to select the most appropriate person from within their business to attend the different sessions. Plexal noted that it is more nuanced than this in that there needs to be a consistent individual engaged in the Programme to benefit from the peer connection opportunities, but recognise that there are some instances in which it is beneficial to have additional team members brought in. If this had been more clearly stated as a possibility (by Plexal, to participants), further impact and value might have been generated from the Programme. One Programme participant stated that the sessions are not just intended for business founders, and that other members of their team should attend the sessions, so to avoid overwhelming business owners and to allow the relevant team members/ roles to benefit from the sessions.

Collectively, these suggestions might further enhance Programme participants perceived use of time and lead to greater impacts in the longer-term.

Finally, when asked in the survey about the extent to which Programme participants felt that they could or could not have gained the support that they received from the Programme from other sources/ programmes (as an additional indicator of value of time spent), more than 60% agreed that they could not have got the same support from anywhere else (shown in Figure 12, below), and 86% of Programme participant survey respondents stated that they would recommend the Programme to others.

Figure 12: The extent to which Programme participants feel that they could not have got the support that they received from the Cyber Runway Programme from anywhere else
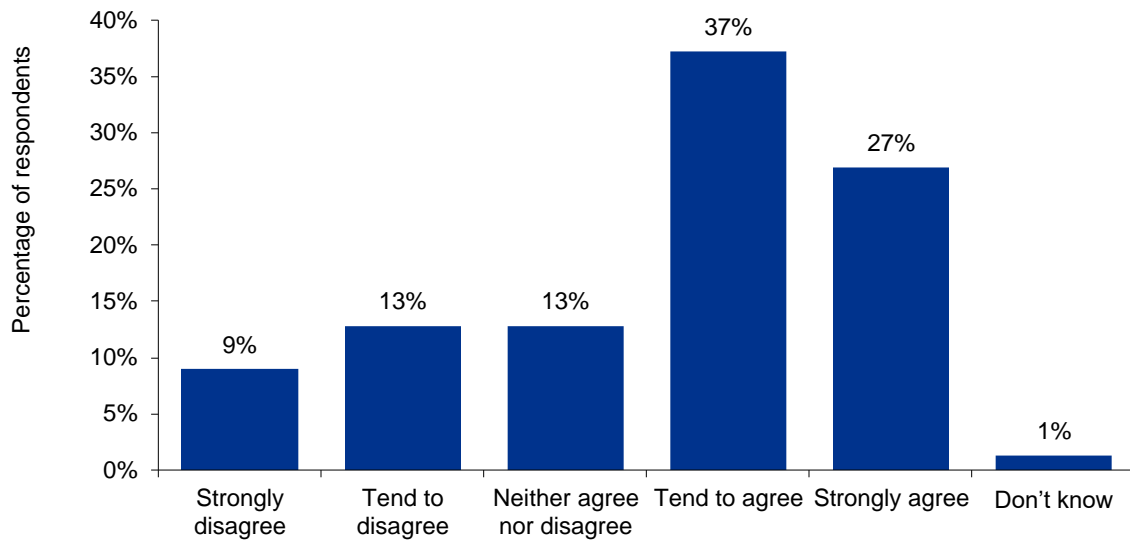
6.2.2.4 Business innovation

This section outlines the results of the analysis assessing the impact of the Programme on innovation, in terms of the extent to which Programme participants introduced new or improved existing products, processes and/ or services. The findings are based on analysis of the primary research (surveys, interviews and focus groups of Programme participants).

Participant survey innovation results

The survey asked Programme participants whether they have introduced new, or made improvements to, business processes, products or services since participating in the Programme. This is used as an indication of business innovation, which, as set out in the theory of change, may lead to increased business growth in the longer term. The results are shown in Figure 13.

Figure 13: The proportion of Programme participants who introduced new or made improvements to businesses processes, products or services

■ % - new processes, products or services   ■ % - improvements to processes, products or services
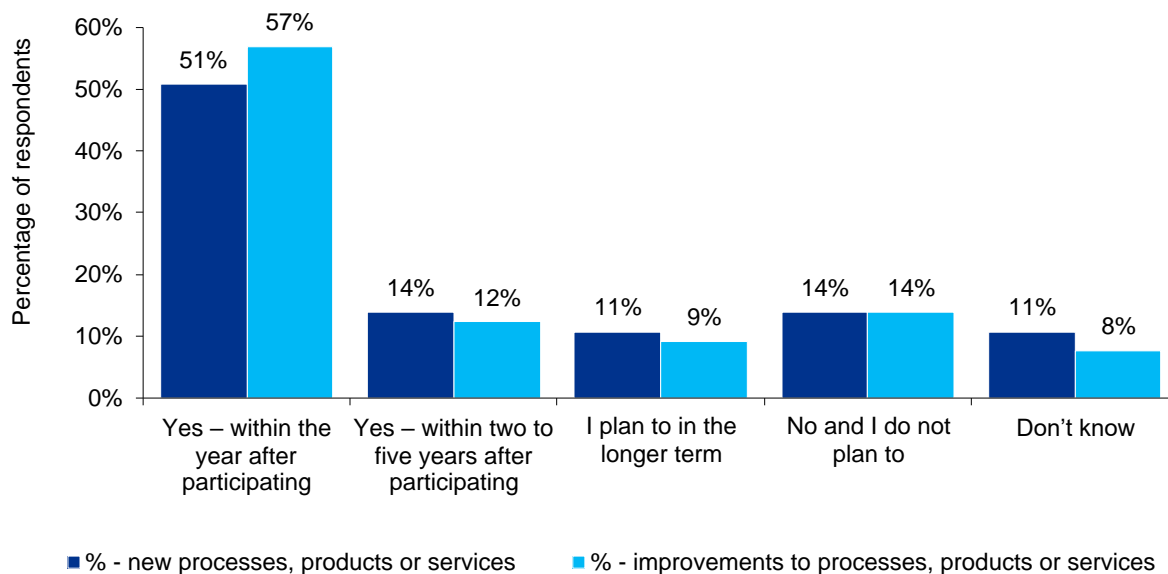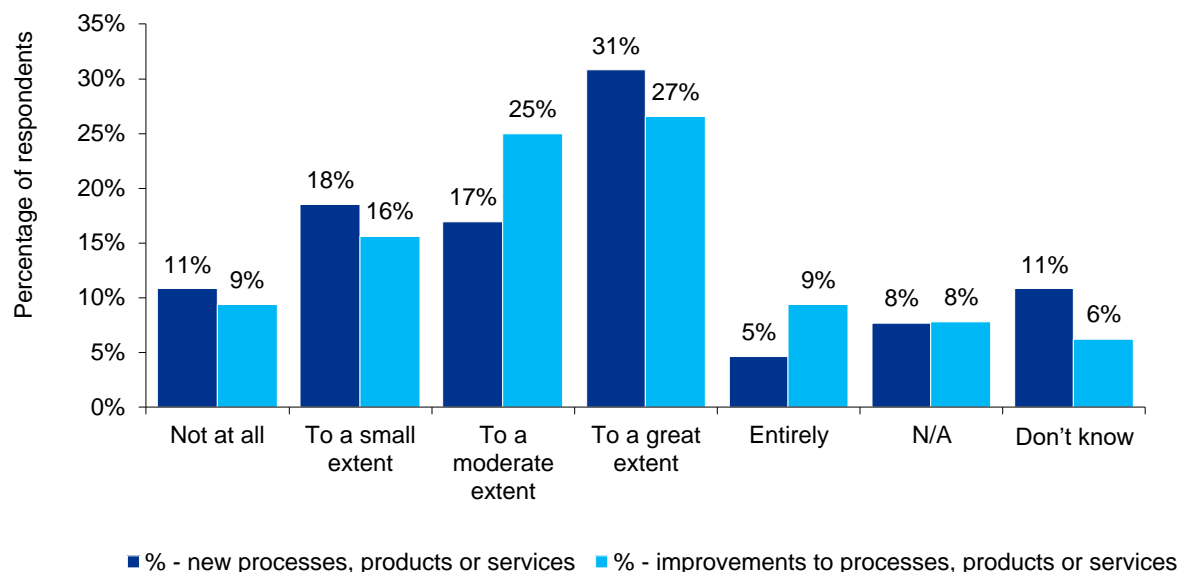
Source: KPMG Programme participants survey; KPMG analysis
n = 65

It can be seen that over half (51%) of Programme participant survey respondents said that they either had introduced, or are planning to introduce, new processes, products or services within a year following participation in the Programme, and approximately a quarter plan to in the medium term (within two to five years) or longer term (more than five years). Similar proportions of Programme participants stated that they plan to make improvements to their processes, products or services, after participating in the Programme.

The Programme participant focus groups and interviews provide insight into the types of innovations made by Programme participants. One interviewee specified that they had made changes to their customer relationship management processes to improve customer engagement, and a focus group participant stated that the changes they had made were not in relation to new offerings, but rather to channels of selling (from direct to indirect).

Where applicable, Programme participants were also asked about the extent to which the changes they have or plan to make regarding their businesses processes, products or services were due to taking part in the Programme. This findings are set out in Figure 14.

Figure 14: The extent to which participation in the Programme helped participants to introduce new or improve business processes, products or services

Source: KPMG Programme participants survey; KPMG analysis
n = 65 (when asked about help to introduce new processes, products or services); 64 (when asked about help to make improvements to processes, products or services);

71% of survey respondents stated that participation in the Programme had entirely or to a great, moderate or small extent helped them to introduce new processes, products or services, and more than three quarters stated that the Programme had helped to some extent. Almost 80% of Programme participant survey respondents said that the Programme helped them (either entirely, to a great extent, a moderate or small extent) to improve their processes, products or services.

The Programme participant focus groups and interviews provide insight into how the Programme helped them make these changes. Participants explained that one of the ways in which the Programme supported was through providing direction for how to make the changes, including supporting with business vision, which in some cases was a "massive pivot" to the vision prior to participation. This aligns with the view shared by the Programme coaches and mentors during their focus group, in which one stated that participants "come in with a preconceived view" and then through coaching during the Programme realise that they can do things differently. The same coach/ mentor also stated that the Programme also gives participants a chance to "step away from the big picture of their business"; this enables them to see things differently, in a way that they might not have done without participating in the Programme.

6.2.2.5 Employment impacts

This section outlines the results of the analysis assessing the impact of the Programme on employment in the participants' businesses. The findings are based on analysis of the Moody's FAME database, the End of Programme survey, the participants survey and the qualitative evidence from interviews and focus groups. The findings should all be considered in view of the limitations set out in Section 3.4.

Where the employment outcomes of Programme participants are compared with the employment outcomes of unsuccessful applicants, the results need to be considered cautiously. This is because the confidence that can be placed in the results depends on how good a control group the unsuccessful applicants are for the Programme participants. The fact that unsuccessful applicants weren't accepted onto the Programme could be an indication that they are inherently weaker, and therefore would not achieve the same outcomes as the Programme participants with or without the support of the Programme.

Results of Moody's FAME database employment analysis

To assess the extent to which the Programme has supported participants to grow their business, as measured by the number of employees, the change in employment before and after participating in/ applying for the Programme was compared between Programme participants and unsuccessful applicants as per the methodology described (see Section Appendix).

As shown in Table 6, below:

— For the 2022/23 cohort:

  - 49% of Programme participants saw an increase in employment in their business from the year before participating in the Programme to the year after participating, compared to 13% of unsuccessful applicants.

  - 18% of Programme participants saw an increase in employment in their business from the year before participating in the Programme to 2 years after participating, compared to 0% of unsuccessful applicants.

— For the 2023/24 cohort:

  - 5% of Programme participants saw an increase in employment in their business from the year before participating in the Programme to the year after participating, compared to 0% of unsuccessful applicants.

In total, across the 2022/23 and 2023/24 cohorts, 33% of Programme participants saw an increase in employment in their business from the year before participating in the Programme to the year after participating, compared to 5% of unsuccessful applicants. This suggests that the Programme has helped additional businesses grow in terms of number of employees, that would not have realised this growth without the Programme.

Table 6: Percentage of businesses that saw an increase in employment since the year before participation/ application

Cohort	Programme participants		Unsuccessful applicants	
	Participation year + 1 years	Participation year + 2 years	Participation year + 1 years	Participation year + 2 years
2022/23	49%	18%	13%	0%
2023/24	5%		0%	
Total	**33%**	**18%**	**5%**	**0%**

Source: Moody's FAME Database. KPMG analysis.
Note: The Moody's FAME database uses information from company accounts and therefore will in general relate to the position at the end of the financial period or the average over the year.
Note: The number of Programme participants in 2022 was n=65 and in 2023 was n=38. The number of unsuccessful applicants in 2022 was n=24 and in 2023 was n=32.

The analysis also considered the percentage of businesses that saw a decrease in employment. As shown in Table 7 below:

— For the 2022/23 cohort:

  - 6% of Programme participants saw a decrease in employment in their business from the year before participating in the Programme to the year after participating, compared to 8% of unsuccessful applicants.

  - 26% of Programme participants saw a decrease in employment in their business from the year before participating in the Programme to 2 years after participating, compared to 21% of unsuccessful applicants.

— For the 2023/24 cohort:

  - 32% of Programme participants saw a decrease in employment in their business from the year before participating in the Programme to the year after participating, compared to 25% of unsuccessful applicants.

In total, across the 2022/23 and 2023/24 cohorts, 16% of Programme participants saw a decrease in employment in their business from the year before participating in the Programme to the year after

participating, compared to 18% of unsuccessful applicants. These findings do not clearly suggest what the impact of the Programme has been. While it may be expected that a higher proportion of unsuccessful applicants experiencing a decrease in employment, compared to Programme participants may indicate that the Programme is supporting business growth (as measured by number of employees) this is not necessarily the case. In the focus group with Programme participants the point was made by one business that it had made headcount reductions in some areas because of what they learnt during the Programme and had done this to improve business productivity using the support of a connection made through the Programme.

Table 7: Percentage of businesses that saw a decrease in employment since the year before participation/ application

Cohort	Programme participants		Unsuccessful applicants	
	Participation year + 1 years	Participation year + 2 years	Participation year + 1 years	Participation year + 2 years
2022/23	6%	26%	8%	21%
2023/24	32%		25%	0%
Total	**16%**	**26%**	**18%**	**21%**

Source: Moody's FAME Database. KPMG analysis.
Note: The Moody's FAME database uses information from company accounts and therefore will in general relate to the position at the end of the financial period or the average over the year.
Note: The number of Programme participants in 2022 was n=65 and in 2023 was n=38. The number of unsuccessful applicants in 2022 was n=24 and in 2023 was n=32.

Table 8 below shows the average number of employees per business from the year before participating in/ applying for the Programme, and for the subsequent years that data is available for. As can be seen, the increase in the average number of employees per business was larger for Programme participants than unsuccessful applicants. The analysis shows:

— For the 2022/23 cohort, from the year before participating to the year after participating, the change in the average number of employees per business was +3.0 employees for Programme participants compared to +0.1 for unsuccessful applicants.

This suggests that an additional 2.9 employees per business have been created among Programme participants which may be partly as a result of participating the Programme, and which may not have occurred without the Programme.

Table 8: Average employment

Cohort	Programme participants			Unsuccessful applicants		
	Participation year - 1 year	Participation year	Participation year + 1 years	Application year - 1 year	Application year	Application year + 1 years
2022/23	2.4	4.6	5.4	1.2	1.5	1.3
2023/24	3.5	4.8		13.9	14.4	

Source: Moody's FAME database; KPMG Analysis
Note: The Moody's FAME database uses information from company accounts and therefore will in general relate to the position at the end of the financial period or the average over the year.
Note: FAME data for 2024 (i.e. for participation/ application year + 2 years for the 2022 cohort, and for participation/ application year +1 year for the 2023 cohort) is not yet available from the Moody's FAME Database. Therefore only analysis up to the year 2024 is possible.
Note: Of the businesses captured in the FAME analysis, for Programme participants in the year 2022/23, 64%, 48%, and 44% had employees (versus 36%, 52% and 56% who had no employees) in the year before participation, year of participation and year after participation, respectively, while for unsuccessful applicants, 67%, 52% and 65% had employees (versus 33%, 48% and 35% who had no employees) in the year before application, year of application and year after application, respectively. For Programme participants, in the year 2023/24, 71% and 59% had employees (versus 29% and 41%) in the before participation and year after participation, respectively, while for unsuccessful applicants, 59% and 62% had employees (versus 41% and 38% who had no employees) in the year before application and the year of application, respectively. The average number of employees per business is calculated using all businesses, with and without employees.

Results of End of Programme survey employment analysis

Analysis of the End of Programme survey results was also conducted to assess the extent to which the Programme has supported participants to grow employment in their business (see methodology described in Appendix).

The analysis, summarised in Table 9 and Table 10 below, shows:

— In 2021/22, 39% of Programme participants reported an increase in the number of employees from before starting to completing the Programme, while 3% reported a decrease. There was an estimated total increase of 57 full-time equivalents (FTE), with an average increase of 4.1 FTE per participant.

— In 2022/23, 5% of Programme participants reported an increase in the number of employees from before starting to completing the Programme which they reported was as a result of participating in the Programme, while 0% reported a decrease. There was an estimated total increase of 4.0 FTEs, with an average increase of 0.2 FTE per participant which was as a result of participating in the Programme.

— In 2023/24, 47% of Programme participants reported an increase in the number of employees from before starting to completing the Programme, while 9% reported a decrease. There was an estimated total increase of 58 FTEs, with an average increase of 3.1 FTE per participant.

Table 9: Percentage of Programme participants who reported a change in employment from starting to completing the Programme

Year	Percentage of participants who reported a change in employment	Percentage of participants who reported an increase in employment	Percentage of participants who reported a decrease in employment
2021/22	45%	39%	3%
2022/23*	5%	5%	0%
2023/24	56%	47%	9%

Source: Plexal
Note: The total percentages of participants reporting an increase or decrease in the number of employees do not add up to the overall percentage of those who experienced a change in employment, as some participants did not specify whether the change was an increase or a decrease.
*Note: The change in employment reported in 2022, is as a result of the Programme, while for 2021 and 2023, the survey did not ask respondents to attribute any change in employment to the Programme.

Table 10: Total and average employment change

Year	Total change (FTE)	Average employment change (FTE)
2021/22	57.0	4.1
2022/23*	3.9	0.2
2023/24	58.0	3.1

Source: Plexal

*Note: The change in employment reported in 2022, is attributed to the Programme, while for 2021 and 2023, the survey did not ask respondents to attribute any change in employment to the Programme.

Results of Participant and Unsuccessful applicants survey employment analysis

The Participant survey asked respondents about the extent to which the Programme supported employment growth of their business. These results were analysed using two methods:

— Self-reported Programme attribution, derived from the Programme participant survey: in which respondents were asked about the change in employment in their business and the extent to which it could be attributed to participating in the Programme; and

— Comparing employment changes between Programme participants and unsuccessful applicant businesses (counterfactual analysis): comparing the change in self-reported employment from before participating in/ applying for the Programme between Programme participants and unsuccessful applicants.

The participant survey asked Programme participants how many FTEs were employed in their business in the year prior to the Cyber Runway Programme, and how many FTEs were, or they expect to be, employed two years after participating in the Programme. From this, the difference in number of FTEs was calculated.[49] From this, Programme participants were asked to estimate the

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[49] In the case of the 2021 and 2022 cohorts, the change in number of FTEs is actual (since two years has passed since their participation); for the 2023 and 2024 cohort, the reported change is an estimate

extent to which the change in number of employees could be attributed to participation in the Cyber Runway Programme. The results are given in Table 11.[50]

Table 11: Total self-reported change in employment attributed to the Programme

Cohort	Change/ predicted change in employment (FTE)	Amount of change/ predicted change attributable to participation in Cyber Runway (FTE)	Attributed change in employment with impact of displacement: Approach 1 (FTE)	Attributed change in employment with impact of displacement: Approach 2 (FTE)
2021/22	14.5	3.5	2.3	0.8
2022/23	199.0	61.5	27.0	24.4
2023/24	20.5	0.9	0.4	0.4
2024/25	241.5	101.8	24.4	52.1
Total	**475.5**	**167.6**	**54.0**	**77.6**

Source: KPMG Programme participants survey; KPMG analysis

It shows that:

— For the 2021/22 cohort: the estimated number of additional FTEs created was 15, of which 4 FTEs can be attributed to participation in the Programme. After factoring in displacement, the number of additional jobs created as a result of participating in the Cyber Runway Programme is estimated at between 1 and 2;

— For the 2022/23 cohort: the estimated number of additional jobs created as a result of participating in the Cyber Runway Programme and after taking into account the impact of displacement is between 24 and 27;

— For the 2023/24: only 5 businesses reported a predicted change in employment from the 2023 cohort, amounting to a total of 21 additional FTEs. Of this, 1 FTE is estimated to be attributed to participation in the Programme, and after taking into account the effects of displacement the remaining number is estimated to be 0; and

— For the 2024/25 cohort: the estimated number of additional jobs predicted to be created as a result of participating in the Cyber Runway Programme, and after taking into account of displacement, is estimated to be between 24 and 52.

Across the four years of the Programme, between 54 FTEs and 78 FTEs are estimated to be created, based on the self-reported attribution estimates of Programme participant survey respondents, and taking into account potential displacement.

The self-reported impact on employment at the individual business-level is shown in Table 12.

Table 12: Average self-reported change in employment per business attributed to the Programme

Cohort	Average change/ predicted change in employment per participating business (FTE)	Amount of change/ predicted change attributable to participation in Cyber Runway (FTE)	Attributed change in employment with impact of displacement: Approach 1 (FTE)	Attributed change in employment with impact of displacement: Approach 2 (FTE)
2021/22	3.6	0.9	0.6	0.2
2022/23	9.0	2.8	1.2	1.1
2023/24	4.1	0.2	0.1	0.1
2024/25	8.1	3.6	0.9	1.9
Average	**6.2**	**1.9**	**0.7**	**0.8**

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[50] To take account of displacement two approaches were used based on responses to two survey questions in the Programme participant survey. Programme participants were asked: a) about the extent to which their competitors would take up their current sales if they were to cease trading, and b) about the nature of competition in their market. Based on their responses to these questions, an assumption was made about the extent of displacement which was then applied to the estimated attributed change in employment. See A1.3 for further detail.

Over the four years, on average, each business (based on the sample that responded to the survey) increased employment by 6.2 FTEs. Of these, approximately 1.9 FTEs can be attributed to participating in the Programme. After considering the impact of displacement, the number of additional FTEs is between 0.7 FTEs and 0.8 FTEs.

By comparing between Programme participants and unsuccessful applicants the change/ predicted change in employment from before participating in/ applying for the Programme to two years after, the estimated change in employment as a result of the Programme can be estimated. The results are set out in Table 13. The analysis shows that across the four years of Programme delivery, unsuccessful applicant businesses saw an average increase of approximately 4.6 FTEs per business, compared with 6.2 FTEs per business among Programme participants. The difference of approximately 1.7 FTEs, is the increase in employment per business which may be attributed to the Programme, and therefore may be considered to have occurred due to the Programme and would not have occurred in the absence of the Programme. This is broadly consistent with the self-reported attribution estimates.

Table 13: Comparison between employment change in Programme participants and unsuccessful applicants

	Average change/ predicted change in employment per participating business (FTE)	Average change/ predicted change in employment per unsuccessful applicant business (FTE)	Difference between Programme participant and unsuccessful applicant change in employment: counterfactual attribution (FTE)
Average across 2021 and 2024	6.2	4.6	1.7

Source: KPMG Programme participants survey; KPMG unsuccessful applicant survey; KPMG analysis
Note: Figures may not reconcile due to rounding.

Results of the Participant and Unsuccessful applicants qualitative research employment analysis

The focus groups and interviews with Programme participants also provided anecdotal evidence in relation to employment impacts. Broadly, the focus group and interview Programme participants shared that they increased the number of employees in their respective businesses following participation in the Programme.

One interview participant shared that they had reduced headcount since participation in the Programme, but noted that it was unrelated to the Programme. Another interview participant shared that they had hired two additional FTEs since participating in the Programme and had plans to hire two more in the near term. The same interviewee also shared that since participating, they have used the consultancy services of a contact made during the Programme in relation to employment challenges within their business. This manifested itself in savings of approximately £100,000 through headcount adjustments. This suggests that a reduction in number of employees may not necessarily indicate a decrease in business growth, rather it could bring about efficiency and savings that are reinvested in the business helping to support growth.

6.2.2.6 Revenue impacts

This section outlines the results of the analysis assessing the impact of the Programme on the revenue of participants. The findings are based on analysis of the End of Programme survey and the participant and unsuccessful applicant surveys. The findings should all be considered in view of the limitations set out in Section 3.4.

Where the revenue change of Programme participants are compared with the revenue change of unsuccessful applicants, the results need to be considered cautiously. This is because the confidence that can be placed in the results depends on how good a control group the unsuccessful applicants

are for the Programme participants. The fact that unsuccessful applicants weren't accepted onto the Programme could be an indication that they are inherently weaker, and therefore would not achieve the same outcomes as the Programme participants with or without the support of the Programme.

Results of End of Programme survey revenue analysis

To assess the extent to which the Programme has supported participants to grow the revenue of their business, analysis of the End of Programme survey results was conducted (as described in Appendix).

The results of the analysis, shown in Table 14 and Table 15 below, indicate:

— In 2021/22, 29% of Programme participants reported an increase in revenue from before starting to completing the Programme, while 0% reported a decrease. There was an estimated total increase of £2.3m in revenue, with an average increase of £253k per Programme participant.

— In 2022/23, 5% of Programme participants reported an increase in revenue from before starting to completing the Programme that they reported was as a result of the Programme, while 0% reported a decrease. There was an estimated total increase of £7k in revenue, with an average increase of £645 per Programme participant which was reported to be as a result of participating in the Programme.

— In 2023/24, 29% of Programme participants reported an increase in revenue from before starting to completing the Programme, while 0% reported a decrease. There was an estimated total increase of £665k in revenue, with an average increase of £67k per Programme participant.

Table 14: Percentage of participants who reported a change in revenue from starting to completing the Programme

Year	Percentage of participants who saw a change in revenue	Percentage of participants who saw an increase in revenue	Percentage of participants who saw a decrease in revenue
2021/22	35%	29%	0%
2022/23*	28%	5%	0%
2023/24	38%	29%	0%

Source: Plexal
Note: The total percentages of participants reporting an increase or decrease in revenue do not add up to the overall percentage of those who reported a change in revenue, as some participants did not specify whether the change was an increase or a decrease.
*Note: The change in revenue reported in 2022, is as a result of the Programme, while for 2021 and 2023, the survey did not ask respondents to attribute any change in revenue to the Programme.

Table 15: Total and average revenue change

Year	Total change (£)	Average revenue change (£)
2021/22	£2,274,500	£252,722
2022/23*	£7,093	£645
2023/24	£665,800	£66,580

Source: Plexal
*Note: The change in revenue reported in 2022, is as a result of the Programme, while for 2021 and 2023, the survey did not ask respondents to attribute any change in revenue to the Programme.

Results of Participant and Unsuccessful applicants survey revenue analysis

The Participant survey asked respondents about the extent to which the Programme supported revenue growth of their business. These results were analysed using two methods (see Appendix for further detail):

— Self-reported Programme attribution, derived from the Programme participant survey: in which respondents were asked about the change in revenue of their business and the extent to which it could be attributed to participating in the Programme; and

— Comparing revenue changes between Programme participants and unsuccessful applicant businesses (counterfactual analysis): comparing the change in self-reported revenue from before participating in/ applying for the Programme between Programme participants and unsuccessful applicants.

The survey asked Programme participants what their revenue was in the year prior to participating in the Programme, and what it was, or what they expect it to be, two years after participating in the Programme. From this, the difference was calculated.[51] From this, Programme participants were asked to estimate the extent to which the change in revenue could be attributed to participation in the Cyber Runway Programme. The results are given in Table 16.[52]

Table 16: Total self-reported change in revenue attributed to Programme participation

Cohort	Change/ predicted change in revenue	Amount of change/ predicted change attributable to participation in Cyber Runway	Attributed change in revenue with impact of displacement: Approach 1	Attributed change in revenue with impact of displacement: Approach 2
2021/22	£1,205,000	£188,750	£135,625	£61,875
2022/23	£13,277,000	£3,955,000	£1,605,160	£995,000
2023/24	£1,603,000	£682,750	£341,375	£91,375
2024/25	£32,086,000	£10,933,500	£2,998,790	£5,252,107
Total	**£48,171,000**	**£15,760,000**	**£5,080,949**	**£6,400,357**

Source: KPMG Programme participants survey; KPMG analysis

The analysis shows that:

— For the 2021/22 cohort: the total amount of revenue generated (between the year before participating and two years after participating) across all businesses (who responded to the survey) was approximately £1.2m. Of this, approximately £189k can be attributed to participating in the Programme. After taking into account displacement, the additional revenue generated as a result of the Programme is estimated to be between £62k and £136k;

— For the 2022/23 cohort: the amount of revenue generated as a result of participating in the Programme and after taking into account of displacement is estimated to be between £995k and £1.6m;

— For the 2023/24 cohort: the amount of revenue generated as a result of participating in the Programme and after taking into account of displacement is estimated to be between £91k and £341k; and

— For the 2024/25 cohort: the amount of revenue generated as a result of participating in the Programme and after taking into account the impact of displacement is estimated to be between £3m and £5.3m.

Across the four years of Programme delivery, a total of between £5.1m and £6.4m of additional revenue is estimated to have been generated as a result of the Programme, taking into account the impact of displacement.

The self-reported impact on revenue at the individual business-level is shown in Table 17.

Table 17: Average self-reported change in revenue per business attributed to Programme participation

Cohort	Average change/ predicted change	Amount of change/ predicted change	Attributed change in revenue with impact	Attributed change in revenue with

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[51] In the case of the 2021 and 2022 cohorts, the change in revenue is actual (since two years has passed since their participation in the Programme); for the 2023 and 2024 cohort, the reported change is an estimate/ prediction.
[52] To take account of displacement two approaches were used based on responses to two survey questions in the Programme participant survey. Programme participants were asked: a) about the extent to which their competitors would take up their current sales if they were to cease trading, and b) about the nature of competition in their market. Based on their responses to these questions, an assumption was made about the extent of displacement which was then applied to the estimated attributed change in revenue. See A1.3 for further detail.

	in revenue per participating business	attributable to participation in Cyber Runway	of displacement: Approach 1	impact of displacement: Approach 2
2021/22	£301,250	£47,188	£33,906	£15,469
2022/23	£663,850	£197,750	£80,258	£49,750
2023/24	£320,600	£136,550	£68,275	£18,275
2024/25	£1,234,077	£437,340	£119,952	£210,084
Average	**£629,944**	**£204,707**	**£75,598**	**£73,395**

Source: KPMG Programme participants survey; KPMG analysis

Over the four years of Programme delivery, on average, each business (based on the sample that responded to the survey) reported that their business revenue grew by £630k from before participating to 2 years after participating. Of this, approximately £205k can be attributed to participation in the Programme. After taking into account displacement, the average amount of additional revenue generated is estimated to be between £73k and £76k.

By comparing between Programme participants and unsuccessful applicants the change/ predicted change in revenue from before participating in/ applying for the Programme to two years after participating/ applying, the estimated change in revenue attributable to the Programme can be estimated. The results of this analysis are set out in Table 18.[53] For the two years of Programme delivery for which the analysis is possible, unsuccessful applicant businesses saw an average increase in revenue of approximately £594k per business, compared with an average of £777k per business among Programme participants. The difference of approximately £184k is the increase in revenue per business which may be attributed to the Programme, and therefore may be considered to have occurred due to the Programme and would not have occurred in the absence of the Programme.

Table 18: Comparison between revenue change in Programme participants and unsuccessful applicants

	Average change/ predicted change in revenue per participating business	Average change/ predicted change in revenue per unsuccessful applicant business	Difference between Programme participant and unsuccessful applicant change in revenue: counterfactual attribution
2023/24	£320,600	£62,300	£258,300
2024/25	£1,234,077	£1,125,000	£109,077
Average across 2023 and 2024	£777,338	£593,650	£183,688

Source: KPMG Programme participants survey; KPMG unsuccessful applicant survey; KPMG analysis

Results of the Participant and Unsuccessful applicants qualitative research revenue analysis

The focus groups and interviews with Programme participants also provided anecdotal evidence in relation to revenue impacts. Broadly participants shared that, where applicable (i.e. not those who are at pre-funding stages of their business), their revenue had increased since participating in the Programme, though they considered that attributing the amount of revenue growth to the Programme would be challenging. One focus group participant shared that their business now has four customers as a result of participation in the Programme and that the growth their business has achieved in the most recent quarter was attributable to the connections made through the Trade Missions.

6.2.2.7 Business investment

This section outlines the results of the analysis assessing the impact of the Programme on investment. It covers skills gained during the Programme that may help to increase opportunities to secure investment; and the amount of investment generated before and after participation in the

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[53] This analysis is only conducted for 2023 and 2024 as no unsuccessful applicants from the years 2021 and 2022 responded to the survey.

Programme. The findings are based on analysis of the primary research (surveys, interviews and focus groups of Programme participants) and the secondary data (monitoring data from Plexal).

Participant survey investment results

When asked about investment, 58% of Programme participant survey respondents stated that they have not secured additional investment since participating in the Programme. However, interview and focus group participants shared that where investment has not yet happened, they are nonetheless having conversations with connections made through the Programme, with the possibility of investment at the right time for their business stage. One Programme participant interviewee shared that their business is still benefiting from connections made – with indirect financial benefits realised through them – more than a year after completing the Programme.

Of those survey respondents who have secured investment, a number of reasons were given in the as to how participation in the Programme helped to secure this investment, as set out in Figure 15. The two most commonly selected reasons as to how participating in the Cyber Runway Programme helped secure additional investment are: because of the new connections/ networks that the Programme helped to build (27%); and because it helped increase participant confidence (27%). During a Programme participant focus group, one Programme participant shared that approximately 14% of their current investment came from connections made through Cyber Runway, noting that the Programme has enabled some "commercial outcomes".

Figure 15: How participation in Cyber Runway helped to secure additional investment that wouldn't otherwise have been secured
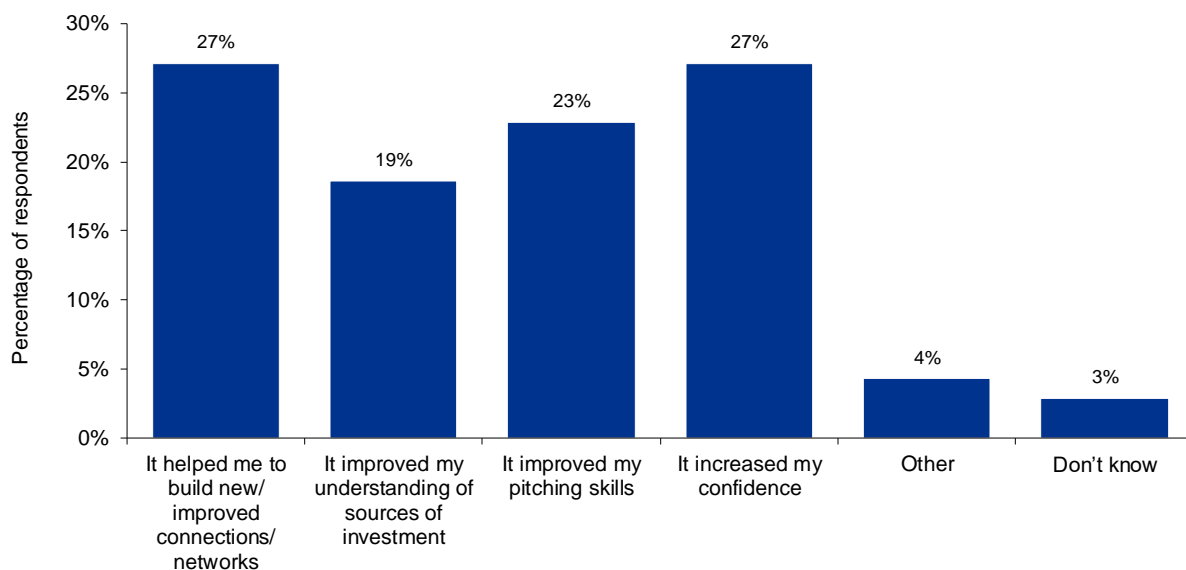
Source: KPMG Programme participants survey; KPMG analysis
n = 70

Programme monitoring data analysis

Monitoring data held by Plexal in relation to the investment obtained by Programme participants was also analysed.

The data covers 210 businesses and captures the amount of investment raised before and after participating in the Programme for each business as at December 2024. The data therefore excludes some businesses from the most recent cohort.

It shows that, of the 210 businesses included in the data, 20% (44 businesses) have raised investment either before or after participating in the Programme, while 80% have not. Of the 44 businesses that had raised investment:

— 25 (57%) businesses raised this investment before participating in the Programme;

— 34 (77%) businesses raised investment after participating; and

— 15 (34%) businesses raised investment both before and after.

In terms of the amount raised, £30m of investment was raised by 25 businesses prior to participating in the Programme, and £112m of investment was raised by 34 businesses following participation in the Programme.[54] Evidence is not available to be able to determine the extent to which this is attributable to the Programme.

6.2.2.8 Business survival

This section outlines the results of the analysis assessing the impact of the Programme on business survival. The findings are based on analysis of data sourced from Moody's FAME database

As set out in the logic model, the Programme is expected to increase business resilience. Business resilience can be measured by business survival. Therefore, to assess the extent to which the Programme was effective in supporting business survival, the percentage of companies that remained active following participating in/ applying for the Programme was compared between Programme participants and unsuccessful applicants, using data from Moody's FAME database. The results for this analysis are given in Table 19.

Table 19: Current company status of Programme participants and unsuccessful applicants

Cohort	Programme participants			Unsuccessful applicants		
	Active	Dissolved	In liquidation	Active	Dissolved	In liquidation
2022/23	82%	8%	2%	67%	25%	4%
2023/24	76%	24%	0%	63%	31%	3%
Total	**80%**	**14%**	**1%**	**64%**	**29%**	**4%**

Source: Moody's FAME Database
Note: The totals for each year do not sum to 100% because some companies are active (dormant), i.e. they were incorporated but not currently trading.

The analysis shows:

— For the 2022/23 cohort:

- 82% of the businesses of Programme participants are still currently active, compared to 67% of the businesses of unsuccessful applicants.

- 10% of the businesses of Programme participants have been dissolved or are in liquidation, compared to 29% of the businesses of unsuccessful applicants.

— For the 2023/24 cohort:

- 76% of the businesses of Programme participants are still currently active, compared to 63% of the businesses of unsuccessful applicants.

- 24% of the businesses of Programme participants have been dissolved or are in liquidation, compared to 34% of the businesses of unsuccessful applicants.

In total, across the 2022/23 and 2023/24 cohorts, 80% of the businesses of Programme participants are currently active according to the FAME data, compared to 64% of the businesses of unsuccessful applicants, while 15% of the businesses of Programme participants have been dissolved or are in liquidation, compared to 33% of the businesses of unsuccessful applicants. This suggests that the Programme may have helped additional businesses survive that may otherwise have ceased trading. However, this depends on how good a control group the unsuccessful applicants are, for the

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[54] The data also shows 33 businesses have secured grants, totalling £31m. However, it is unclear whether these were secured before or after participating in the Programme.

Programme participants. The fact that unsuccessful applicants weren't accepted onto the Programme could be an indication that they are inherently weaker, and therefore would not achieve the same outcomes as the Programme participants with or without the support of the Programme.

6.2.2.9 Contribution analysis

Purpose of the contribution analysis

In order to mitigate some of the limitations of the methodologies used to carry out the impact evaluation (set out in Section 3.4), a theory-based contribution analysis has also been carried out. Contribution analysis provides an assessment of the extent to which an intervention (in this case, the Cyber Runway Programme) has contributed to an observed outcome (i.e. business growth and sector growth) by exploring the evidence for the theory of change. The approach seeks to understand the mechanisms through which impacts have been realised and assess the causal contribution of the Programme to observed outcomes alongside other influencing factors. This is done by examining the consistency of the evidence in supporting the impact pathways and the congruence of the evidence with the theory of change.

Framework for the contribution analysis

The framework assesses the assumptions set out in the theory of change (see Section 4.2) and analyses the evidence to understand the extent to which they hold. In this regard, each assumption was examined in terms of:

— Congruence: the extent to which the evidence was consistent with the theory of change
— Consistency: the extent to which the evidence and findings from across different sources and analyses are consistent; and
— Robustness: the quality of the evidence sources.

Contribution analysis findings

Two internal workshops were held to review and assess each of the sources of evidence in relation to each of the assumptions in the theory of change and determine the extent to which the Programme contributed to achieving the expected outcomes and impacts.

The findings of the contribution analysis are set out in Table 20, below

Table 20: Contribution analysis

Assumptions	Summary of the evidence	The congruence of the evidence with the ToC	The consistency of the evidence across evidence sources	The robustness of the evidence
Programme designed to meet participants' needs	- Participant and unsuccessful applicant survey - Interviews and focus groups	- Plexal considers it meets participants' needs; - Participants take part in multiple workstreams over multiple years - Participants say it meets their needs, is valuable and a good use of their time - Unsuccessful applicants continue to apply as they perceive it to be well-designed - 82% of Programme participants agree that they are satisfied with Programme content and delivery - Satisfaction across the different types of support varied, with in-person and 1-1 sessions tending to be preferred by participants and coaches and mentors	- Consistent evidence across qualitative and quantitative research with different stakeholder groups	- Data saturation reached in qualitative research (interviews and focus groups) - Sample size of surveys (see limitations regarding sample size and selection bias – Section 3.4): Programme participants n=87 and unsuccessful applicants n=13
Participants attend and actively engage in sessions	- Attendance KPI - Participant and unsuccessful applicant survey - Interviews and focus groups	- Attendance KPI: mixed across workstreams in terms of meeting attendance KPI (which varies from 80% to 100% across workstreams and years) - Virtual settings: coaches/ mentors – not confident about engagement in virtual settings, Plexal said people more willing to 'drop out' - In-person events: all stakeholders say in-person events are better for facilitating engagement and participation - Varies depending on content, number of attendees, etc. - Attendance results from survey: 30% attended all sessions; 75% attended more than 75% of sessions. Reasons for not attending appear to be valid, e.g. not relevant/ last minute scheduling	- Mixed: depends on whether in-person or virtual and KPIs mixed; - Engagement may depend on who attended the session from within the businesses	- Some data gaps in attendance KPI - Sample size of surveys: Programme participants n=87
Programme participants gain new knowledge and skills, and make connections	- Connections KPI - Participant and unsuccessful applicant survey - Interviews and focus groups	- KPI around connections made, but lack of monitoring against the KPI - Programme participants report they gained new knowledge, skills, confidence, and connections/ networks. The most frequently reported knowledge and skills gained were in terms of: improvements in knowledge/ understanding of how to plan business growth (56% of Programme participant survey respondents), improvements in marketing	- Broadly consistent across qualitative research with different stakeholder groups - Harder for unsuccessful	- Data gap in KPI around connections - Data saturation reached in qualitative research - Sample size of surveys: Programme

		skills (48%), leadership skills (44%) and improvements in ability to secure investment (40%) - Coaches/ mentors report: increased confidence of participants - Plexal and CSIT report: new knowledge, skills, networks, confidence, gained by Programme participants - Only 8% of participant survey respondents said they gained nothing; - On average five areas of benefit were selected by each Programme participant survey respondent - Mixed evidence on connections as a whole: 74% of participant survey respondents reported connections with peers as a benefit, compared with 60% of participant survey respondents that reported connections with industry experts as a benefit - Coaches and mentors perception of benefits for participants: survey respondents, on average, selected six areas of benefit that they thought participants gained - Coaches and mentors: in terms of networking, over 69% of coaches and mentors responding to the survey agreed that Programme participants gained in terms of networking with peers, experts, etc.	applicants to comment on perceived Programme benefits	participants n=87, unsuccessful applicants n=13 and coaches and mentors n=30
Programme participants implement the new knowledge and skills gained, and use the connections made	- Participant and unsuccessful applicant survey - Interviews and focus groups	- Coaches/ mentors: in the focus groups coaches and mentors reported that participants changed what they'd been doing/ changed their offering as a result of the Programme - Coaches/ mentors: in the focus groups coaches and mentors also said that the Programme helped businesses become more investable - Evidence on using the connections: Programme participants reported using the services of connections made as well as securing investment as a result of connections made - 27% of Programme participants said that the Programme helped them secure additional investment because of the new connections/ networks that the Programme helped to build	- Broadly consistent across qualitative research and quantitative surveys	- Data saturation reached in qualitative research - Sample size of surveys: Programme participants n=87
Expected impacts are realised e.g. employment and revenue	- End of Programme (EoP) survey analysis - FAME data analysis	- EoP: difficult to attribute changes in employment and revenue to the Programme as no questions asked to determine this in 2021 and 2023 - FAME: analysis points towards the Programme contributing to business survival and growth in terms of employment - Surveys: analysis points towards the Programme contributing to business growth in terms of revenue and employment	- Broadly consistent in terms of the Programme partially contributing to business growth that otherwise would not have occurred	- Data saturation reached in qualitative research - Sample size of surveys: Programme participants n=87

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	- Participant and unsuccessful applicant survey - Interviews and focus groups	- Programme participants noted that the Programme contributed to the change in number of employees, and either too hard to attribute changes in revenue to the Programme or too early (i.e. pre-revenue) - Investment: some Programme participants said investment was directly attributed to the Programme		- Sample size for FAME data analysis: Programme participants n=103 and unsuccessful applicants n=56

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Taken together, the contribution analysis shows the following in relation to each of the assumptions in the theory of change.

— **Programme designed to meet participant needs**: the evidence is consistent and robust, and indicates that the Programme is well-designed, as suggested by high participant satisfaction scores, positive survey feedback and some repeat applications to the Programme from both past Programme participants and unsuccessful applicants;

— **Programme participant attendance and engagement**: the evidence is mixed and there are gaps in the KPI data held by Plexal; therefore, findings relating to attendance and engagement are not conclusive. Generally, in-person sessions presented the best opportunities for engagement, as indicated by Programme participants and coaches and mentors. Engagement may also have been higher when the most relevant person from each participating business was able to attend, rather than the same person attending all sessions;

— **Programme participants gain new knowledge and skills**: the evidence is broadly consistent, though some gaps exist in the KPI data. Findings suggest that new skills and knowledge are gained by Programme participants (see table above and Section 6.2.2.3), with only 8% of Programme participants stating that they gained nothing from participating in the Programme;

— **Programme participants implement new knowledge and skills**: evidence was broadly consistent and indicated that Programme participants implement/ leverage the knowledge, skills and connections gained through the Programme. This is indicated by findings in the participant survey that show participants have secured additional investment following participation in the Programme and have utilised the connections made to support them in their business since taking part in the Programme. Coaches and mentors also stated that businesses are "more investable" following the Programme than prior, suggesting businesses adapt their offerings/ practices using the knowledge gained from the Programme, and as such become more investable;

— **Identified impacts are realised**: the evidence is broadly consistent and relatively robust in indicating that the Programme partially contributes to business and sector growth, through supporting an increase in business survival and employment and revenue growth in participant businesses.

The contribution story is strong across all assumptions, albeit the strength varies across the assumptions being stronger for some e.g. Programme participants gain new knowledge and skills, than others e.g. Programme participants implement new knowledge and skills. On balance the evidence indicates that the Programme has supported the realisation of the expected outcomes and impacts, and this can be attributed to the Programme to some extent. This is apparent through the use of multiple approaches to understand the attribution e.g. self-reported attribution of Programme impacts and comparing the outcomes of Programme participants with unsuccessful applicants. However, the results need to be considered in the context of the limitations (see Section 3.4).

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7 Value for Money Evaluation

7.1 Methodology for analysing the value for money of the Programme

7.1.1 Research questions

As set out in Section 2.2, the focus of the VFM evaluation was assessing whether the Programme used public resource efficiently. The two value for money evaluation RQs are:

— RQ1: To what extent has the Programme used public resources in a way that maximises public value? Is this Programme the best use of public funds?

— RQ2: How could the VFM be improved?

As agreed with DSIT, the focus on work was on the first of these RQs, assessing the benefits versus costs of the Programme. More limited data and evidence were available to robustly assess RQ2 and the agreed scope of analysis narrower. Details of the scope of analysis and the approach taken are detailed through this section of the report.

7.1.2 Overview of approach to the analysis

To answer RQ1, a cost benefit analysis was conducted. The theory of change and the impact evaluation findings were used to identify the costs and benefits of the Programme. Various methodologies were then used to monetise these costs and benefits, where possible, to enable an HMT Green Book-compliant analysis to be conducted. Given benefits are likely to accrue over time, the potential future benefits were considered and discounted in line with Green Book guidance. Prices are reported in real terms (as taken from the evidence) and converted into 2025 prices for consistency over the time period.

Table 21 below sets out the identified costs and benefits associated with the Programme and shows which are monetised. The methodologies used to quantify the monetised costs and benefits are described in detail below alongside the analysis and results.

Table 21: Summary of identified cost and benefits associated with the Programme

Category of cost/ benefit	Costs and benefits	Detail of cost and benefit	Monetised
Public sector cost	Programme cost to government	Resource cost of the Programme	✓
		Resource cost of overseeing the Programme	✗
Private sector cost	Opportunity cost of applicant/ participant time	Application and assessment process time (for unsuccessful applicants and participants)	✗
		Session preparation time	✗
		Travel time to attend sessions	✓
		Session participation time	✓
Private sector benefit	Participant benefits	Knowledge and skills; networking and connections	✓
Public sector benefit	Economic benefits	Gross Value Added (GVA)	✓

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Wider public sector benefits	Potential future benefits	Business confidence, aspiration and resilience	✘
		Business benefits from innovation	✘
		Returns on investment	✘
		Business survival	✘
		Supply chain benefits	✘

It should be noted that DSIT was not able to provide the ex-ante appraisal for the Programme, so it is unclear what monetised costs and benefits were included. Therefore, the analysis undertaken as part of this VFM evaluation may not align to that previously conducted.

7.2 Detailed findings

The following sections set out the findings of the analyses used to answer the VFM evaluation research questions.

7.2.1 Findings: RQ1 – Extent to which the Programme has used public resources in a way that maximises public value

7.2.1.1 Costs of the Programme

The quantified economic costs of the Programme are:

— the costs to government, since the resources used to fund the Cyber Runway Programme would likely be used elsewhere in the absence of the Programme; and

— the opportunity cost to Programme participants associated with the time spent participating in the Programme and the time spent travelling,[55] as this time would have been time spent elsewhere in the absence of the Programme.

There are additional costs (e.g. the time spent completing the application and assessment process) that Programme participants and unsuccessful applicants incur, and additional DSIT resource costs relating to overseeing the Programme's delivery. Due to a lack of available data these are not included within the quantified costs, as per Table 21.

Programme cost to government

As detailed in the Green Book, public sector financial costs are the estimated resource and capital costs for an intervention over its lifetime.[56] In the case of the Programme, these are the costs associated with Plexal's delivery of the Programme as contracted by DSIT over the four years the Programme has been running.

This cost was determined using purchase order (PO) and invoice data on payments to Plexal. These captured the costs of sub-contracted delivery partners and coaches and mentors, as well as other costs that Plexal incurred in delivering the Programme. The costs are set out in Table 22.

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[55] Two approaches were used to estimate the opportunity cost: one that included the travel time; and one that did not.
[56] HM Treasury. 2022. The Green Book

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Table 22: The cost to government of the Programme

Year	Total cost (real prices)	Total cost (2025 prices)
2021/22	£698,000	£813,000
2022/23	£695,000	£756,000
2023/24	£1,015,000	£1,042,000
2024/25	£964,000	£953,000
Total	£3,373,000	£3,563,000

Source: Financial information provided by DSIT: DSIT was unable to confirm costs for Year 1 and Year 2.

The cost of delivering the Programme has varied over the four years, reflecting the changes in Programme coverage and inclusion of different events, e.g. the bootcamps which were introduced after Year 1. The data shows that the total cost (in 2025 prices) of the Programme over the 4 years was approximately £3.6m.[57]

Opportunity cost of Programme participants' time

Private sector costs associated with the Programme are valued on an opportunity cost basis, in line with Green Book guidance. The identified private sector costs are those associated with the opportunity cost of the time spent on the application to, and participation in, the Programme. As detailed in the Green Book, market prices are usually the starting point for estimating opportunity costs.

To value the time spent participating in the Programme, the number of hours spent participating is multiplied by the salary that would otherwise have been earned by participants in this time. While the participants may not be losing salary by participating in the Programme, salary is used as a proxy for the value of output they could have generated in that time.

As there is no detailed monitoring data on the amount of time participants spent on the Programme, two different data sources have been used to estimate the number of hours spent participating in the Programme:

— Participants' self-reported estimates of time spent on the Programme based on survey responses from participants; and

— The time commitment specified in the 'Guide for Applicants' for 2022/23.[58]

The time commitments specified in the Guide for Applicants was only available for Year 2 of the Programme (2022/23). Therefore, estimates for the time commitments for the other years of the Programme were estimated from this.

The salary information used as a proxy for the opportunity cost of the time spent was sourced from the ONS Annual Survey of Hours and Earnings (ASHE).[59] The average hourly salaries of the specific sectors, as classified by SICs, in which participating businesses are operating were used.[60] This was done to derive an hourly wage that most closely reflects the value of participant time as measured by the wage they would otherwise have gained if not participating in the Programme.[61] Hourly wage data was uplifted to 2025 prices.

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[57] This reflects the financial cost to Government, not the opportunity cost associated with how the money could have otherwise been spent. At the time of approving the funding for the Programme, a decision will have been made by DSIT, based on the business case produced, that the Programme represented good value for money and should be funded.

[58] Plexal. 2022. Cyber Runway: Guide for Applicants

[59] ONS. 2024. Earnings and hours worked, UK region by industry by two-digit SIC: ASHE Table 5

[60] Programme participant company information relating to SICs was extracted from the Moody's FAME database by matching the company information (company name and registration number) of Programme participants provided by Plexal, to the Moody's FAME database.

[61] The SIC analysis indicated that on average over the four years of the Programme, the majority (66%) of participating businesses were classified in the Computer Programming, Consultancy And Related Activities industry, with the balance distributed across a number of other industries.

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The opportunity cost of Programme participant time is presented in Table 23 below, using the two different data sources for estimating the time spent participating in the Programme.

Table 23: Opportunity cost of time spent on the Programme: self-reported time estimated from Programme participants and time commitment estimates from Guide for Applicants

Year	Opportunity cost of time spent on the Programme (using time commitments in Guide for Applicants), 2025 prices	Opportunity cost of time spent on the Programme (using self-reported time estimated by Programme participants), 2025 prices
2021	£66,000	£128,000
2022	£63,000	£123,000
2023	£70,000	£138,000
2024	£86,000	£168,000
Total	**£285,000**	**£557,000**

Source: Programme participant survey; KPMG analysis

It can be seen that the cost to Programme participants ranged from approximately £285k to £557k in total over the four years of Programme delivery, with the figures varying based on the data source used for the amount of time participants spent. The estimated cost is substantially lower using the information on the time commitments specified in the Guide for Applicants. This is likely because this only captures the expected time spent at sessions and events whereas the self-reported time estimated includes additional time, such as preparation and travel time associated with the Programme.[62]

Summary of monetised costs

Taken together, the total monetised Programme costs are estimated to be between £3.9m (£3.6m + £285k) and £4.1m (£3.6m + £557k) across the four years of Programme delivery. However, as noted previously, given that a number of cost areas are not included in the monetised costs, due to a lack of data to be able to estimate these, these monetised costs are likely to be an underestimate of the total costs of the Programme.

7.2.1.2   Benefits of the Programme

The quantified benefits of the Programme are:

— the participant benefits, since the impact evaluation evidence shows that Programme participants realise gains from participating, such as new knowledge and skills; and

— the economic benefits associated with the additional economic activity generated by businesses that participated in the Programme.

In addition, there are potential future benefits which are discussed in further detail below. These are:

— Business confidence, aspiration and resilience;

— Business benefits from innovation;

— Returns on investment; and

— Business survival.

Participant benefits: the benefits accruing to participants from taking part in the Programme

The findings of the impact evaluation show that there were a number of tangible benefits to participants from taking part in the Programme. For example, in terms of supporting participants to make connections and build networks with peers and industry experts. 60% of Programme participant survey respondents stated the Programme had helped them (either entirely or to a great extent) make new connections with industry peers, while 38% said it helped them make connections with industry

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[62] Some Programme participant survey respondents noted in their answers that they had included travel time in their estimate of the time spent participating in the Programme.

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experts and 21% said it helped them make connections with investors. The evidence also indicates that the Programme was successful in providing participants with new knowledge and skills, particularly in relation to how to plan business growth (cited by 56% of Programme participant survey respondents), marketing skills (48%), leadership skills (44%) and ability to secure investment (40%).

The evidence suggests that participants benefited from taking part in the Programme and that it was a valuable use of their time (85% of participant survey respondents agreed that attending was a good use of time, with only 8% stating that it was not).

The benefits of the Programme to participants, is estimated using the value of the time participants spent taking part as a proxy. This is because it can be assumed that people would only take part if the value they gain from taking part exceeds the cost of their time in an alternative use (the opportunity cost). Therefore, the cost of participants' time may be considered a lower bound for the value of Programme benefits realised by participants.

In line with the values set out in Table 22 above, the benefits of the Programme to participants are estimated to be at least £285k to £5572k, although as noted above this should be considered a lower bound estimate.

Economic benefits of increased employment and revenue: in GVA terms

As detailed in the theory of change, a key intended impact of the Programme is to support business growth (in terms of business survival, and increases in sales, revenue, employees and productivity). It aims to do this through workshops, events and coaching covering a range of subject areas, including strategy, funding, recruitment, etc.

As reported in the impact evaluation, there is some evidence that the Programme has supported some participants to grow their business, as measured in terms of number of employees and revenues, although, based on the mixed evidence available, it is challenging to accurately determine the extent of this growth and to directly attribute it to the Programme.

Notwithstanding this, the evidence available on the estimated business growth attributable to participants taking part in the Programme has been used to estimate the monetised economic benefits associated with business growth. These benefits are monetised in terms of GVA[63] using two approaches for the purpose of cross-checking the results. These are:

— Using estimates of the additional employment created as a result of the Programme and applying a derived GVA per FTE value.[64] This is because GVA is generated through the activity/ output and spending associated with the additional employment.

— Using estimates of the additional revenue generated as a result of the Programme and applying a derived output to GVA ratio.[65] This is because the additional revenue reflects the higher levels of economic activity and value to the economy generated by the businesses.

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[63] While GVA is not part of the Green Book appraisal process because it cannot be used to compare between options, GVA is used here to estimate the economic impacts of the Programme for the purpose of considering the VFM of the Programme.

[64] To derive a representative GVA per FTE estimate for use in the analysis, the following steps were taken: the SIC code for each of the participating businesses was identified using the FAME database; from this, a weighted average was estimated using each of the GVA per FTE values for each of the identified SICs together with the proportion of businesses that are classified under each SIC. The intention was to derive a GVA per FTE value that most closely represented the industries in which the participating businesses are classified, rather than assume all businesses to be classified under one generic SIC, e.g. Information and Communication, or using the 'all industry' average, both of which would be a misrepresentation.

[65] As per previous footnote, to derive a representative output to GVA ratio for use in the analysis, the SIC code for each of the participating businesses was first identified using the FAME database; from this, a weighted average was estimated using the 2019 output to GVA ratios for each of the identified SICs together with the proportion of businesses that are classified under each SIC. The intention was as per the previous footnote.

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Table 24 sets out the estimated GVA generated based on the estimated additional employment created among businesses that participated in the Programme.

Table 24: GVA created as a result of the Programme: as measured by additional employment

Year	Number of additional FTEs created per business as a result of the Programme	Number of Programme participants	Total number of FTEs created	GVA per FTE, 2025 prices	Total Direct GVA in 2025 prices
2021/22	0.4	107	40.1	£77,000	£3,099,000
2022/23	1.2	61	72.1	£75,000	£5,320,000
2023/24	0.1	72	6.3	£89,000	£559,000
2024/25	1.4	71	101.0	£83,000	£7,997,000
				Total	£16,974,000

Source: Programme participant survey; Plexal; KPMG analysis

In line with the data set out in the impact evaluation (Section 6.2.2.5), it can be seen that approximately 0.8 FTEs were created on average per participating business over the four years of the Programme. When scaled up to reflect the total number of businesses that participated in the Programme (based on KPI information), this amounts to the estimated creation of approximately 220 FTEs. When the number of FTEs created are multiplied by the GVA per FTE for each year, and summed across the four years of the Programme, the total direct GVA created is estimated at approximately £17.0m.

Table 25 sets out the estimated GVA generated based on the estimated additional revenue created among businesses that participated in the Programme.

Table 25: GVA created as a result of the Programme: as measured by additional revenue

Year	Amount of additional revenue created as a result of the Programme	Number of Programme participants	Amount of revenue created	GVA output ratio (2019)	Total Direct GVA in 2025 prices
2021/22	£25,800	107	£2,711,000	56%	£1,522,000
2022/23	£66,500	61	£3,921,000	57%	£2,230,000
2023/24	£43,300	72	£3,116,000	54%	£1,692,000
2024/25	£169,000	71	£11,716,000	56%	£6,569,000
				Total	**£12,012,000**

Source: Programme participant survey; Plexal; KPMG analysis

In line with the data set out in the impact evaluation (Section 6.2.2.6), it can be seen that approximately £76,150 of additional revenue was generated on average per participating business over the four years of the Programme. When scaled up to reflect the total number of businesses that participated in the Programme (based on KPI information), this amounts to an estimated total of approximately £21.5m of additional revenue created. When the estimated additional revenue created in each year is multiplied by the GVA to output ratio, and summed across the four years of the Programme, the total direct GVA created is estimated at approximately £12.0m.

The two approaches used to estimate the GVA yield broadly similar results. The estimate using revenue yields a lower GVA, which might reflect the fact that participating businesses are at relatively early stage of their development.

In addition to the monetised benefits set out above, as noted in Table 21 there are also supply chain benefits. These are indirect impacts which are expected to be generated through the additional activity created as a result of the Programme. These impacts are not estimated as part of this study due to a lack of evidence.

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Summary of monetised benefits

The total estimated monetised benefits are therefore £12.3m (£285k + £12.0m) to £17.6m (£557k + £17.0m).

Potential future benefits

As shown in the impact evaluation, there is evidence of a number of wider benefits associated with the Programme. Furthermore, it would be expected that a number of the benefits participants gain, for example in terms of knowledge, skills and connections, would have longer-term impacts that have not yet been realised at this stage. While there is not sufficient evidence available at the stage to be able to monetise these benefits, they should be taken into account when assessing the overall VFM of the Programme.

In addition to the monetised benefits set out above, there are potential future benefits including:

— **Business confidence, aspiration and resilience**: 58% of Programme participant survey respondents shared that they felt participation in the Programme helped to grow their confidence (see Section 6.2.2.3). The evidence suggests that SMEs with higher ambition are more likely to grow. In research to assess the impact of ambition on SME growth it was found that 46% of SMEs with 'substantive ambition' increased turnover, while 32% of 'low ambition' SMEs increased turnover over the previous three-year period considered. This is explained by the differences in the behaviour between these businesses, with SMEs with more ambition being more likely to invest, export, etc.[66]

— **Business benefits of innovation**: The participant survey evidence indicates that the Programme spurs innovations in terms of Programme participants introducing new/ improved processes, products and services (see Section 6.2.2.4). 51% of Programme participant survey respondents said that they either had introduced, or are planning to introduce, new processes, products or services within a year following participation in the Programme. The benefits of innovation take time to materialise due to the time required for learning and scaling, and therefore may not be seen within the time period of the evaluation. Innovation is a key driver of economic growth through increasing business productivity.

— **Returns from investment**: The monitoring data suggests that while some Programme participants have invested since participating in the Programme, it is not possible to assess to what extent this is due to participation in the Programme (see Section 6.2.2.7). Furthermore, it may be that the knowledge, skills and connections obtained through the Programme help participants to secure funding and financing in future that they may otherwise not have obtained which would enable future investment. The benefits of investment take time to materialise, in particular because investment takes time to translate into business revenue and growth. The estimated private rate of return to R&D investment is around 30%.[67]

— **Business survival**: The evidence indicates that business advice and support can help safeguard business survival.[68] The impact evaluation analysis suggests that the Programme may have helped additional businesses survive that may otherwise have ceased trading (see Section 6.2.2.8). In turn, business survival brings a number of benefits including employment and revenue, and subsequently increased economic output.

Benefits vs. costs

To assess the value for money of the Programme the costs and benefits are compared.

Table 26 below shows the estimated monetised costs and benefits realised up to and including 2024/25. The full monetised costs of the Programme have been incurred. In terms of benefits, the full monetised participant benefits have also been realised (as these are realised in each of the years of

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[66] Department for Business Innovation & Skills. 2013. BIS Analysis paper number 2 SMEs The key enablers of business success and the economic rationale for government intervention December 2013
[67] Frontier Economics. 2014. Rates of return to investment in science and innovation
[68] Department for Business Innovation &Skills. 2013. SMEs: The Key Enablers of Business Success and the Economic Rationale for Government Intervention

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Programme delivery). The evidence shows there are also revenue and employment benefits realised by two years following participation in the Programme.[69] The results in Table 26 do not capture these employment or revenue benefits measured in terms of GVA for the 2023/24 and 2024/25 cohorts given the evidence is based on benefits realised two years after Programme participation which would be in 2025/26 and 2026/27 respectively. The analysis shows that the estimated realised benefits have exceeded the costs up to 2024/25.

Table 26: Summary of the estimated monetised costs and benefits up to 2024/25

	Lower range	Upper range
		Cost
Programme costs	£3,563,000	£3,563,000
Opportunity cost of participants' time	£284,800	£556,700
Total Costs	**£3,848,000**	**£4,120,000**
		Benefits
Participant benefits	£284,800	£556,700
Economic benefits in terms of GVA	£5,275,000	£11,517,000
Total Benefits	**£5,559,000**	**£12,074,000**

Source: KPMG analysis

Table 27 below shows the estimated monetised costs and benefits covering 10 years from the start of participation on the Programme. In this analysis the business revenue and employment uplift that comes about as a result of the Programme are expected to be sustained over time, and therefore these have been valued for a period covering 10 years from the start of participation on the Programme, with these benefits starting to be realised from Year 3 (i.e. 2 years after completion of the Programme). This aligns to evidence obtained from participants on the growth of their business 2 years after participating relative to before participating. All benefits are discounted to Year 1 of participation in the Programme using the social discount rate of 3.5%, as per Green Book guidance. The analysis assumes that there is a one-off increase in revenue/ employment as a result of participating in the Programme and that these businesses do not continue to grow at a higher growth rate than the rest of the sector. This is a conservative assumption given that the knowledge, skills, networks etc developed through the Programme may be expected to benefit the business on an ongoing basis.

It is noted that some businesses may cease trading over the period and therefore the associated benefits won't continue. However, due to a lack of evidence about the business survival of these businesses over the 10 years, and difficulties in making appropriate assumptions this is not taken into account in the quantified analysis.

Table 27: Summary of the estimated monetised costs and expected future benefits over 10 years from cohort participation

	Lower range	Upper range
		Cost
Programme costs	£3,563,000	£3,563,000
Opportunity cost of participants' time	£284,800	£556,700
Total Costs	**£3,848,000**	**£4,120,000**
		Benefits
Participant benefits	£284,800	£556,700
Economic benefits in terms of GVA	£98,196,000	£141,100,000
Total Benefits	**£98,481,000**	**£141,657,000**

Source: KPMG analysis

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[69] Some of these benefits may arise earlier but the evidence is collected based on GVA and employment two years after participating in the Programme.

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On the basis that the business growth benefits (measured in terms of GVA) are expected to persist over time beyond the end of the Programme, it can be seen that the monetised Programme benefits are expected to exceed the monetised costs.

It should be noted that the estimates should be considered as indicative only because they capture potential future benefits which are uncertain, and also because there are a number of limitations in relation to the specific areas of the costs and benefits analysed. Also, the results presented do not capture the non-monetised costs or benefits detailed above. These should be taken in to account when considering the overall VFM of the Programme.

7.2.2 Findings: RQ2 – How the value for money of the Programme could be improved

To answer this RQ a light-touch approach was agreed with DSIT in the form of gathering information that would help to answer RQ2 through the focus groups and interviews with stakeholders. In addition, the intention was to compare the VFM of the Programme to that of comparator programmes to understand the relative value and if there was evidence relating to any differences in delivery of the Programmes that could explain this. However, DSIT was unable to provide value for money evaluations for relevant comparator business support schemes in the cyber sector. Therefore, it has not been possible to undertake this part of the analysis.

It is recognised that for a more detailed assessment of how the VFM of the Programme could be improved a review of the procurement process used to tender for the delivery of the Programme could be undertaken to understand how DSIT chose the supplier and how VFM was taken into account in the process. In addition, a review of the approach by DSIT to overseeing the delivery of the Programme should be undertaken to understand how DSIT achieves the best value from the contract agreed. Assessing each of these areas was not in the agreed scope of work undertaken for this study. However, in relation to the delivery of the Programme, some insights were gained through the process evaluation. In particular, through assessing the performance of the Programme against the KPIs, it is apparent that there could be scope for improvement in relation to monitoring data collected and reported against the KPIs given the amount of missing information. Improved tracking of delivery of the Programme against the agreed KPIs would help DSIT to better monitor if value is being achieved through the contract with the delivery partner and enable action to be taken to address any issues arising on a timely basis.

The research instruments developed for the primary research included specific questions to understand from the different stakeholder groups how they thought the VFM of the Programme could be improved.

The Programme participants said they were unable to provide views on the VFM of the Programme, because as noted by one participant during a focus group, "we do not know the costs". However, given the potential areas for improvement suggested by participants to make the Programme more effective, this may offer scope to improve the VFM. For example, as noted in the process evaluation (see Section 5) they suggested more 1-1 and in-person sessions, specialist speakers and avoiding scheduling changes to sessions. While some of these may incur costs and therefore the overall VFM will depend on the balance of the additional costs and benefits, some could be delivered without incurring additional cost e.g. avoiding scheduling changes to increase attendance and participation and in turn realise the benefits of participation.

Evidence from the focus group and interviews with delivery partners also provides insights to answer this RQ. However, it is recognised that the evidence from delivery partners may be biased given their role in the Programme, and this should be considered when reviewing the findings.

During the focus groups, delivery partners were asked how the resources used to deliver the Programme might have been better used. In response, delivery partners stated that they did not feel

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the resources could have been better used, and that efforts to create efficiencies, negotiate discounts and maximise value are made in order to support the value for money of the Programme.

Plexal stated that it feels the Programme delivers more now than it used to, within specific workstreams as the offering has been refined and delivers more targeted content and value and in such a way that others would not be able to achieve. However, it is note that the costs of the Programme have changed to reflect changes in delivery (see Section 7.2.1.1), such as the introduction of bootcamps after year 1. Plexal also noted that it seeks to deliver internal and external efficiencies, for example, by hiring sub-contractors that can deliver multiple programmes to allow for discounts, and seeking discounts with travel agents to bring efficiencies and save on travel costs. One delivery partners noted that, "there is a lot of flexibility from DSIT in how funding can be used, e.g. covering the cost of child care – to maximise value from the Programme". It was also stated that there is work done among the delivery partners outside the Programme timeframes to maximise the value of the Programme to participants, for example organising dinners after sessions to enable further networking and connections to be built. Plexal also said that they invest senior leadership mentoring time on Ignite, which isn't charged. In addition, it was shared that if the Programme was delivered by a different supplier with a smaller budget, it would take time to learn and establish ways of working to maximise the value for money.

Overall, while the evidence indicates that the benefits of the Programme exceed the costs, there are some ways in which the VFM of the Programme could be improved. However, more detailed work assessing the procurement process for the Programme and the management of the delivery partner contract could provide further insights as to how to improve the VFM.

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Appendix 1: Methodology

A1.1 Moody's FAME data analysis

To assess the extent to which the Programme has supported participants to grow their business and whether this business growth would have been realised without the Programme, business outcomes of Programme participants were compared with the business outcomes of unsuccessful applicants. The unsuccessful applicants acted as a counterfactual group, reflecting the assumption that the outcomes for Programme participants would have been similar to this group if they had not participated in the Programme.

One measure of business growth is number of employees. Therefore, to assess the extent to which the Programme supported participants to grow their business in terms of number of employees, the change in employment before and after participating in/ applying for the Programme was compared between Programme participants and unsuccessful applicants. The change in the number of employees for each company (both Programme participants and unsuccessful applicants) from the year before they participated in/ applied for the Programme to each subsequent year up to 2024 was analysed, and changes in employment were compared between Programme participants and unsuccessful applicants.

Another measure of business resilience is business survival. Therefore, to assess the effectiveness of the Programme in supporting business survival, the percentage of companies that remained active following participating in/ applying for the Programme was compared between Programme participants and unsuccessful applicants.

Company information relating to employment and company status was extracted from the Moody's FAME database by matching the company information (company name and registration number) of Programme participants and unsuccessful applicants provided by Plexal, to the Moody's FAME database. This analysis was only conducted for the years 2022 and 2023 as no data on unsuccessful applicants was available for 2021. The Moody's FAME database uses information from company accounts and therefore will in general relate to the position at the end of the financial period or the average over the year.

Table 28 below shows the number of successful matches to FAME for Programme participants and unsuccessful applicants. Across the cohorts the percentage of matches was higher for Programme participants than unsuccessful applicants (84% vs. 54%).

Table 28: FAME data matches

Year of participation/ application	Programme participants			Unsuccessful applicants		
	Number of Programme participants	Number of matches to FAME	% of matches to FAME	Number of unsuccessful applicants	Number of matches to FAME	% of matches to FAME
2022/23	78	65	83%	35	24	69%
2023/24	45	38	84%	68	32	47%
Total	**123**	**103**	**84%**	**103**	**56**	**54%**

Source: Moody's FAME Database

The company information extracted from the Moody's FAME database included the number of employees and company status (i.e. active vs. dissolved) for each year from the year before participating in/ applying for the Programme to the latest year for which information was available.

The findings from this analysis are set out in Section A1.2 below.

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A1.2 End of Programme survey analysis

Following participation in Cyber Runway, Plexal asked Programme participants to complete an End of Programme survey. As part of this survey Programme participants were asked whether their number of employees and revenue had changed since joining the Programme. Table 29 below shows the number of responses to the End of Programme survey for each year the survey has been conducted.

Table 29: End of Programme survey: number of response

Year	Number of End of Programme survey respondents
2021/22	31
2022/23	40
2023/24	34
Total	**105**

Source: Plexal

The responses to this survey for the 2021, 2022 and 2023 cohorts were used to assess the self-reported changes in employment and revenue of Programme participants. The extent to which these changes can be attributed to Cyber Runway varies across the cohorts depending on the questions that were asked (see below for further details). The approach taken to the analysis for each of the cohort surveys is set out below:

— 2021 and 2023 cohorts:

- The 2021 and 2023 End of Programme surveys covered participants of the Launch, Grow and Scale workstreams.[70] The Grow and Scale Programme participants were asked how much their business revenue and employment had changed since starting the Programme.[71] This data was used to assess the change in revenue and employment of the businesses that participated in Cyber Runway since starting the Programme. However, it was not possible to evaluate the extent to which any change in revenue or employment was due to participation in the Programme, i.e. to attribute any changes to the Programme, as the survey did not include questions that would enable an assessment of attribution to be undertaken.

— 2022 cohort:

- It is not clear from the data which workstreams the 2022 End of Programme survey was distributed to. The Programme participants were asked about the revenue of their business before starting the Programme and the percentage change in revenue since participating in the Programme in ranges (e.g. 2.5% to 5%). To estimate the revenue after participating in the Programme, the mid-points of the ranges were taken, as well as lower and upper bounds, (as set out in Table 30 and applied to the business revenue before participating in the Programme.

Table 30: End of Programme survey: 2022 revenue band assumptions

Revenue bands	Revenue assumptions
Up to 2.5%	2.5%
Over 2.5% and up to 5%	3.75%
Over 5% and up to 7.5%	6.25%
Over 7.5% and up to 10%	8.75%
Over 10% and up to 15%	12.5%
Over 15%	15.0%

Source: Plexal

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[70] The Ignite workstream did not run in the first year of Cyber Runway (i.e. in 2021) and the End of Programme survey was not conducted in 2023 for Ignite.
[71] The Launch Programme participants were not asked about employment and revenue changes in their businesses, and therefore Launch was not part of the analysis for 2021 or 2023.

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- The survey also asked Programme participants to estimate the proportion of the change in revenue that they considered was due to participating in the Programme i.e. how much of any business growth (or decline) they attributed directly to the Programme. In the analysis this percentage was applied to the estimated revenue after Programme participation, to estimate the amount of revenue change that could be attributed to the Programme.
- In terms of employment, Programme participants were asked how many additional employees they had taken on since participating in the Programme, in ranges (e.g. 1 to 5). They were then asked what proportion of these employees were hired due to participation in the Programme. Therefore, the estimated number of additional employees due to participation in the Programme was estimated by taking the mid-point of the ranges of the number of additional employees and applying the percentage change reported to be due to participation.

The findings from this analysis are set out in Section A1.3 below.

A1.3 Programme participant, unsuccessful applicant and coaches and mentors surveys analysis

To assess the extent to which the Programme has supported participants to grow their business, and whether this business growth would have been realised without the Programme, two approaches using the participant and unsuccessful applicant surveys were used.

Self-reported attribution

The survey asked Programme participants how many FTEs were employed in their business in the year prior to the Programme, and how many FTEs were, or that they expected to be, employed two years after participating in the Programme. From this, the difference in number of FTEs was calculated. Similarly for revenue, the survey asked Programme participants what their revenue was in the year prior to participating in the Cyber Runway Programme, and what revenue was, or is expected to be, two years after participating in the Programme. From this, the difference was calculated. In the case of the 2021 and 2022 cohorts, the change in number of FTEs/ revenue is actual (since two years has passed since their participation in the Programme); for the 2023 and 2024 cohort, the reported change is an estimate.

The gross change in employment and revenue was then adjusted to take account of policy deadweight (i.e. the amount of change that would have occurred in the absence of the Programme and therefore cannot be attributed to the Programme) and displacement (i.e. the proportion of Programme participants' growth that comes at the expense of other businesses in the same market).

To take account of deadweight, Programme participants were asked to estimate the extent to which the change in number of employees/ revenue could be attributed to participation in the Cyber Runway Programme. Based on the responses, an assumption was made about the proportion of the change that could be attributed to the Programme. For example, if a respondent said the change was due to participation in the Programme 'to a small extent', 25% of the change was attributed to the Programme. Table 31 below presents these percentages. These percentages were then applied to the gross change in employment/ revenue to estimate the proportion directly attributable to the Programme.

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Table 31: Attribution assumptions: percentages allocated to response categories

Response	Attribution assumption
Not at all	0%
To a small extent	25%
To a moderate extent	50%
To a great extent	75%
Entirely	100%
Don't know	0%
N/A – my annual business revenue has not increased since participating / I do not expect my annual business revenue to increase	0%

Source: KPMG

To take account of displacement two approaches were used based on the responses to two survey questions in the Programme participant survey. Approach 1 is based on the response to a question about sales and approach 2 is based on the response to a question about market competition. Both questions are seeking to understand the extent to which any growth of Programme participants is at the expense of other businesses in the market. The two survey questions were as follows:

1 **Approach 1: Sales** – participants were asked whether if their business were to cease trading tomorrow, if any of their competitors would take up their current sales over the next year and;

2 **Approach 2: Market competition** – participants were asked about the nature of competition in their main market.

Based on the Programme participants' responses an assumption was made about the extent of displacement. Table 32 and Table 33 below presents the percentage assumptions for each of the answer options. These percentages were then applied to the change in employment/ revenue to take account of the estimated level of displacement.

Table 32: Approach 1: Sales displacement assumption weightings

Response	Percentage displacement assumption
Yes, all of the sales	100%
Yes, some of the sales	50%
No, none of the sales	0%
Don't know	65%

Source: KPMG
Survey question to which above response categories were given: If your business were to cease trading tomorrow, do you think any of your competitors would take up your current sales over the next year?

Table 33: Approach 2: Market competition displacement assumption weighting

Response	Percentage displacement assumption
Very intense competition	100%
Moderate competition	50%
Weak competition	25%
No competition at all	0%
Don't know	60%

Source: KPMG
Survey question to which above response categories were given: Please select the nature of competition in your main market.

Comparison of outcomes between Programme participants and unsuccessful applicants

Business outcomes in terms of employment and revenue of Programme participants were compared with the business outcomes of unsuccessful applicants. The unsuccessful applicants acted as a

counterfactual group, reflecting the assumption that the outcomes for Programme participants would have been similar to this group if they had not participated in the Programme.

A1.4 Qualitative primary research analysis

As per the methodology used in the Process Evaluation, a systematic manual approach was adopted to analyse the qualitative data gathered in focus groups and interviews. This involved identifying the key themes and developing a matrix with rows for each topic area and columns for each focus group participant/ interviewee (anonymised). This was then populated such that patterns within the data could be identified, including areas of agreement and disagreement within and across the stakeholder groups.

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