

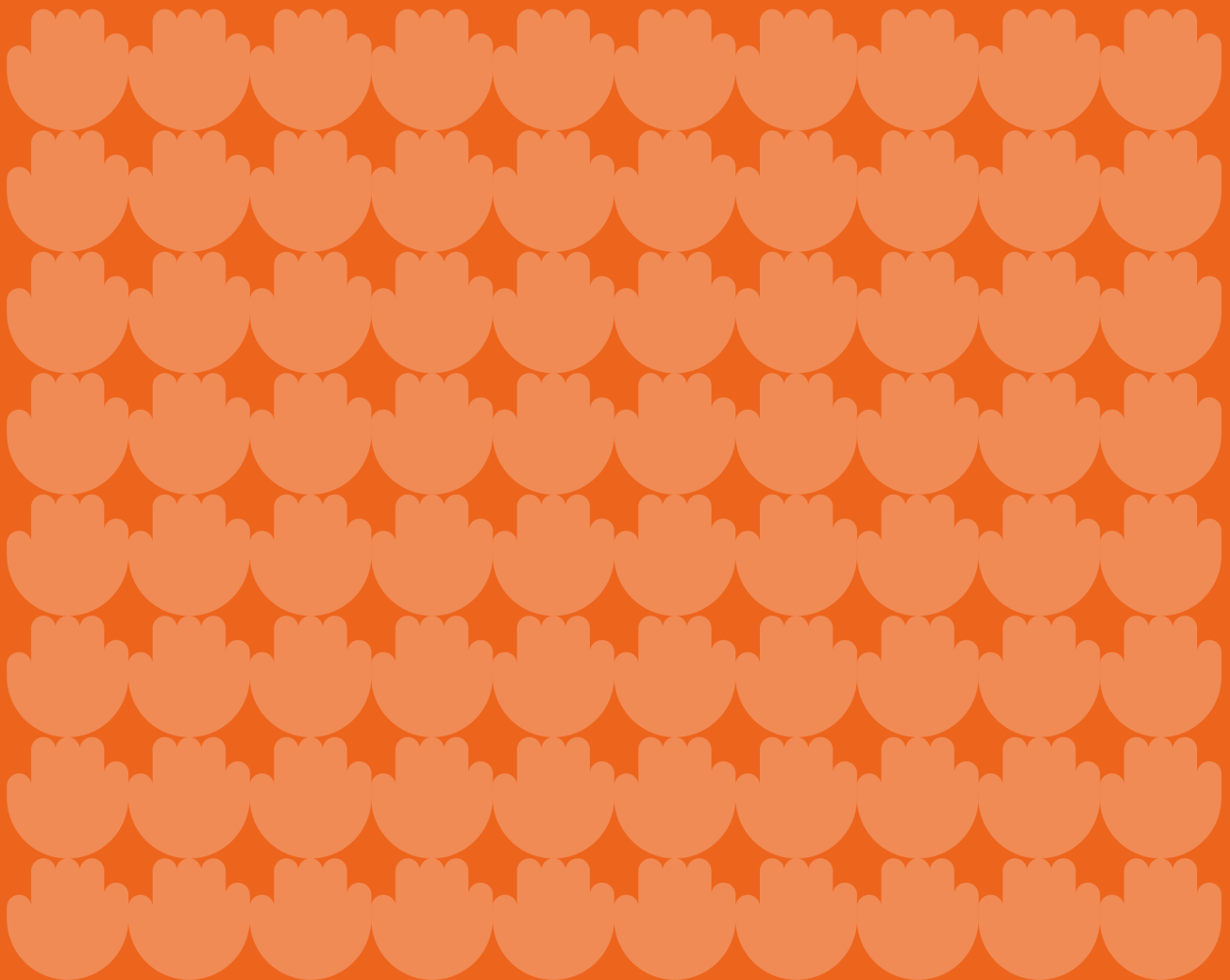
**GREATER
MANCHESTER**

DOING THINGS DIFFERENTLY FOR OUR WORKFORCE

SME Support Package

Evaluation Report

April 2021



Contents

Contents.....	1
1. Introduction.....	2
2. Evaluation Methodology	7
3. Data Analysis Findings	7
4. Summary of Outcomes.....	14
5. Primary Research Findings	16
6. Conclusion and Next Steps	25
Annex 1 – Employer Survey	29

1. Introduction

1.1 Background of Funding

Following the end of the devolved AGE grant, Greater Manchester (GM) had approximately £1.98m underspend (from a total grant of £12.2m) to be spent by end of March 2019 on the original grant purposes — “enabling the Combined Authority to vary the level of financial support available to different types of learner, sizes of business and subject areas in apprenticeships”.

Ongoing use of this underspend was agreed by the Department for Education in March 2018, approved by Greater Manchester Combined Authority (GMCA) for further development in June 2018 and formed part of the strategic direction for Apprenticeships in Greater Manchester set out in July 2018.

1.2 Project Rationale and Aims

GMCA proposed the development of a package of support measures for non-Levy paying employers (Small and Medium Sized Enterprises or SMEs) across the city region to create additional high-quality apprenticeship opportunities within their businesses. This support was known as the ‘SME Support Package’, with the programme of support running for 12 months.

The package included 5 elements of SME support to break down the real and perceived barriers that businesses have to recruiting apprentices and enabling the creation of new, high quality apprenticeship opportunities.

It was envisaged that putting these elements together as a package would significantly reduce the cost of employing an apprentice (salary and training co-investment) whilst providing the workforce planning and business development support required to ensure a high-quality opportunity is created.

The 5 elements of the support were:

- Workforce planning advice and support (Stimulating Employer Demand for Apprenticeships - SEDA) – delivered by the Growth Company and GM Chamber of Commerce
- Support with Salary Costs (Local Authority Grant) – delivered by Local Authorities
- Support with Training Costs – Levy Matchmaking Service – delivered by the Growth Company
- CPD for providers to improve Quality Advice – delivered by the Growth Company
- SME Focussed marketing and promotion (#SeeDifferent) – delivered by GMLPN

	Salary subsidy / grant	Workforce planning support	Quality advice and support	Matchmaking Service
Criteria / Target Audience	Non Levy payers that haven't previously engaged with apprenticeships. NB: Opportunity for administering LA's to add own grant conditions	All Non Levy payers	All GM providers	Levy payers wishing / able to transfer levy Non levy payers requiring support with training cost and meeting social value / quality employer criteria
	Marketing and promotion cutting across and bringing together all elements			

Table 1

1.3 Previous Projects' Impact

The SME Support Package was one of several successive projects run across Greater Manchester to encourage small businesses who hadn't previously engaged with apprenticeships to develop their workforce via this route.

The **Greater Manchester Apprenticeship Grant for Employers (GM AGE)** was £12.2 million devolved to GMCA, between 2015 and 2017, who took on responsibility for AGE from Government. The grant was a national scheme that supported businesses that would not otherwise be able to do so to recruit individuals aged 16 to 24 into employment through an apprenticeship.

The result of this project included nearly 4,750 GM businesses benefitting as a result of the activity between 2015-2017. This equated to around 5% of businesses across GM. Satisfaction with the GM AGE scheme was high, with 72% employers stating they were certain or very likely to recommend the scheme to other employers; demonstrating the beneficial nature of grants for encouraging employers into recruiting apprentices as part of their workforce development. However, the evaluation of the GM AGE highlighted the need for further research into whether grants can be used as a tool to drive employer behaviour, and to learn more about what drives employer behaviour around recruiting and training staff, especially younger staff. The report recommended that these insights could form the basis of further skills policies to be implemented. The evaluation also highlighted the significant role of training providers as a route into businesses, recommending exploring what 'toolkit' providers would need to further support businesses.

The **SME Growing Apprenticeships Programme (SME GAP)** was a two-year project funded led by Manchester Metropolitan University under Key Action 3 of the Erasmus+ programme 'Support for Policy Reform'. The project was designed to run from October 2016 until October 2018. SME GAP's long-term goal is to support the uptake of apprenticeships among small and medium business by developing policies and practices that would generate increased awareness and understanding of the apprenticeship system, mainly focused on building capacities of intermediary bodies.

The **Stimulating Employer Demand for Apprenticeships (SEDA)** project run by the Growth Company on behalf of the GMCA, and which began in 2016, was established to achieve two main objectives:

- Stimulating demand for apprenticeships through greater targeted workforce development, focusing particularly on SMEs; and
- Improving alignment with, and between, Careers Education Information Advice and Guidance (“CEIAG”) provision

The success of the SEDA programme was such that it continued to be funded as part of the SME Support Package.

1.4 Policy Context

In 2015, the Government set out its ambition for 3 million new apprentice starts by 2020, with an obligation on the Government to report annually on its progress toward this.

Other significant changes to apprenticeship policy since 2015 include the introduction of the Apprenticeship Levy in April 2017. The levy must be paid by all UK employers with a wage bill of over £3 million per year. The levy is set at 0.5% of the value of the employer’s pay bill, minus an apprenticeship levy allowance of £15,000 per financial year.

Apprenticeship levy funds can be used to pay for the training and assessment for employers paying the levy (up to the upper limit of the funding band), unspent levy funds can also be transferred to smaller organisations to support with their training costs. Employers who do not pay the levy (SMEs) will pay 5% of the cost of training and assessment with the government contributing the remaining 95% (up to the upper limit of the funding band). The transfer of levy funds from large to smaller employers eliminates training costs for small employers. The Levy Matching Service was a key component of the SME Support Package, and the key mechanism for the transferring of unspent levy funds to smaller employers across GM.

However, since the introduction of the funding changes in 2017 there has been a large fall in the number of apprenticeship starts, leading to criticism of the levy and other reforms that have been put in place.¹

Other national policy aims include the requirement for public bodies to achieve a minimum of 2.3% of new recruits to be apprentices each year. In Greater Manchester, our public sector apprenticeship ambition makes up a core part of our strategy, with the establishment of a Public Sector Apprenticeship network as key tool for sharing learning and best practice.

1.5 Project Governance

The SME Support Package governance group was made up of representatives from all the partner organisations in the project: the 10 GM Local Authorities, the GMCA, the Growth Company (GC), the Greater Manchester Learning Provider Network (GMLPN) and the Greater Manchester Chamber of Commerce (GMCC).

Key purpose of the group was to:

- Understand the landscape of apprenticeships within the SME business community and provide a collective GM voice for success, issues, or challenges
- Share project monitoring information between partners and collectively agree mitigating actions where necessary
- Agree marketing and communications activity to promote apprenticeships within SMEs
- Share lessons learnt and challenges between partners to enable further and improved opportunities
- Create collaboration across all elements of the SME Support Package

The governance group met every 2 months from November 2018 until March 2020.

¹ [Andy Powell, 2020, Apprenticeships and skills policy in England](#)

2. Evaluation Methodology

This evaluation focused on how the original aims of the project were met, their successes and challenges, future recommendations for supporting SMEs to engage with apprenticeships; and the impact of the project on future GM policy and decisions in order to understand its legacy and impact on change.

To achieve this, three main sources of data were used. Firstly, monitoring data from partners including number of grants committed, levy funds transferred. Secondly, the qualitative data from the survey which went out to SMEs who had received the grant or engaged with the SEDA project. Finally, the analysis of responses from focus groups with partner organisations.

The qualitative data collected provides the narrative to support what is demonstrated by the monitoring data and allow for explanations for why targets may not have been met. It will help to best understand how partners experienced the project, and what lessons can be learnt from the way the project was designed and implemented.

(Annex 1 is the survey sent out to the employers involved in the scheme.)

3. Data Analysis Findings

At the project inception the number of grants allocated to each local authority area was decided using a formula based on the number of SMEs in each locality. The allocation was based on a range of factors with scores ranked to give a proportion of the available funds, these were:

- No. of SMEs within LA area
- % change (drop) in apprentice starts over previous 12 months
- Young person claimant count for the area

Figure 3 shows the target number of employers reached (number of grants allocated to each LA) against the actual number of grants committed. As well as this, targets were set for each part of the project.

3.1 Key Metrics

Key metrics were set out at project design which were based on previous achievements through SEDA, and included number of BAME owned businesses to tie into the 5 Cities Project – a piece of work to promote the uptake of apprenticeships from under-represented groups, including those from Black, Asian and Minority Ethnic (BAME) backgrounds.

	Target	Actual
Grants offered by each LA – progress against targets (see figure 4 for details)	428	305
Workforce Development plans created – progress against targets	960	920
Workforce development plans leading to apprenticeship starts – progress against targets	200	210
% BAME owned businesses supported with WFP's	10%	9%

Table 2

3.2 Local Grants Allocated

The target number of grants allocated was only met in 2 Local Authorities: Rochdale and Wigan. In the other 8 localities, actual percentage of grants allocated ranged from 35% in Bolton up to 90% in Oldham. From this data, it's clear that each LA had their own set of challenges, often influenced by the level of similar work previously done in each borough, which no doubt lay crucial groundwork. Challenges and successes of distributing the local authority grant will be analysed further on in this report.

It is worth noting that where a Local Authority allocated more than it's %, it is because of drop outs or employers not taking up the grant offer.

LA's	Target Number of Employers Reached	Actual no grants committed	Percentage of grants allocated to date
Bolton	46	16	35%
Bury	33	14	42%
Manchester	83	45	54%
Oldham	39	35	90%
Rochdale	30	34	113%
Salford	38	22	58%
Stockport	40	33	83%
Tameside	33	24	73%
Trafford	47	31	66%
Wigan	39	51	131%
TOTALS	428	305	

Table 3

3.3 Match Making

The [Levy Matchmaking Service](#) is an online mechanism for redistributing unspent levy funds from large employers to smaller, non-levy paying, businesses to cover their remaining training costs.

The Greater Manchester Levy Matchmaking service was launched in August 2019 and at April 2021 had engaged with over 315 organisations based in Greater Manchester looking for levy transfer. It has generated over 270 verified apprenticeship starts across a wide range of sectors, whilst ensuring that millions of pounds worth of money has been used in GM as opposed to going back to central government.

It was the first digital service to be launched in the UK and has been at the forefront of connecting levy donors with recipients through an intuitive platform that matches donors' preferences with the requirements of organisations looking for a transfer. In addition, the service offers support and guidance with the levy transfer process to SMEs, Levy donors and training providers.

Outputs (to March 2020 as part of SME Support Package)	Target	Actual
Number of Businesses engaged - Private Sector	100	165
Number of Businesses using service (Private Sector)		89
Number of Businesses engaged - Public Sector	20	21
Number of Businesses using service (Public Sector)		9
Number of Apprentice's signed up via Matchmaking Service	30	51

Table 4

The Levy Matchmaking Service is a clearly defined success, exceeding targets set at the project inception, and helping to raise the profile of apprenticeships in both large employers who transfer their unspent levy, and to the SMEs receiving the funds.

The matchmaking service was a key component of removing the real and perceived barriers to businesses taking on an apprentice. And has been so successful the service has been recommissioned following the end of the grant scheme.

Between August 2019 and July 2020 there were 130 confirmed apprenticeship starts with a value of £1,359,030 funded through levy transfer via the service. This is made up of the 51 starts during the SME Support Package project, as shown in Figure 5, plus 79 starts from April – July 2020. In addition to this, since project extension in April 2020, there have been a further 261 apprenticeship starts, against a target of 75. This equates to 312 apprenticeship starts via the Levy Matchmaking Service at April 2021.

Feedback from training providers on the levy matchmaking service has demonstrated its success, particularly the ease of using the service. One training provider highlighted how they liked the service as a way for small businesses to not only save money on training costs, but also as means of developing staff skills, knowledge and behaviours which help to grow their business.

3.4 #SeeDifferent Communication Campaign

The #SeeDifferent communications campaign was run by the GMLPN on behalf of the GMCA with the aim to uplift the image of apprenticeships for both prospective apprentices and potential employers. The campaign ran alongside the work of the LA's and SEDA, with its targets specifically highlighting the need for GM wide campaigns across all Localities.

Target	Outcome
Develop a communication plan for the launch working closely with all 10 LA's, GMCA and other partners: The plan to include overarching GM messaging allowing for individual LA messaging.	Completed
Online launch using The Apprenticeship Hub Website and social media channels, as well as partners online platforms. Other channels to be utilised for the launch include but not restricted to GMLPN Network Meetings / bulletins, LA events / bulletins, appropriate press and other partner events / bulletins.	Completed
A guide / toolkit to be produced incorporating the communication plan. Branding materials to be readily available and shared with LA's & other partners to utilise when promoting the package.	Completed
Social media used to encourage more discussions, involving apprentice ambassadors, and updating on all events attended. Social media platforms to be used must include but not limited to - Facebook, Instagram, Twitter. We expect at least 10 new followers, per platform, each month. We expect all social media platforms to be updated at least 15 times a month. We expect to see at least 300	All targets met

engagements across all 3 platforms (Instagram, Facebook, Twitter).	
A minimum for 5 case studies - Edited videos produced at least 3 minutes long in duration.	Target met
Create and roll out at least 1 Social Media adverts across at least 2 platforms to be live from 27th Feb 2019 until 8th March 2019	All targets met

Table 5

Overall, the #SeeDifferent comms campaign produced a range of excellent resources which benefited the programme in promoting the benefits of apprenticeship to both business and potential apprentices, however it was noted in the focus groups that an over-reliance on social media was a hinderance to engagement with businesses who didn't have an online presence - a reflection which is useful to consider for future work.

3.5 CPD Package

As part of the SEDA project, a 'Quality Advice and Improvement' element was offered to training provider staff with business and employer facing roles, and business advisor at intermediary organisations. The purpose of the programme was to raise the skills of delegates to promote apprenticeships in a more consultative manner so that employers see the link between recruiting apprentices and achieving their business priorities. There were several output objectives for the CPD package, including 10 workshops which took place between March and November 2019, and the production of an apprenticeship's employer engagement toolkit.

Objectives:

- Deliver 10 one-day workshops which cover the above aims
- Attract up to 150 delegates
- Engage 30 of largest providers
- Provide Self-Assessment Tool based on the above principles

- Deliver the programme in an iterative way learning and improving through the roll out
- Summarise the learning and issue a tool kit at the end of the programme to attendees
- Build on the learning from previous initiatives such as SME GAP Project and the Quality Criteria for GM Apprentice Employers

Over the course of the 10 workshops, 42 providers/ intermediaries engaged, and 105 delegates attended the sessions from a range of providers, local authorities, and other intermediary organisations.



See Different
Apprenticeships Toolk

Measure	Target	Actual
Training Sessions carried out	10	10
No of providers attending	30	65
No of participants at sessions	150	105
Toolkits / resource designed on Effective Business to Business Engagement	1	1
Toolkits / resource designed on Becoming a great employer of apprentices	1	1

Table 6

4. Summary of Outcomes

The initial assessment of the figures collected from the data monitoring show that the targets established at inception, in most cases, were not met. This is particularly the case in the distribution of the Local Authority grants.

Only 20% of Local Authorities met their target: Rochdale and Wigan both exceeded their target number of grants. However, it should be noted that 6 LA's achieved above 50% of their target, with many commenting that had they activity of the project started sooner, without the hold-ups of purdah and administration time, targets could have been met. In the focus group undertaken with a proportion of the LA's it was noted that momentum took a while to build up and had the programme been extended from 12 to 18 months, they believed targets were likely to have been met.

From the monitoring data it can be concluded that the project was a success but had some pitfalls. Although targets weren't met, headway was made in engaging businesses who otherwise haven't engaged with the apprenticeship landscape for a number of reasons. The programme clearly removed barriers for SMEs and helped to create new apprenticeship opportunities across the conurbation.

4.1 Successes

It can be concluded that one of the major successes of the project was the Levy Matching Service, which exceeded all targets and has continued to be funded a long way past the original 12-month pilot.

One of the major successes of the levy matchmaking scheme was creating a mechanism for levy funds to be spent on their intended policy aim of maximizing levy investment back into businesses and the wider Greater Manchester community, and creating apprenticeship opportunities. Overall, by July 2020 £1.3million of unspent levy funds were redirected back into the GM apprenticeship system instead of being returned to the Treasury.

Another key aspect of success for the SME Support Package was the partnership working between the GMCA, 10 GM Local Authorities, the Growth Company, and the Greater Manchester Chamber of Commerce. This success of the partnership arrangements will be further explored in section 4 of this report.

Crucial to the success of this project were the partnerships between organisations and their links to SMEs within their localities or networks, particularly for their ability to reach SMEs who had not previously either engaged in any sort of workforce development, or those who had not engaged with apprenticeships previously.

4.2 Shortfalls

The part of the support package which was furthest off its target were the local authority grants to businesses, although their shortfalls shouldn't be overstated – over 300 businesses were able to engage with apprenticeships and the benefits they bring to businesses. With better utilization of the whole 12-month project period it is likely that most of the Local Authorities would have been able to allocate more/all of their grants to local SMEs.

5. Primary Research Findings

To support the analysis and findings of the monitoring data, two pieces of research were carried out: a survey which was sent through partner organisations to SMEs who had been involved with this project; and two focus group sessions with some of the governance group members.

5.1 SME Survey

A survey was distributed amongst SMEs by the Local Authorities, as well as the GMCC and the GC. The responses help to inform the narrative of what was most beneficial to small employers when engaging with apprenticeships. Table 5 shows the table of responses from SMEs. The survey had a 11% response rate, with distribution across GM not spread evenly. However, the responses can still gather good anecdotal evidence from different types of employers.

It should be noted not all respondents answered every question.

Locality	Responses
Bolton	6
Bury	1
Manchester	5
Oldham	0
Rochdale	3
Salford	2
Stockport	5
Tameside	4
Trafford	6
Wigan	2
Total	34

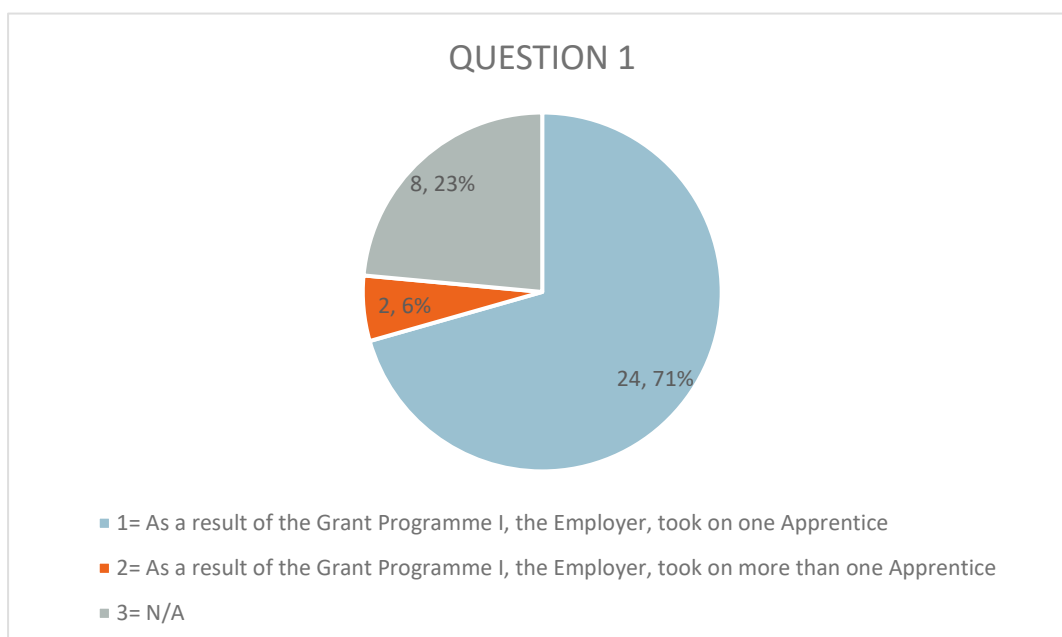
Table 5

The aim of the survey was to understand a number a of questions (the full text of the survey can be found in Annex 1):

- Did SMEs engage with the full package of support?
- Did employers take on any apprentices as a result of engaging with the scheme?
- Which parts of the package did they perceive to be most useful in removing the barriers to them hiring apprentices?
- What barriers they faced in engaging with the project?
- Whether the scheme would have a long-term impact in encouraging employers to hire apprentices in the future?

One of the key objectives of the scheme was increasing the number of apprentices within the workforce of small businesses. This data is available through the monitoring, but it was also asked as part of the survey. The results show that almost three quarters (71%) of respondents hired 1 apprentice as a result of the grant, with a further 2 employers hiring more than 1. Just under a quarter of respondents answered 'N/A' meaning they either hired no apprentices or wished not to answer.

Figure 1



The SMEs were also asked about their experience with the grant programme and its impact on the likelihood of them hiring an apprentice in the future.

As shown in the graph below, most employers had a positive experience with the programme, meaning they would look to apprenticeships as a route for expanding their workforce.

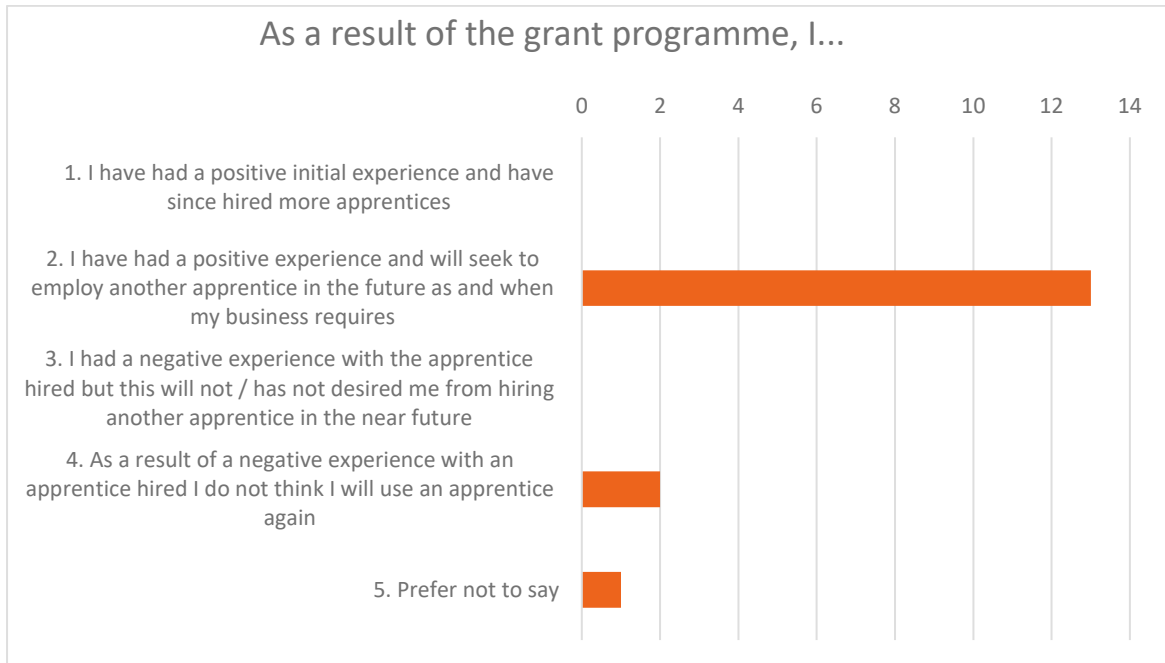


Figure 2

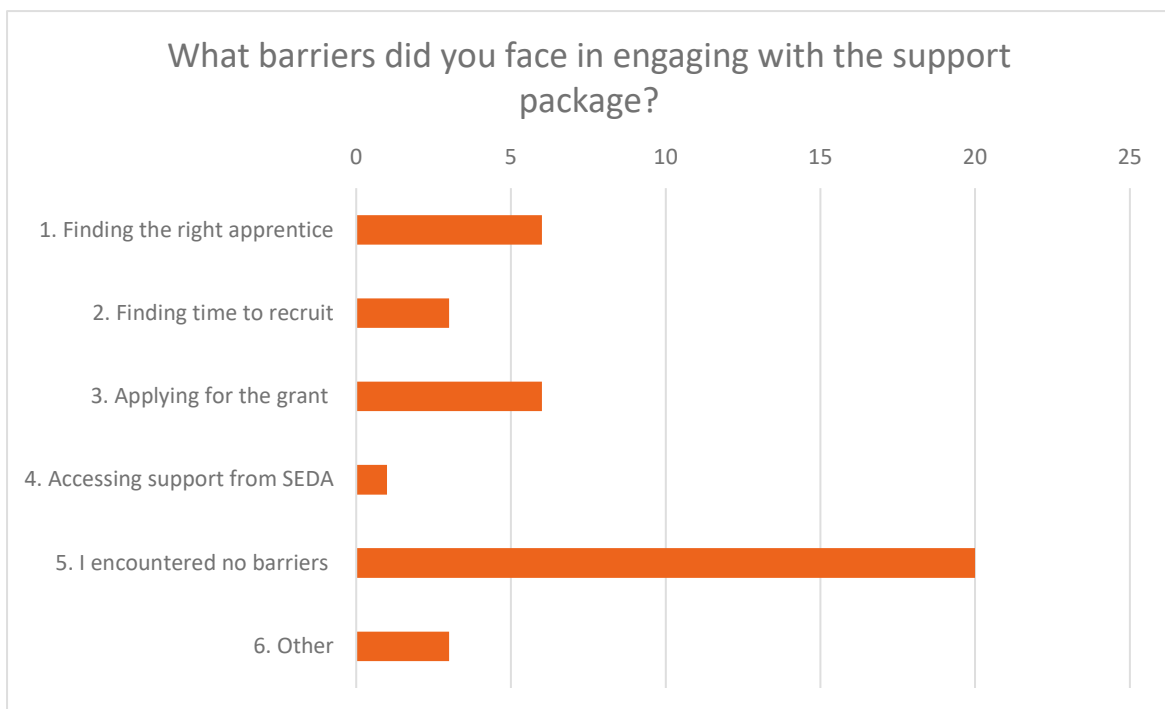


Figure 3

When asked about the barriers encountered with the scheme, over half of respondents claimed they encountered no barriers, demonstrating the overall positive nature of the scheme.

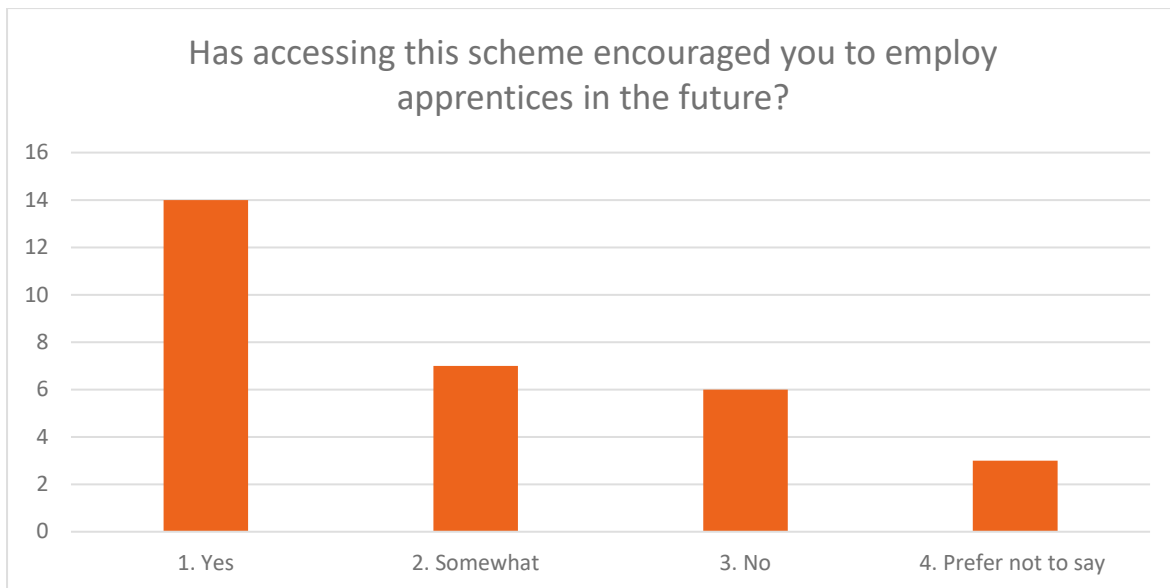


Figure 4

The final questions asked aimed to garner the long-term impact of the scheme on employers. 14 of the 34 respondents agreed that yes, the scheme had encouraged them to employ apprentices in the future, with a further 7 partially agreeing. Only around 20% of respondents felt the scheme didn't have a positive enough impact on their perceptions of apprenticeships as a mechanism to develop their workforce.

Overall, businesses who engaged with the SME Support Package had a positive experience, encountering no barriers to engaging with the package, and were, in the most part, encouraged to employ an apprentice in the future.

Where an employer cited a poor experience, it tended to be an individual experience with an apprentice or training provider, rather than a widespread problem with the scheme. Unfortunately, these problems can significantly impact employer's perceptions and turn them off apprenticeships as a means of developing their business.

“Having employed an apprentice several years ago, the experience wasn’t particularly good. This grant enabled us to go back out to market to find an apprentice with some confidence that the cost of us not finding someone who is of a good fit will not be fully shouldered by us especially if they didn’t work out.”

SME, Manchester

Despite the under performance of the grants against the targets set out at project inception, the grant was repeatedly cited by the SMEs surveyed as the most beneficial part of the package, which allowed them to expand their business.

‘Having some of the apprenticeship costs made the difference in being able to employ an apprentice.’

SME, Manchester

‘The grant made the appointment easier and gave the Club financial breathing space to settle the apprentice in.’

SME, Trafford

The responses from those SMEs surveyed highlighted the huge impact which the relatively small grant had on employer’s ability to hire an apprentice and develop their workforce. Many operations were micro-businesses who’s hiring of new staff meant an increase in output and ability. The LA grant was clearly beneficial in removing the barriers that small businesses faced when engaging with apprenticeships; the most prominent being the removal of financial barriers providing increased confidence in taking risks to improve the workforce. SMEs highlighted the fact that receiving some of the grant upfront increased their uptake of the grant, and willingness to take a risk in recruiting an apprentice. This is particularly relevant to the new financial incentives in the wake of the Covid-19 pandemic. Grants can often be the tipping point in a small business deciding to hire an apprentice, and partial payment upfront supports them to take the risk.

5.2 Focus Groups

Two focus groups took place over Microsoft Teams with 3 Local Authorities, and 3 external Partner Organisations attending each.

Both focus groups were asked the same core questions to enable for comparison between perceptions of those who worked on every part of the project. The themes of the questioning were:

- What previous work had they done in this space (e.g. grants for employers; supporting employers into engaging with apprenticeships.)
- How they felt the support package worked as a whole
- The working of the SME governance group, partnership roles and responsibilities
- Challenges and successes of the project
- Legacy and lessons learnt.

5.2.1 Overall view of the project

The focus groups were both asked about what they thought the overall impact of the project and partnership working. Both groups highlighted the success of the 'holistic' approach to the support package, agreeing that the wrap around support given to businesses by the SEDA team at the Growth Company and the GMCC, was key to ensuring success of number of grants committed.

“The impact was a more holistic approach to support, in addition to breaking down barriers, for the first time SMEs have had a joined-up approach with not just us but also the LA’s. We (SEDA) have been more engaged with LA’s, as well as businesses being more engaged with their LA”

“SEDA have been an excellent addition to our team, they give expertise that we don’t hold and you know just don’t have the time to sort of understand all the training providers so I think that that’s been fantastic.”

How the whole package worked as one cohesive piece of support for businesses across the conurbation was the standout success of the project. The holistic approach taken by Local Authorities and partners (GC, GMCC and GMPLN) to

ensure a unified approach for small businesses, was the clear fundamental success. Although grants were highlighted by the SMEs surveyed, it's clear from the focus groups that's employers wouldn't have got to the point they were at, properly understanding apprenticeships and their benefits, without the support of the SEDA team.

Both focus groups felt that, while challenging at first, the partnership working of the group was a major achievement as the project progressed.

5.2.2 Barriers Faced by Employers

Both focus groups were able to reflect on the barriers previously faced by employers, and the ways in which they were able to be overcome through this project. The main barriers highlighted were:

- Misconceptions around funding rules – most employers didn't know about basic rules and co-investment
- The sheer number of training providers out there, because of this this it's often difficult to navigate the range of providers and quality of training varies massively
- Understanding what apprenticeships are for, e.g. for upskilling existing workforce as well as recruiting new members of staff

Most of these barriers, highlighted by project partners, were mirrored by those identified in the project design stage, with activity being implemented to target them.

Issues which arose due to the number of training providers on offer, could be an area of future work for the GMCA to aid providers and college to engage with employers and vice versa.

5.2.3 Local Approaches

Local authorities used the programme to both achieve the core aims of the project of improving apprenticeship opportunities and outcomes for SMEs across the conurbation, but also to advance their own local strategies and aims. Different local authorities attached varying criteria to the grant, in addition to that established by the GMCA. In some cases, additional criteria weren't set, but links were made between the support package and ongoing work, as was the case in Trafford.

‘One of the things we wanted to do was get away from negative press about apprentices only being for young people, one of the focus’ was to ensure it was open aged, and telling businesses we want them to consider all ages, and not want to restrict applicants to 16-24 age bracket. Worked closely with Working Well and Work and Health programme to see where matches could be made.’ – Trafford

Local Authorities who applied additional specific criteria to the grant, tended to not distribute their full allocation to businesses in their boroughs; in Tameside grants were reduced from £3000 per business, to £1,500 in line with the Tameside Employment Fund, which is an established programme which grants businesses £1500 for every apprentices taken on age 16-24. Tameside MBC made the decision to align the SME Support package with this funding to expand their offer, without causing confusion amongst business. In this case, it was highlighted that the barrier to overcome was not engagement with apprenticeships, but rather not having a suitable local training provider to offer the standard they required.

5.2.4 The Role of the Governance Group

Overall, the governance group worked well as a forum for sharing best practice across boroughs. However, as it was at the culmination of the project, the arrangement took a while to develop. Over the project timeframe, the understanding of the different roles of the partners and what could be achieved through collaboration was developed and better understood.

It was felt, by some, that the perception of the Growth Company as a partner was relatively suspicious at first, but Local Authorities by the end of the project really valued the input and value added by the SEDA team, and all agreed that the project would not have been a success without the input of the GC and GMCC.

‘Once relationship had been built up between the council and SEDA, the engagement with businesses was a lot more effective.’

5.2.5 What Could Have Been Done Better

The main issues which arose with the project objectives was the number of grants committed compared to those allocated to each Local Authority at the start of the programme.

There were two main issues highlighted which contributed to the under-target uptake which were the lack of synchronicity at project inception which held up lots of grants going out in the first few months of the projects, and the local elections in May 2019 meant Local Authorities were restricted by purdah in the promoting the grants to local businesses, which held many back in the preliminary stages. Timing was highlighted as a big issue, with many LAs feeling they had a slow start which held them back, and with an extension of the 12 month period enough momentum would have been gained for all grants to be committed. However, due to a March 2020 spending deadline as part of the funding agreement this was not possible.

As well as difficulty with timings at the start of the project, the focus groups felt more grants could have been committed had there been more comms and case studies. Participants felt the over reliance on twitter as a primary communication tool hindered the ability to reach businesses with less of an online presence, many of whom are SMEs who would have benefitted from the project and assistance with workforce development. It was felt that the positive work of the LA's and SEDA project could have been better capitalized on to encourage more businesses to use the support.

'I think we could have done a better job at kind of getting all of that [work of the project] out there obviously the other stuff we got was great but there is loads more that we probably could have capitalised on, if LA's had more time to get responses back from employers'

Overall, the main pitfalls of the project were not major fundamental issues, but rather logistical and organisational ones, which were in the most part rectified by the project culmination. The problems which arose provide lessons learnt, including better coordination of time frames, and preparing everything needed to make a full paced start, as much as possible, before the project start date. Legal and procedural aspects of the project, e.g. grant agreements, held up the start of many projects and delayed promotion and the ability to get grants out for some Local Authorities.

6. Conclusion and Next Steps

6.1 Overall Impact

It was envisaged that putting the 5 elements of support together as a package would significantly reduce the cost of employing an apprentice (salary and training co-investment) whilst providing the workforce planning and business development support required to ensure a high-quality opportunity is created.

Questions we want to answer:

- What did and didn't work
- Future recommendations for supporting SMEs to engage with apprenticeships
- The impact on future policy and decisions. What is the legacy and change?
- The overall impact of the SME Support Package on removing the real and perceived barriers to SMEs engaging with apprenticeships

6.1.1 Successes

From the monitoring data and primary research, there are four areas of major success:

- The Levy Matching Service
- The SEDA project, targeted workforce development support
- Partnership between the 10 GM Councils, the GMCA, the GC, GMCC and the GMLPN
- The wraparound support offered to SMEs which allowed businesses to be supported through the process of finding the right apprenticeship and recruiting an apprentice.

There are successes from all aspects of the project, including with the support provided to SMEs, ways of working and perceptions.

From the targets set to actual output; the most successful aspect of support was the Levy Matching Service. The service exceeded all targets, enabling the project to be extended past its original timeframe. This mechanism of levy transfer allowed for

over £1.9million investment into apprenticeship training in SMEs in GM. The service has also raised the profile of apprenticeships, and the apprenticeship levy, amongst GM businesses, allowing for key promotion and possibility of further transfers.

SEDA was another overwhelming success, highlighted particularly in the focus groups with Local Authorities. The local expertise that the SEDA team brought to each borough was clearly felt, by both LA's and the businesses who they worked with. The wraparound support, and 'hand holding', enabled businesses to navigate the complex apprenticeship system with ease. Through this programme, the SEDA service has built sustainable change in the SME landscape, albeit only a fraction of the massive number of SMEs across the conurbation. Lessons learnt on how to work with SMEs to aid their workforce development has evolved and is being built into the 'Skills for Growth SME Support' programme.

A further success was the partnership working across the 10 councils, the Growth Company, Greater Manchester Chamber of Commerce and the GMCA. Whilst the relationships took time to develop, it's clear that the project would not have been as successful as it was without the support of the GC and GMCC to Local Councils, who may be over-stretched, under-resourced, or not have expertise on apprenticeships.

In terms of the way the project was perceived by those who accessed it, it is clear the wrap around support and grant were very positively received by the SMEs who benefited. Most of the SMEs who responded to the survey made clear how pleased they were with the support package, highlighting how the grant allowed them to expand their workforce through wage support, whilst also enabling workforce development. This is a clearly defined success of the project, aligned with the original aims.

6.1.2 Challenges

Whilst the project achieved many of its intended outcomes, there were some challenges that may have limited the targets being met, particularly with allocating all the grant money. Understanding these shortfalls could support the success of future projects with similar aims.

It's clear that a slow start where similar grant schemes weren't already part of the work of the LA, was a major problem in allocating the full allocation of grants in some

local areas. Where LA's had done similar work previously, as in the case of Wigan MBC, existing contacts and relationships were utilised to get grants to businesses. Whilst LA's are at no fault for not previously have run similar grant schemes, the programme may have been more successful if these LA's were given more targeted support to help them get started. It's not a surprise that LA's performance at allocating grants varied widely, when they all started at different stages.

Similarly, where LA's added their own criteria to the grant process, this may have limited their ability to allocate their full quota of the grant pot. Whilst local approaches may have benefited LA's workload, where LA's added their own criteria, they tended to allocate a smaller proportion of grants. Work across the conurbation should always balance local need and environment, with the ability to work across the city region. It was noted that where LA's had placed their own additional criteria on grants, this made the work of the workforce development side of the project more difficult, as they had to understand this difference.

It was highlighted by one of the focus groups that a more consistent communications approach, with less reliance on social media, could have enabled more engagement with businesses who don't have a digital presence, such as a Twitter account. How to successfully engage with businesses through both virtual and non-virtual means should be a consideration for all GMCA funded projects, ensuring accessibility is key. In the long term, it should also be considered that supporting businesses to get online and have a digital presence should be a component of workforce and business development.

'Criteria were very different in certain areas, we had some great potential opportunities that were held back in certain LA's that chose criteria.'

Finally, it's clear that the timings of different parts of the project and administration needs not being in sync at start of the project caused problems. With the GMCC coming in later without being involved in the establishment of the project, barriers emerged as relationships had already been forged. Had the contracts for all parties been signed ready to begin at the same time, this problem would have likely been eradicated.

6.2 Findings and Outcomes

From the evaluation several recommendations can be made for any future support for SMEs in encouraging them into apprenticeships.

- Wrap around support for businesses is crucial in enabling business to engage with the apprenticeship landscape. Through this project, it has been demonstrated that financial incentives alone are not enough and a level of handholding is also required to guide business through the process. GMCA has continued to support and develop this approach with workforce development advice, signposting, and support through the Skills for Growth SME Support programme.
- However, grants to support wage costs or 'backfilling' costs do provide a real incentive and level of support to SMEs and can provide the tipping point in deciding to recruit or not. Governments current incentive scheme to business for apprenticeship starts (introduced as a response to COVID-19) will also hopefully be driving new starts within business. The infrastructure GM has developed around apprenticeships in SMEs has allowed support and advice to continue to be available to businesses accessing the national grant
- The ability to transfer Levy Funds is a key part of apprenticeship funding policy, and GMCA felt that this needed an enabler hence the development of the Levy Matchmaking Service. As demonstrated above this has been a true success and will continue to be funded until 2023. Work is also ongoing with DfE as a national version of a matching service is developed.
- As far as possible, applying a uniform approach across the conurbation if a single support organisation, such as the GC or GMCC, are being used. This is to allow for ease of process when allocating grants or support offers however this doesn't detract from the need to recognize the individual nature of each locality and the local priorities, aims and strategies to ensure added value rather than confusion.

Annex 1 – Employer Survey



SME Support -
Employer Survey.doc