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Dear Convener

FLEXIBLE WORKFORCE DEVELOPMENT FUND & INDIVIDUAL TRAINING ACCOUNT SCHEME EVALUATION REPORTS

I am writing to advise the Committee of the publication of independent evaluations of both the Flexible Workforce Development Fund (FWDF) and Individual Training Accounts (ITAs), two of our core adult skills programmes.

Flexible Workforce Development Fund Evaluation

The Flexible Workforce Development Fund (FWDF) provide employers across Scotland with flexible workforce development training opportunities tailored to their needs to support inclusive economic growth through upskilling/reskilling of employees. Levy payers can access up to £15,000 worth of training and non-Levy paying Small and Medium Enterprises up to £5,000.

The evaluation of the Fund was carried out in 2022 with the final report published¹ on 25 January 2023. It found that the FWDF is largely working well and is delivering against its original purpose. The Fund was universally considered by all stakeholder groups consulted to be a much needed and valued intervention. Its guiding principles were found to have been substantively achieved and remain relevant to the employers, employees and stakeholders who engaged with the evaluation.

Almost all employers surveyed as part of the evaluation stated they would recommend the FWDF to other employers and would apply to the Fund in future years. Reported benefits include a more skilled workforce, increased college-employer engagement, as well as increased uptake of work-based learning provision and increased productivity. The Fund was also judged to provide high levels of

¹ [Flexible Workforce Development Fund \(FWDF\): evaluation - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/evaluation-fund-employment-and-training-accounts-2022/pages/summary.aspx).

additionality, as most of the employers surveyed in the evaluation reported that they would either not have undertaken any of the training or only have undertaken some or half of it.

The evaluation recommendations for change focus on how to standardise and optimise delivery and increase awareness of the Fund amongst employers across Scotland. We have already taken some steps to standardise delivery this academic year by opening access to all available training routes through colleges, the Open University in Scotland and Skills Development Scotland to both Levy payers and non-Levy paying SMEs. Colleges remain the primary delivery route for the Fund.

I have asked officials to liaise with our delivery partners to consider further changes to the Fund in line with the evaluation recommendations and the strategic lifetime skills commitments outlined in the National Strategy for Economic Transformation (NSET).

Individual Training Accounts Evaluation

The Individual Training Accounts offer unemployed individuals or those on a low income, aged 16 and over, up to £200 per year towards training to develop skills that would allow them to re-enter the workforce or progress their career.

The evaluation of the Scheme was also carried out in 2022 and the final report published on 9 February 2023². It found that this scheme is also working well, with most participants and providers surveyed as part of the evaluation reporting satisfaction with the delivery experience and outcomes gained. Most participants reported that they would not have undertaken training without ITA funding. Evidence also suggest that the ITAs helped people to find new and better jobs.

The evaluation did not highlight any areas requiring urgent change, but recommended improvements to scheme, such as increasing the value above £200, further prioritising labour market needs or specific customer groups and widening the careers information offer. These and other programme improvements and changes are currently being considered by officials as part of the ongoing work to deliver the NSET strategic lifetime skills commitments.

I hope this is helpful. I would be happy to provide further information if required.

Jamie Hepburn

² [Individual Training Accounts: evaluation - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/individual-training-accounts-evaluation/pages/individual-training-accounts-evaluation.aspx).