

March 2025

Further Education Innovation Fund Pilot



Final report of the Process Evaluation

Laura Sutinen, Paul Simmonds, Tia-J'Nae Murray, Charlotte Armstrong, Eve Milne, Rima Martin



Version 3

March 2025

Further Education Innovation Fund Pilot

Final report of the Process Evaluation

Laura Sutinen, Paul Simmonds, Tia-J'Nae Murray, Charlotte Armstrong, Eve Milne, Rima Martin

Table of Contents

1	Executive summary	1
2	Introduction	4
2.1	This report	4
2.2	The Further Education Innovation Fund (FEIF) Pilot	4
2.3	Present study	4
2.4	The organisation of this report	6
3	Further Education Innovation Fund (FEIF) pilot	8
3.1	The pilot programme	8
3.2	FEIF rationale and objectives	8
3.3	The main stages of the FEIF process	9
4	Call briefing and application support	13
4.1	Introduction	13
4.2	Application support	13
4.3	Differences between consortium and single FEC initiatives	16
4.4	Considerations and opportunities for improvement	17
5	Application assessment and selection	20
5.1	Introduction	20
5.2	Baseline innovation support	20
5.3	IUK assessment	21
5.4	Combined Authority-led assessments	23
5.5	Differences between consortium and single FEC initiatives	24
5.6	Considerations and opportunities for improvement	24
6	Post-award	25
6.1	Introduction	25
6.2	Timeliness of setting up	25
6.3	Differences between consortium and single-FEC initiatives	29
6.4	Considerations and opportunities for improvement	29
7	Project delivery	31
7.1	Introduction	31
7.2	Effectiveness of FEIF implementation	31
7.3	Project delivery	33
7.4	Emerging impacts	35
7.5	Differences between consortium and single-FEC initiatives	37
7.6	Considerations and opportunities for improvement	38



8 Programme design and context	40
8.1 Introduction	40
8.2 Programme design	40
8.3 Process differences to IUK standard	45
8.4 FE innovation landscape	46
9 Conclusions and recommendations	50
Appendix A Methodological notes	54
Appendix B Landscape reviews	56
Appendix C List of interviewees	66
Appendix D Reviewed indicators for FEIF projects and businesses	68

1 Executive summary

This report

This is the final report of the process evaluation of the Further Education Innovation Fund (FEIF) pilot and call for proposals, which Innovate UK (IUK) commissioned Technopolis to undertake in the period from July 2024 to March 2025.

Further Education Innovation Fund (FEIF) pilot

The FEIF pilot supports Further Education Colleges (FECs) to expand and strengthen their innovation support for local employers to facilitate the development and diffusion of innovative products and processes. The pilot has allocated £7.2m to fund eight projects around the country: five projects comprising FEC consortia and three projects led by individual organisations.

FEIF process evaluation

The aim of this evaluation is to understand the extent to which the approach taken was successful in attracting, funding and supporting the best FE projects possible to deliver against the objectives of FEIF. The study method relies on a series of interviews and surveys, as well as a document analysis and desk research. The scope of the evaluation covers call planning, call assessment process, project set up, and live grant activity. The evaluation also examines the extent to which the adaptations made to the standard IUK procedures were able to accommodate the needs of FECs, a new target audience. The evaluation has gathered evidence and insights on all process aspects through a programme of desk research, surveys and interviews.

Main messages and recommendations (the full set of conclusion and recommendations is available in Chapter 9):

Programme design and context

- Overall, there is a consensus on the appropriateness of the FEIF offer and the relevance of its objectives among all consultees. FEIF awards can deliver a step-change in innovation-support activities. Participating FECs have expanded the scope of their existing activities and report a strong appetite for sustaining these activities.
- The original 12-month funding period was generally the main barrier for impact attainment and was found to negatively affect recruitment (a frequent challenge in FEIF and for the FE sector more broadly).¹ The extension for the projects to run for 24 months is welcome. However, supporting project preparation in the future, longer funding duration from the outset would be advisable.
 - **Recommendation: Possible future FEIF awards would ideally run for two years. Including a funded preparatory period for FECs would similarly support impact attainment.**
- The findings suggest advantages in running FEIF in regional clusters. This has fostered collaborations between FECs, and facilitated a more scalable offer.
 - **Recommendation: Continuing FEIF with a regional approach is recommended.**

¹ Consulted FECs shared challenges in attracting high-skilled personnel from industry with 12-month fixed-term contracts. Where recruitment was delayed, the length of the contract was subsequently shortened, furthering the difficulty to attract skilled experts.

- The evidence supports continuing with the invite-only approach to FEIF. It enables closer support for FECs, and supports a stakeholder buy-in in regional settings. The financial and time pressures in the FE sector also render an openly competitive approach counter to FECs' interests.
 - **Recommendation: Continuing FEIF with an invited nature is recommended.**
- We find the process exceptions in the FEIF pilot² beneficial for the FECs. In particular, a more hands-on approach to support and advice on behalf of the FEIF delivery team has been valuable at every process stage.
 - **Recommendation: Although other resources are also advisable, retaining some level of close contact with awarded FECs is supported.**

Applicant support and guidance

- FEIF represents a new relationship for both parties, IUK and the FE sector. The varying levels of experience with innovation support left some FECs hoping for more guidance or direction with the idea-development. Additionally, FECs reported uncertainty with budgeting and other financial elements.
 - **Recommendation: Prior examples of successful innovation support to local innovators could help new FE applicants develop their ideas and strengthen their applications.**
 - **Recommendation: More explicit explanation in relation to elements like eligible costs would be useful. As this challenge was not universal, some additional written guidance would be cost-efficient.**
- The four-week window to prepare the applications posed the most widespread challenge to the applying FECs, especially as it coincided with a seasonal leave for the sector.
 - **Recommendation: Increasing the application window from four to six weeks would ease this challenge, especially if future application windows fall on a holiday period.**

Assessment and awardee selection

- Overall, the assessment process – and application criteria – were appropriate to the scheme's requirements. Assessors provided no substantive negative feedback in relation to any aspect of the overall process.
- Involving local actors helps to ensure local relevance. In addition, it has supported awareness of the funded projects. However, considerations of bias or conflicts of interest should be maintained.
- **Recommendation: Where possible, consolidate more applications for assessors to support a more robust frame of reference. Alternatively, applications from the pilot round could be used as illustrative examples to help calibrate the assessment in future rounds.**

Post-award

- Most consulted FECs experienced delays in their project launches. For the most part, these delays pertained to the state of recruitment by launch time. This is a complex challenge, mainly driven by the broader staffing difficulties in the FE sector. However, they were probably spurred on by the type of skills needed, and some process elements

² Adjustments to the standard IUK processes included, among other things, a close presence by programme manager to respond to questions, and an optional assessment step which empowered relevant Combined Authorities to have a final approval of IUK-approved applications.



- **Recommendation:** To support FECs' readiness to launch projects with full capacity, additional funded lead-in time may be necessary.
- **Recommendation:** Select insight on ideal skill specifications, professional networks, or an IUK-contracted recruitment expert could be beneficial in acquiring the necessary skills.

Project delivery

- Awarded FECs have placed a high value on the support and time-investment from the programme manager.
 - **Recommendation:** In a scaled-up scenario, retaining periodic project-specific check-ins could consolidate queries and concerns in allotments. Additional personnel to support the programme manager could also enable scaled support at the live stage.
- As a result of FEIF, awarded FECs have increased the range of their activities with some signs of them becoming more widely recognised as innovation support providers in the FE sector. FEIF has also had a positive effect on the level of collaboration between FECs. All consulted FECs have also indicated appetite to continue with the enhanced remit.

2 Introduction

2.1 This report

This final report presents the findings of the process evaluation of the Further Education Innovation Fund (FEIF) Pilot.

The report begins by describing the pilot initiative and its design and implementation processes before presenting our findings from consultations with awarded Further Education Colleges (FECs), unsuccessful applicants, application assessors, stakeholders and support personnel (IUK staff and a contracted Monitoring Officer (MO)). The study also leverages a document analysis and desk research for further procedural and contextual findings. Interview and survey responses are recorded in Section 2.3.3, while further methodological notes are available in Appendix A.

2.2 The Further Education Innovation Fund (FEIF) Pilot

FEIF is a £7.2m pilot scheme funded and delivered by Innovate UK with the support of the West Midlands Combined Authority, the Greater Manchester Combined Authority, Glasgow City Region and Innovation Mission (a collaboration between the Gatsby Foundation and the Association of Colleges).³ Each partner is involved in a separate award strand. Innovate UK has worked closely with each of the partners throughout, with representatives from all four contributing to decision making from the planning stage onwards. In addition, the three city regions provided a strategic view of local priorities for the selection of the final projects.

The pilot was launched in October 2023 and (since funding extensions) is due to run until March 2026.⁴ The scheme will strengthen FECs' support to local businesses innovation ambitions through the creation of new Innovation Centres at the FECs. These Innovation Centres support collaboration between, and innovative capability of, FECs and local business populations.

Working with its partners, FEIF approached 42 FECs from across the three city regions and through the Innovation Mission consortium, of which 39 colleges opted to apply for support. Following the assessment process, eight FEIF projects involving 32 colleges, were launched in the spring of 2024.

2.3 Present study

2.3.1 Aims and objectives

The purpose of this evaluation is to assess the appropriateness, effectiveness and efficiency of FEIF's processes, from planning to implementation. At its core, FEIF seeks to empower FECs to meaningfully support businesses to carry out innovation activities. A secondary, but related, aim of FEIF is to support FECs in becoming established and recognised as valuable actors in the broader innovation support landscape. Although FECs are accomplished in business relations and skills-development initiatives, the shift to other innovation activities presents a novel challenge to the FE sector at large.

³ Source: <https://apply-for-innovation-funding.service.gov.uk/competition/1747/overview/f4aa87fc-ed18-46ef-b234-ce7f327cd6cc>

⁴ NB: the funding was originally due to end in March 2025, but an extension was announced early in 2025.

2.3.2 Approach

We have framed our approach to the study around the Evaluation Questions (EQs) developed in consultation with Innovate UK. The final set of questions was reordered to follow the FEIF process components to understand whether participating FECs have been supported at each stage to implement innovation support projects to the best of their abilities. The resulting sections are: i) call promotion and application support, ii) awardee selection, iii) project set up, iv) project delivery, and v) overall design and other overarching notions. The final set of questions is as below:

Table 1 Evaluation questions

Call briefing an applicant support	
EQ5	To what extent, and how have the timelines of the funding call impacted the number and quality of submissions?
EQ6	To what extent, and how has the pre-call support available (call documentation, workshops, and webinars) been sufficient for applicants to prepare the best possible applications?
Application assessment and selection	
EQ8	To what extent was the process used to select colleges successful in identifying the best colleges to participate?
EQ3	What was the baseline level of innovation support offered by awarded FECs?
EQ9	To what extent, and how has the assessment process been successful in identifying applications suitable for funding?
EQ10	To what extent, and how has the additional combined authority-led assessment step impacted call outcomes and timelines?
EQ11	What benefits or downsides are there to the additional combined authority-led assessment step relative to the selection made exclusively by Innovate UK?
Pre-project	
EQ12	To what extent, and how has the post-award support been clear and timely enough to allow projects to start on time?
EQ13	To what extent, and how has the monitoring process assisted in project set up, and was this implemented at the correct time?
Project delivery	
EQ14	To what extent, and how has the monitoring process impacted successful delivery of projects and adherence to Innovate UK monitoring requirements?
EQ15	To what extent, and how are resources and support helping the live projects to meet their objectives. What types of support do participants consider most useful, and how does this relate to the cost of that support?
EQ16	To what extent, and how are the interactions between the FEC teams and other stakeholder groups (for example Combined or Local Authorities, other funders or education providers) impacting the delivery of the projects and their future plans?
EQ17	To what extent, and how has the implementation of FEIF supported projects to deliver against their objectives and that of the FEIF programme?
EQ18	To what extent, and how is the ability of projects to access and engage businesses impacting on their ability to deliver on the objectives of the programme?
EQ19	What are the barriers to successful project delivery and how have colleges sought to overcome these?

Overarching questions	
EQ1	What are the views of key stakeholders? What worked well regarding the delivery of the funding call?
EQ2	To what extent is this funding route effective within target locations and regions? Are there, or should there be, other initiatives, policies or programmes to support such projects within the broader landscape?
EQ4	To what extent, and how, has the call design (funding available, length of grants, ring fencing of regional budgets etc.) address the aims of the call and needs of the applicants?
EQ7	To what extent, and how have consortia-led projects differed to individual college-led projects in applying for funding, managing projects and delivering against the objectives of the scheme?
EQ20	In what ways have the differences between funding streams affected awarding, implementation and customer journeys?

2.3.3 Methods

To answer the evaluation questions, we draw mainly on primary data with additional contextual insight sourced from a document analysis and desk research. A review of the target and adjacent landscapes (England, Scotland, Northern Ireland, Wales and the Netherlands) was done for a sense of uniqueness of FEIF. Detailed notes about the primary data collection are presented in methodological notes in Appendix A. The final primary data comprised components listed in Table 2.

Table 2 Primary data collection

Stakeholder group	No. Responses	% of population	Target	% of target
Surveys				
Successful FECs	26	74%	35	74%
Unsuccessful FECs	0 ⁵	0%	5	0%
Assessors	14	67%	21	67%
Interviews				
Successful FECs	23	66%	25	92%
Unsuccessful FECs	2	40%	5	40%
Assessors	6	29%	5	120%
Wider stakeholders	6	N/A	8	75%
FEIF delivery team	4	N/A	5	80%

2.4 The organisation of this report

The remainder of this report structured as follows:

- **Chapter 3** describes FEIF and its processes and the programme Theory of Change (ToC)

⁵ NB: one of the survey invites to unsuccessful applicants bounced, while an external person informed us that another invitee had since left the FEC. The external respondent was unable to name an alternative person at the FEC.



- **Chapter 4** evaluates the application process
- **Chapter 5** evaluates the application assessment and awardee selection process
- **Chapter 6** evaluates the post-award process
- **Chapter 7** evaluates project delivery
- **Chapter 8** considers the evidence against the overarching evaluation questions
- **Chapter 9** presents our conclusions and recommendations

Each chapter focused on a process stage (chapters 3-7) explores the relevant Evaluation Questions (mentioned at the start of the chapter), and differences between single-FEC and consortium initiatives in the process stage. Each of these chapters also highlights key considerations and particular opportunities for improvement for the process stage in question.

3 Further Education Innovation Fund (FEIF) pilot

3.1 The pilot programme

The Further Education Innovation Fund is a £7.2m pilot programme from Innovate UK to empower FECs to participate in their local innovation ecosystems. The concept for FEIF followed an acknowledgment of the potential for Further Education (FE) to participate in the innovation support ecosystem. The decision to pursue the programme by IUK was largely informed by findings in the Innovation Caucus review of the role of FECs in local and regional contexts. The review considers FECs as instrumental in meeting skills needs among employers, and in engaging their communities in partnerships more broadly.⁶ Similarly, the development of FEIF was supported by insight from Gatsby's Further Education Colleges and Innovation,⁷ Rethinking the Role of FE—a Caucus report commissioned by IUK and Gatsby,⁸ and the Nesta report on regional imbalances in R&D funding with UKRI recommendations.⁹ Specifically, a deeper dive following the initial Gatsby report resulted in the establishment of FEIF, with the Nesta report contributing to its justification. The Nesta report emphasised the need for the “creation of new institutions in regions with low R&D intensities, focusing on translational research and the diffusion of innovations, with the goal of rapidly increasing the innovation capacity of low-productivity regional economies.”

The pilot comprised four streams, or channels, of invited FECs:

- 14 in the West Midlands Combined Authority
- Nine in Greater Manchester
- Six in the Glasgow City Region
- 13 individual FECs reached through the Innovation Mission channel¹⁰

Each channel was supported by regional authorities, and in the case of the Innovation Mission, Gatsby Foundation and the Association of Colleges.

3.2 FEIF rationale and objectives

FEIF was developed in the context of earlier initiatives that have sought to strengthen the links between FECs and employers, like the Local Skills Improvement Plans (LSIPs),¹¹ Institutes of Technology (IoTs)¹² and College Business Centres (CBCs).¹³ Adding to this foundation, the FEIF pilot focuses on an enriched offer ('skills+'), delivering innovation support to local employers in general but entrepreneurs in particular. Many smaller businesses do not have the wherewithal to access national schemes, and they are similarly unlikely to be in a position to collaborate

⁶ Nelles, J., Verinder, B., Walsh, K. et al. (2023). Skills, Innovation and Productivity: The Role of Further Education Colleges in Local and Regional Ecosystems – Summary report. *Innovation Caucus*. URL: <https://innovationcaucus.co.uk/app/uploads/2023/03/FEC-Summary-Report-FINAL-150323.pdf>

⁷ <https://www.gatsby.org.uk/uploads/education/reports/pdf/fe-colleges-and-innovation.pdf>

⁸ <https://innovationcaucus.co.uk/app/uploads/2022/08/Rethinking-the-Role-of-FECs-in-Innovation-Ecosystems.pdf>

⁹ https://media.nesta.org.uk/documents/The_Missing_4_Billion_Making_RD_work_for_the_whole_UK_v4.pdf

¹⁰ NB: this resulted in nine Innovation Mission applications, as some elected to not apply or were located in Innovation Accelerator regions and chose to apply as part of the regional consortia.

¹¹ <https://www.gov.uk/government/publications/identifying-and-meeting-local-skills-needs-to-support-growth/local-skills-improvement-plans-lsips-and-strategic-development-funding-sdf>

¹² <https://www.gov.uk/government/publications/institutes-of-technology--2/institutes-of-technology>

¹³ <https://www.gov.uk/government/publications/skills-accelerator-trailblazers-and-pilots/skills-accelerator-local-skills-improvement-plan-trailblazers-and-strategic-development-fund-pilots>

with researchers at our leading universities or otherwise take advantage of the Higher Education sector's innovation support.

In utilising FECs' existing connections to bring new actors to innovation, the Pilot seeks to engage a new audience. Simultaneously, the programme leverages innovation expertise within IUK to strengthen innovation links between employers and the FE sector locally and thereby animate ecosystems in the supported regions.

With FEIF funding, FECs set up Local Innovation Centres to support businesses with technology and skills needs. The centres had the following characteristics:

- Infrastructure provision via access to industry-specific facilities and equipment
- Workforce upskilling through technology-focused training or learning resources
- Engagement in collaborative R&D with industry
- Network development through bespoke space provision and engagement with target businesses and other industry connected to them

Integrated with the existing innovation support provision, the projects establish good practices for developing relationships with local business communities. Benefiting businesses are expected to increase technology adoption and sector-wide technological skills. Some R&D activities are also within scope.

These outputs are expected to lead to performance benefits and increased expertise and specialisms in local target sectors. Collaborative innovation adoption and diffusion-focused networks are expected to become normalised in target regions.

Finally, participating businesses are expected to become more productive and resilient with contributions anticipated in regional GVA. These developments are also hoped to solidify the role of FECs as key actors innovation support, and that of adoption and diffusion in the innovation landscape more generally.

3.3 The main stages of the FEIF process

3.3.1 The overall call process

The main components of the overall FEIF process are shown in Figure 1, which includes the indicative timetable and colour coding to reflect who was involved in which procedures.

3.3.2 Call briefing and application support

The FECs who opted to apply were contacted and provided with written materials and online webinars to explain the scheme and the application procedures during September and October 2023. The call deadline was set for early November 2023; all applications from West Midlands, Greater Manchester and Glasgow City Region consisted of consortia of FECs, while applications submitted through Innovation Mission were all led by a single organisation each. Collaboration took place within each regional strand to develop project applications which did not collectively exceed the regional budget.

3.3.3 Assessment and selection

IUK followed a typical assessment process used for many other calls: each application was reviewed by five external assessors against nine review questions. Applications which received a score under 70% were automatically excluded. This ensures that approved applications all pass a minimum quality threshold. Those above the threshold additionally needed to be recommended for funding by at least three of the five assessors. The applications per channel

were then ranked on their overall scores and then the IUK delivery team worked through the ranked list approving each in turn until the allocated budget was met.¹⁴

The final stages of the assessment depended on the award channel, and both scenarios are illustrated below in Figure 2. For Glasgow City Region and Innovation Mission, these approvals formed the final selection of awards for each funding stream.

For the Combined Authorities, an added step was included in the selection process whereby a panel appointed by the Combined Authorities would make a final selection among the IUK-approved applications. This process step was primarily intended for the regions to be involved in a scenario where IUK-approved projects exceeded the budget allocation per region. It was introduced with the background of the deeper devolution deals to enable the Combined Authorities to be involved in FEIF. The step was, however, optional if the approved projects could all be funded with the budget. This was the case for both regions: all FECs in Greater Manchester formed a single consortium whose funding request was within the full regional budget. In a similar vein, FECs in West Midlands formed three consortia along the geographies of their Local Enterprise Partnerships, whose collective funding request fitted the regional budget. While Greater Manchester Combined Authorities opted to bypassing the regional assessment step, West Midlands Combined Authorities appointed a representative from the Coventry & Warwickshire Chamber of Commerce to conduct a final approval of the three applications.

3.3.4 Post-award and project setup

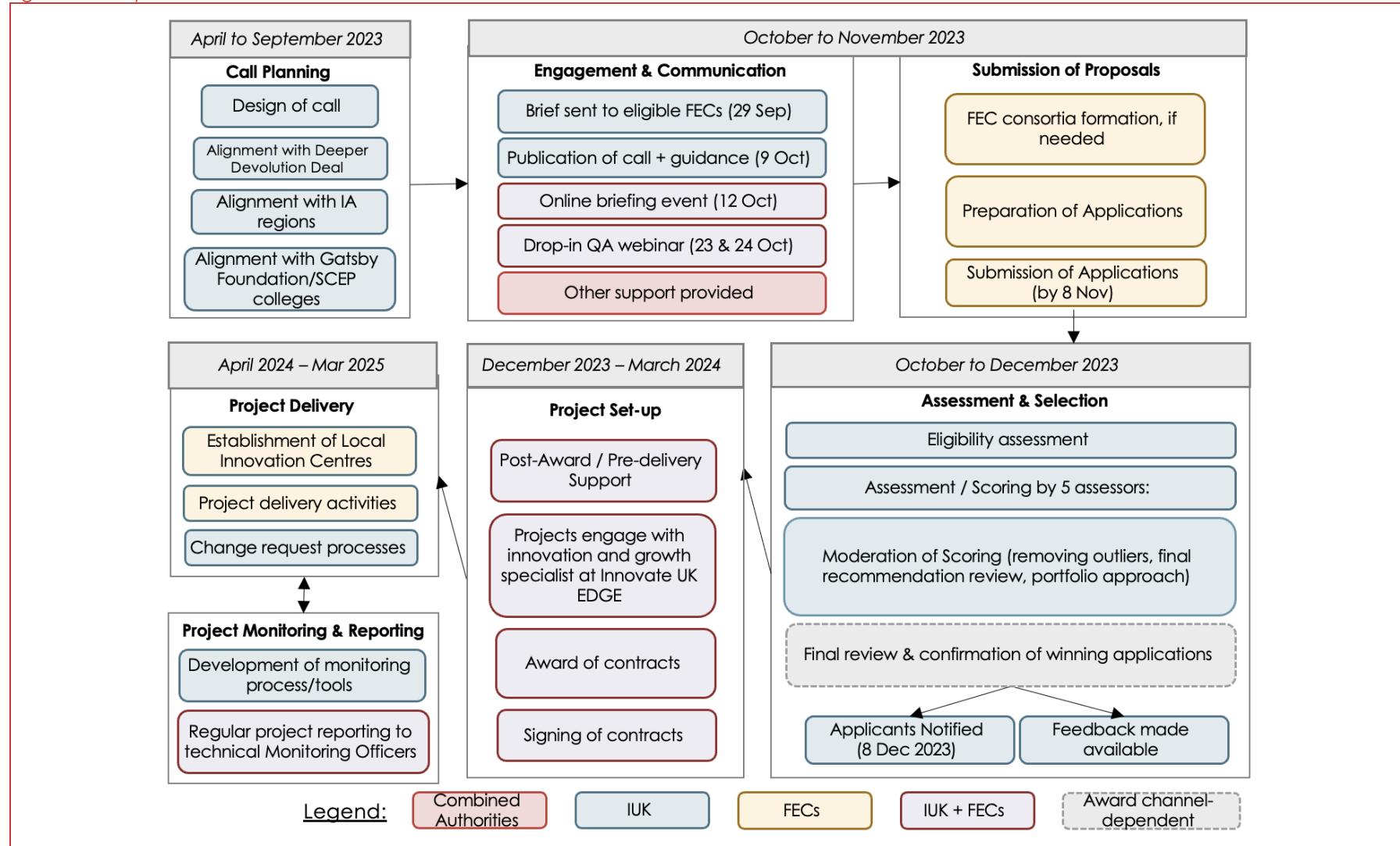
Once the funding decisions were made, FECs were notified, and feedback was provided by early December. Awarded (lead) FECs uploaded needed information after which the Call Delivery Executive Team and Finance Team at IUK prepared the project contracts internally. Monitoring for the projects was contracted to external Monitoring Officers. Awarded FECs and Consortia had four months from award announcement to prepare for launching the awarded projects.

3.3.5 Project delivery

Following the withdrawal of one successful applicant, Runshaw College, eight awarded projects launched operations in the spring of 2024: the projects from Innovation Mission, Glasgow City Region and West Midlands Combined Authorities channels began operations in April. The GM FE Innovation Programme was an exception, as, having set up sooner, it was agreed for the project to launch sooner. This was due to a faster financial approval process which enabled the consortium to begin recruitment sooner following approval of a backdated start. At present, the project is to run until March 2026, and to end simultaneously with the other funded projects.

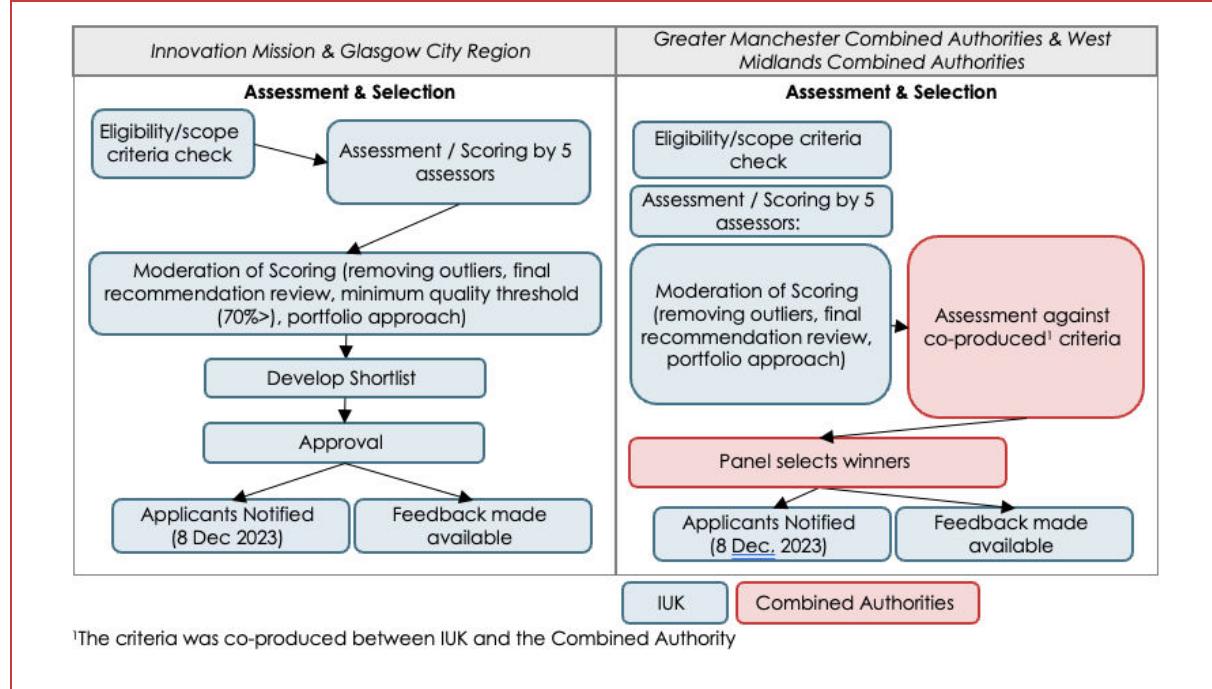
¹⁴ NB: in this instance, as the FECs had divided the budgets, the final approval was mainly subject to the assessor scoring and recommendations.

Figure 1 FEIF process chart



Source: Technopolis

Figure 2 Assessment & Selection stage by award channel



Source: Technopolis

4 Call briefing and application support

4.1 Introduction

This chapter focuses on the call briefing and application support stage of the FEIF Pilot. The chapter seeks to address the evaluation questions about the **impact of the timelines** around funding call on the number and quality of submissions (EQ5), and the **sufficiency of the pre-call support** for the preparation of best possible applications (EQ6). The **differences between consortia-led and individual FEC-led applications** are also considered (EQ7).

4.2 Application support

4.2.1 IUK support

IUK delivery provided the invited FECs with the following support:

- **Two webinars:** a general briefing and a drop-in session
- **Written guidance** with links to Innovate UK resources
- **Ad hoc responses** to queries via email

The great majority of FECs reported having used the IUK written guidance (91%, n = 21) and briefing events (83%, n = 19).¹⁵ These supports were also reported most often in interviews. Whilst ad hoc advice from IUK was not as commonly mentioned, more than half of the surveyed FECs used the opportunity to pose questions. Overall, the combination of support helped FECs to prepare their applications according to Innovate UK requirements and FEIF objectives.

Based on an estimate from the FEIF programme manager, this support required around five staff days of IUK time. Approximately four working days were spent on queries and one working day was spent preparing and running the briefing events.

4.2.2 Other support

In addition to IUK resources, FECs used **ad hoc advice from external stakeholders**.¹⁶ The advice included sense checking proposed delivery models and supporting the alignment of the application with local and regional priorities.

A majority (74%, n = 17) of surveyed FECs also reported **collaboration with each other**. This was an even broader trend in interviews. Across all consortia, the FECs had collaborated and divided responsibilities in the application with a small core team acting as a coordinator. It was a common practice for FECs in consortia to ideate the delivery at their institution and bring this vision together in the collective proposals. Additionally, FECs in the Innovation Mission channel (IM FECs) reported some degree of co-development at the early stage of the application. The FECs had appraised the FEIF opportunity together, and those opting to apply divided the allocated budget between each other to ensure that all would have a chance of approval.

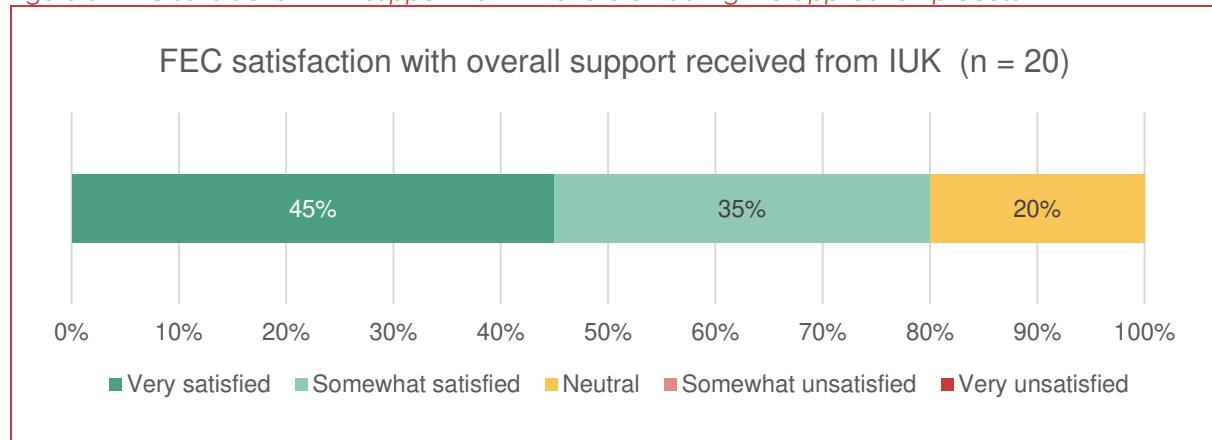
4.2.3 Value of support

Collectively, the FECs were broadly satisfied with the overall support from IUK. The overarching positive sentiment expressed in the survey (Figure 3) was reflected in the interviews.

¹⁵ NB: While the response rate may be considered low in absolute terms, it does represent a majority of applying FECs (n = 39) and prepared applications (n = 14)

¹⁶ E.g. local or regional authorities, HEIs, innovation actors and industry bodies

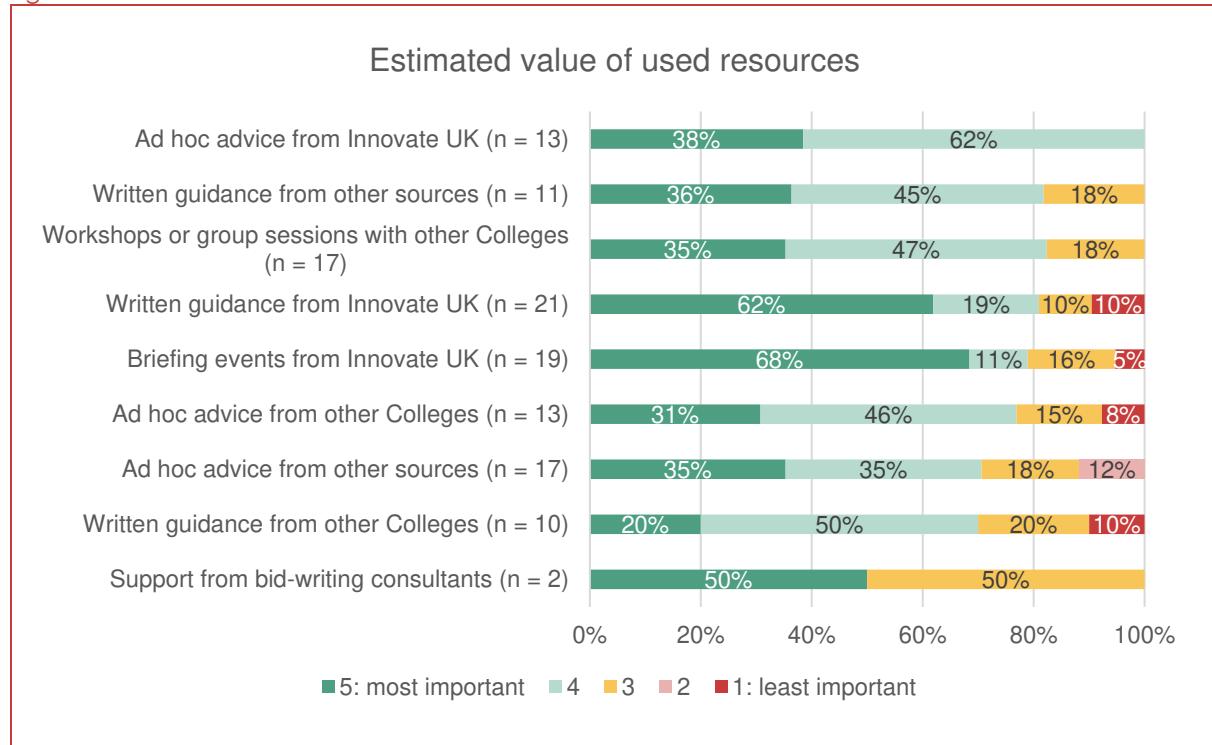
Figure 3 FEC satisfaction with support from Innovate UK during the application process



Source: Technopolis survey of Colleges

We also asked FECs about the relative importance of the different types of support. Figure 4 shows that FECs were generally positive about all types of support used, with 50% or more of all respondents rating each support services as important (i.e. scoring that service as a '4' or '5'). The primary support to applicants provided by IUK (briefing events and written guidance) was rated as being the most important source of support by the largest volume of respondents. A smaller number of colleges reported having used IUK's ad hoc advice and this was judged to a little less important, as compared with the briefing events and written guidance.

Figure 4 Estimated value of used resources



Source: Technopolis survey of Colleges

Reflecting the overall satisfaction with IUK, **all support components offered by IUK were deemed valuable**. The ad hoc advice from the programme manager was perceived particularly

positively: five interviewed FECs mentioned IUK-offered **ad hoc** advice as critically helpful in clarifying specific elements. The FECs also shared various reasons for which the arranged **briefings** were valuable: three FECs expressed that they were generally helpful in appreciating the objectives ahead. One other FEC specifically appreciated the organised opportunity to ask questions, while two found the briefings practically useful (in navigating the IUK portal and understanding the financial aspects). However, three FECs hoped for a more comprehensive coverage on either innovation generally, or about the financial aspect.

In addition to IUK support, consulted FECs placed value on **written guidance from other sources** (e.g. local strategy insights, statistics on local skills needs, and previous examples of innovation support projects). These resources had supported them to solidify the innovation concept and develop the proposed support response. **Workshop and group support**, as reported by nearly all responding FECs had been described as invaluable by most interviewed FECs. For consortia, this support had ensured that all partners' ideas and needs were heard, that the consortium had a sense of the collection of expertise, facilities and equipment, and that the consortium had a clear set of sectors and technology divided between them.

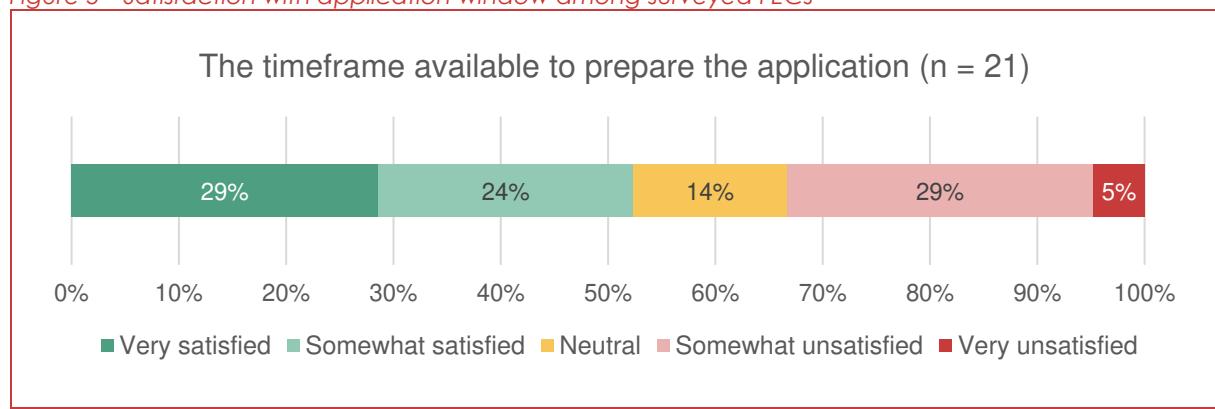
"The advice available was fit for purpose. However, this was as a suite of formal and informal guidance combined with workshops. It wouldn't work if any of these were removed" – Surveyed FEC representative

4.2.4 Other facilitation and timeline

Participating FECs were also queried about other components, like the relevance of the sections in the application form, the user-friendliness of the portal through which the submissions were made, and the appropriateness of the assessment criteria. In the main, respondents indicated a fairly high overall level of satisfaction with above elements.¹⁷ The application sections could be considered appropriate.

The available timeline received mixed views however. Although slightly more than half of survey respondents were satisfied or very satisfied with the application window, more than a third reported dissatisfaction with it (as shown below in Figure 5).

Figure 5 Satisfaction with application window among surveyed FECs



Source: Technopolis survey of FECs

¹⁷ NB: at the minimum, 75% of responding FECs (n = 21) very 'satisfied' or 'highly satisfied' with the mentioned application facilitation.

Asked what they would like to see changed, nine FECs (60% of respondents to the question) recommended the IUK give more time for the overall application process in any future calls. Similarly, 15 interviewed FECs found the timeframe manageable but very tight. Three interviewees said the turnaround time had created considerable pressure. Six FECs mentioned that half term fell in the call period, which had strained consortia and single-FEC applicants alike. In light of this, while the four-week application window yielded results, possible future funding rounds could benefit from an additional two weeks based on reported ideal timelines among a few consulted FECs (n = 2). This would ensure that consortium applicants had several weeks to work together (despite possible different leave dates should holidays fall into the application window).

"The length and the timing [posed a challenge]. The Colleges had their half terms at different times as well, so in total we had about 2 weeks together." – Interviewed FEC representative

4.3 Differences between consortium and single FEC initiatives

Table 3 picks out some of the principal differences between single-FEC applicants and the FEC consortia, which flowed through to differences in their bids and application experiences.

Table 3 Differences in conditions between single-FEC and consortium-led applications

	Single-FEC applications	Consortium applications
n	8 (57%)	6 (43%) ¹⁸
No of FECs per application	• 1	• 3-9
Scope of proposal	• Generally focused on fewer topics, technologies, or sectors (or otherwise a sector-agnostic approach)	• A variety of serviced sectors • Several innovation centres with sector foci
Application capacity	• Within one FEC • Application burden consolidated on fewer individuals	• Collaborative work between applying FECs • Experienced application writers could be sourced from collaborating FECs
Logistical requirements	• Little to no requirements mentioned	• Coordination necessary • Some time required for standardisation

Source: Technopolis consultations with FECs

The main differences between the two types of applicants pertained to the scope of proposed ideas, the available capacity to develop a proposal, and the need to coordinate.

4.3.1 Scope of proposals

Compared with consortia-developed applications, single-FEC applicants focused on **specific topics or ideas** whilst remaining fairly sector-agnostic. **These FECs discussed the upsides of developing their own approach and focus independently.** In contrast, **consortia-prepared applications mirrored regional strategic priorities and consortium member specialisms.** As a

¹⁸ NB: one of the IM applicants was a College Group comprising three FECs, whose proposed idea resembled those of the regional applicants'. Therefore, it is considered a consortium in this instance.

result, consortia-proposed projects included **several sector-specific Innovation Centres** within one application.¹⁹ FECs from all consortia described a smooth process of dividing sectoral or technological specialisms based on FECs' strengths.

Both approaches bring their strengths and disadvantages. Single organisations would have had to overstretch their capacity in an attempt to satisfy regional priorities in the same manner as consortium applications. From this perspective, consortia conceivably offer more value for their target regions. However, the ideas resulting from single-organisations tended to have a more universalist approach (i.e. focusing on technologies or insight relevant to employers across sector lines). This approach, in turn, can offer value to audiences beyond their regional location.

4.3.2 Application workloads

All applying FECs through the IM channel divided the allocated budget equally among themselves. In other respects, they generally developed applications in-house. **Single-FEC applicants reported less satisfaction with the available window relative** to the general invited population. **It is therefore likely that the consolidation of the application on one FEC is more onerous.**

In consortia, applicants were able to **divide responsibilities and draw on collective strengths** (both in terms of project potential and bid writing experience). Moreover, consortia members described a sense of the mutual need to contribute to their region. Prior history of collaboration was another enabler, helping the FECs work together more seamlessly and placing trust in the collective. Four FECs applying in consortia felt that they (or others in their consortium) may have not applied if the option to do so in a consortium was not there. All consortia included coordination meetings to co-define roles and the division of focus points. Some effort was also described to ensure cohesive applications. Despite these logistical requirements, several FECs expressed that they were worth the benefit.

With respect to the effort towards applications, consortia appear to have had an advantage over single organisations. Despite the limited time to work together due to term breaks, the broader set of experience and specialisms ensured less pressure on any single individual.

4.4 Considerations and opportunities for improvement

The FECs pointed to several elements where additional attention could be beneficial.

4.4.1 Developing the innovation concept

Five FECs across two channels cited the challenge of understanding the definition of innovation. While this was not a universal concern,²⁰ this subset had hoped for more direction at the beginning. In their case, the challenge broadly stemmed from two interlinked factors:

- **A gap between the conventional understanding of innovation and the educational scope in the broader FE sector.** For the FECs with less innovation experience, there was uncertainty about what innovation support would mean operationally. The concepts of innovation diffusion and adoption were not discussed as much as the perceived distance between the FE sector and the R&D based innovation typically championed by the HE sector.

¹⁹ NB: one of the single applicants through Innovation Mission is an organisation of three FECs, which made up something akin to a consortium in its own right and is broadly considered as such.

²⁰ NB: based on provided innovation support background insight, the history of prior innovation activities appeared to predict this to be a lesser challenge.

- Three of the FECs in this subset discussed the **open-ended nature of the task of designing innovation support**. Conventionally, the scope of the FE sector's principal functions are well established. In contrast, FEIF challenged FECs to freely define a problem and the ways to address it. The FECs appreciated the flexibility in this respect, but felt that it had posed a learning curve.

Several strategies can enhance guidance for new applicants. These include showcasing examples of successful innovation support delivered by FECs, offering talks or mentorship from current project members, and organising collaborative events for potential applicants to develop ideas. Additionally, encouraging early engagement with local or regional stakeholders can be beneficial based on the pilot projects.

4.4.2 Financial guidance

In response to a question on application support, four FECs (24%) said they would have benefited from **more guidance in the financial section**. As with the innovation definition, these challenges were not universal and probably speak of the varied experience of the FECs in grant funding environments. In interviews, three FECs discussed a lack of clarity around the used terminology (such as 'Capital expenditure'). In addition, the FECs felt that the **guidance on eligible costs was light**, making it challenging to interpret.²¹ Such points could be resolved with a designated funding advisor. More simply, a glossary of terms or (anonymised) examples of strong budget proposals from the pilot round could be useful in guiding other FECs through IUK processes in the future. In this instance, too, members of the pilot projects could be invited to support future applicants if feasible.

4.4.3 FEC status at Innovate UK

Nine FECs described a slight sense of confusion regarding the IUK guidance. On exploration, it is likely that this is partly due to a **lack of material designed specifically for the FE sector** as compared with IUK's primary audiences in industry or higher education.²²

The FECs mentioned the following issues with the application process:

- The briefing for applicants used phrases like '**your business**', which suggests that the material is borrowed from briefings for business support programmes.²³
- The **FE sector is not an available category of self-identification** in the application portal. The applicants generally identified as 'Industry' (as opposed to academic institutions or HEIs).²⁴
- In the application form, a link to financial guidance leads to an IUK webpage entitled: '**Costs guidance for academics**'.²⁵
- Three applicants expressed concerns about **the exploitation plan** requested during the application process, stating that its focus on commercialisation seemed incongruous. One applicant, who invested time in developing a plan, subsequently discovered that other

²¹ NB: although one FEC felt that the briefings clarified the financial elements, most FECs who raised the matter reported challenges in ingesting the requirements.

²² See, for example, application advice to academic and non-academic applicants here: <https://www.ukri.org/councils/innovate-uk/guidance-for-applicants/costs-we-fund/>

²³ Source: IUK applicant briefing for FEIF

²⁴ This is based on insight from IUK staff who advised that all lead applicants had identified themselves as 'Industry' applicants

²⁵ Source: FEIF application form

applicants were not required to submit it, raising concerns about consistency and comparability in the application process.

In lieu of materials and frameworks designed specifically for the FE sector, expanding the non-academic definition to accommodate FECs may help render subsequent application processes more straightforward.

5 Application assessment and selection

5.1 Introduction

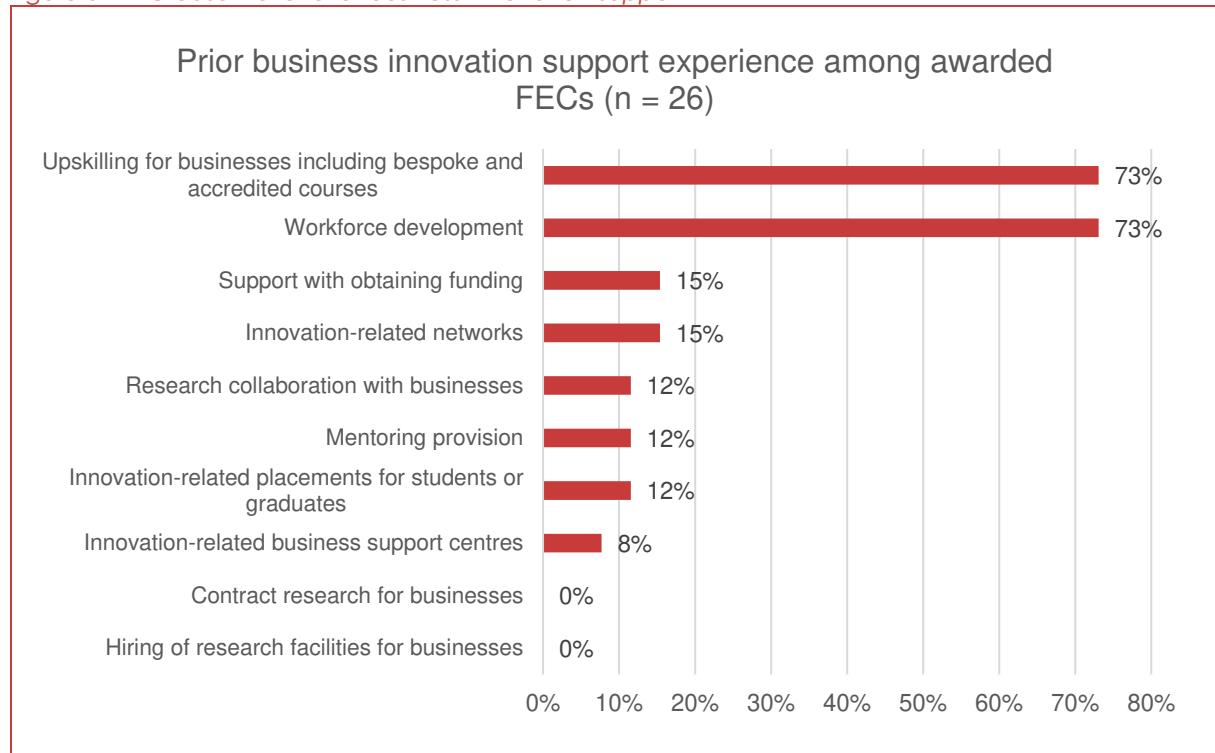
This chapter examines the awardee selection processes in FEIF. In particular, the chapter seeks to provide insight in relation to the evaluation questions concerning the suitability of the assessment process **to award the best FECs** (EQ8) and **applications** (EQ9) for funding. In addition to providing more robust insight to address these questions, the subsequent final reporting will consider the questions about the **effects** (EQ10), and the **benefits and downsides** (EQ11) of the additional Combined Authority-led assessment step.

Aligned with the consideration for the identification of most suitable FECs and applications, this section also considers EQ 3: '**What was the baseline of innovation support offered by FECs?**'.

5.2 Baseline innovation support

Our survey found that only a small minority of the responding FECs had previous experience providing innovation support to local businesses, beyond their long-standing support for upskilling and workforce development. The full breakdown is shown in Figure 6.

Figure 6 FEC baseline level of business innovation support



Source: Technopolis survey of FECs

Upskilling and workforce development were familiar activities to all awarded projects. In other respects, the range of experience (e.g. running incubators, innovation networks, research collaboration) varied considerably in both, volume and variety. The survey findings were supported in interviews; several FECs described other types of innovation support (e.g. product development, novel recruitment strategies). However, on the whole FECs tended to agree that these activities had been occasional or small in scale.

5.3 IUK assessment

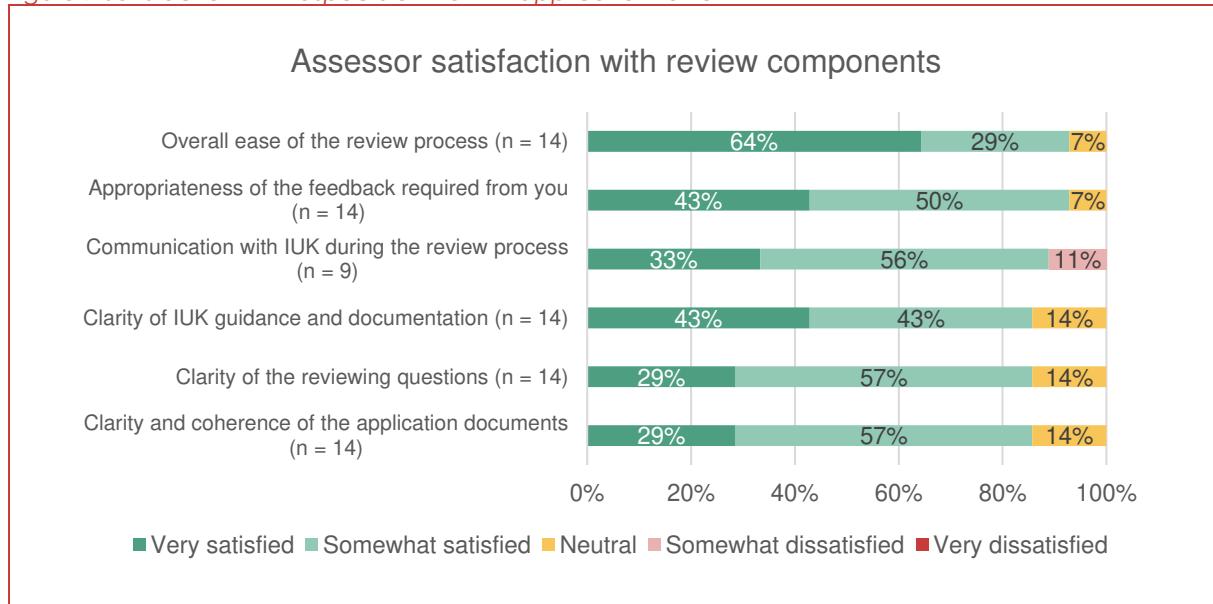
5.3.1 Assessor background

The application review was carried out by experienced set of assessors: 73% (n = 15) of surveyed assessors indicated prior involvement with innovation schemes like Smart Grants, Technology Hubs, or EUREKA. Importantly, these schemes focus on directly supporting the private sector with its research and innovation ambitions. Assessing funding applications from the FE sector, however, was a new experience for all the involved assessors.

5.3.2 General conditions under which the assessments were conducted

To understand whether the applications were assessed robustly, we asked assessors whether they had been provided with the support and conditions necessary to carry out the reviews. Surveyed assessors are asked to indicate their level of satisfaction across a range of topics from the clarity of the reviewed questions to the appropriateness of the required feedback. As shown in Figure 7 (below), surveyed assessors were broadly satisfied with the process overall.

Figure 7 Satisfaction with aspects of the FEIF application review



Source: Technopolis survey of assessors

This demonstrates that IUK adequately prepared the assessors for their role. Assessor interviews also revealed that they found the briefing useful, particularly in understanding the requirements of a new competition.

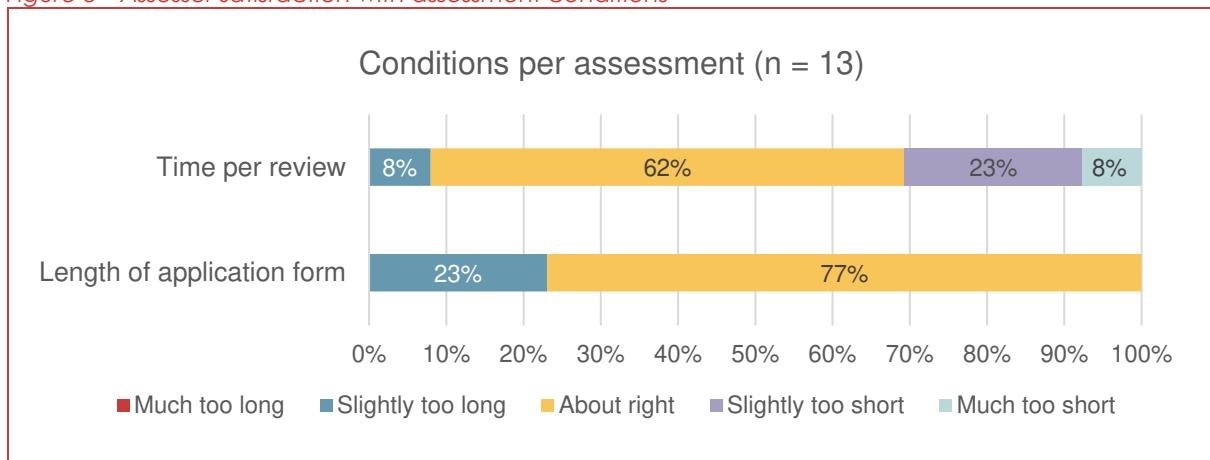
However, the perceived clarity of the review questions, as well as the format of the application documents, received slightly lower ratings than the overall process. In follow-up discussions, four assessors (29%) suspected that the instructions provided to the applicants were too ambiguous. This was inferred from unclear connections in responses to the different sections. The sentiment was echoed in interviews: two assessors suggested more explicit guidance in the application form (e.g. bullet points asking for specific details, like the number of businesses to be engaged). Three remarked on a relatively high degree of repetition in the assessed applications and thought that revising the application questions or consolidating sections would help with this. One assessor recommended a more explicit definition for innovation in applicant instructions.

In addition, three assessors (21%) recommended IUK work with a smaller assessor pool to enable more reviews per person. For two of them, this would have provided a better frame of reference to support their individual assessments (calibration). The third felt that, as an expert in the topic, they could have made themselves more useful.

5.3.3 Conditions per assessment

The majority of assessors were satisfied with the primary assessment conditions, as shown in Figure 8. Both, the time per application and the length of an application were deemed broadly appropriate for making judgments. However, a notable minority (31%, n = 4) wished for more time. In interviews, where this was raised as a concern, it tended to link back to an occasional requirement to think harder about and interpret what was being proposed in a specific application.

Figure 8 Assessor satisfaction with assessment conditions

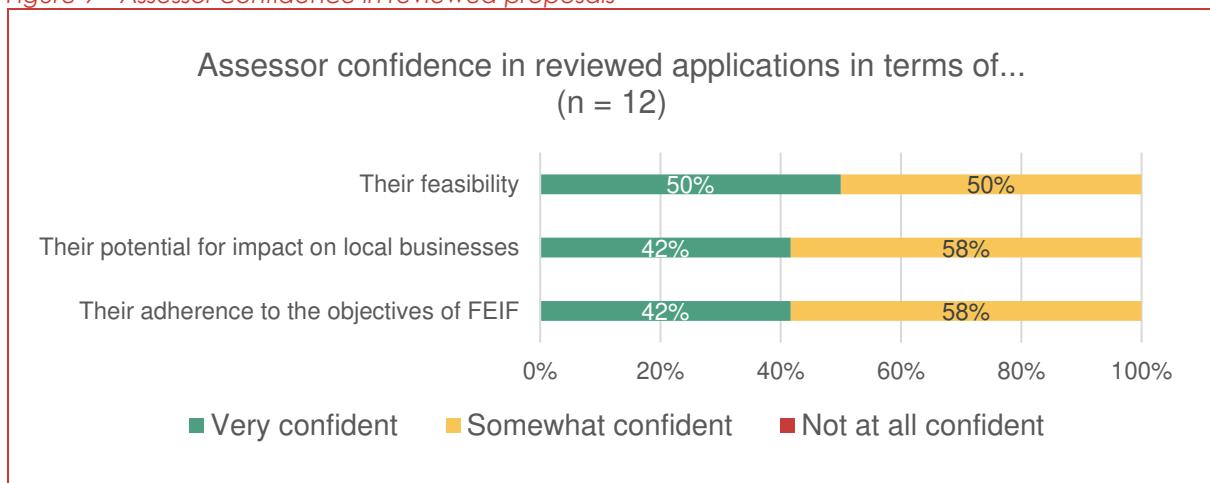


Source: Technopolis survey of assessors

5.3.4 Assessment

Survey responses (n = 12) revealed assessors' general confidence in the quality of proposed projects. The respondents were consistently very, or somewhat confident with project feasibility, alignment with FEIF goals, and potential business impacts. The respondent surveys are summarised below Figure 9.

Figure 9 Assessor confidence in reviewed proposals



Source: Technopolis survey of assessors

Overall, assessors reported that most of the presented ideas were good. However, interviews yielded mixed views of proposal quality. Some assessors were generally satisfied with the overall level of input, and tended to have confidence in the presented ideas. However, others found the proposals ambiguous or overly optimistic. In addition to concerns about the writing style, five assessors wished for more robust risk assessment or grounding of the proposals. The assessors particularly called for caution in the assumptions that these new projects could deliver the scale of impacts foreseen within the 12-month timeline.

Although this is probably indicative of a broader lack of exposure to proposal writing or innovation support, it is notable for possible future rounds to support. Applicants could benefit from guidance inviting sharper articulation of proposals, foundational understanding, and calls for grounding good ideas with realistic implementation plans. These refinements would support strong ideas in standing out for their merit. In addition, one reviewer felt that a standardised form for additional evidence would have supported the review process by bringing clarity and enabling benchmarking between applications.

5.4 Combined Authority-led assessments

As described in Section 3.3.3, two award channels were offered the option to make a final selection among IUK-approved applications. The opportunity was used in West Midlands: all IUK-approved applications were approved by an appointed member of staff from the Coventry & Warwickshire Chamber of Commerce.

5.4.1 Potential risks

One possible risk in the process concerns the complexity of an additional step. To run smoothly, the regional partners must identify an impartial individual or panel, and ensure their familiarity with the scheme and the proposed projects. Although the evidence in this context is limited, the additional assessment step was executed efficiently. The local delivery partner, West Midlands Combined Authority, identified a suitable representative for the region, and the selection was confirmed in a single event. As such, **the additional step does not appear to add implementation-related pressures.**

The regional selection can involve biases or conflicts of interest. The pilot demonstrated that locally-clustered FECs prefer to converge in fewer applications. If FEIF is understood from a regional development perspective, there may be pressure against rejecting IUK-approved proposals which would bring funding to the target region. Consulted stakeholders did not share this concern, citing that a regional decisionmaker would look to ensure that the additional activities enabled by FEIF bring additionality to the region. There is nonetheless cause to consider factors like the potential pressure to not gatekeep funding opportunities where the approval is already made.²⁶

5.4.2 Potential opportunities

In the regional context, stakeholders highlighted the value of bringing a local perspective in the decision-making. Regional selection ensures that the **final selection is complementary with existing economic and innovation strategies.** Moreover, the involvement of local stakeholders

²⁶ NB: especially in an instance where the number of applications is limited, thus placing more weight on each decision.

supports **pre-building awareness and investment in the final selection**. This, in turn, is expected be potentially valuable in the establishing and delivery steps of the subsequent projects.

Involving a regional voice in the assessment is beneficial, although alternative ways to support IUK decision-making could be considered

- Inviting a regional stakeholder to provide recommendations whilst retaining the final confirmation with IUK
- In the event of a two-stage application process, regional stakeholders could endorse ideas aligned with the local priorities before applicants are invited to prepare full expressions of interest.

5.5 Differences between consortium and single FEC initiatives

The observed differences between single-FEC and consortium-led applications follow the trends identified in the application stage.

5.5.1 Single-FEC applications

Based on the assessor feedback, single-FEC applications tended to be clearer in style. With a more focused approach, assessors tended to find these applications more persuasive. Risks were also deemed generally smaller due to simpler staffing requirements.

5.5.2 Consortium-led applications

With the consortia, assessors noted the potential benefits of leveraging a broader set of resources. However, the scope of the ideas tended to result in more muddled applications: involving multiple actors brought the need to explain strengths, synergies and a mechanism of accountability within the consortium structure. Three assessors felt that the strongest consortium-led applications came from groups of colleges with a history of past collaboration. For those, roles were more clearly defined and the overall idea was presented clearly.

5.6 Considerations and opportunities for improvement

5.6.1 Increased direction for applicants

As mentioned in Section 5.3.2, a subset of assessors deemed the clarity in the applications to be lacking. Those assessors attributed this to the lack of exposure to grant applications among the FECs, but also to a relative ambiguity in the application guidance and requirements. This echoes the wishes for more direction among the applying FECs.

In addition, the assessors identified a tendency for over-optimism. Where FECs might lack prior project management experience, elements like risk register may not be intuitive. In the interest of supporting strong ideas to turn into strong plans, additional emphasis on realism, risk acknowledgment and mitigation may be useful in briefing future applicants.

5.6.2 Consolidated reviews

Finally, while most assessors had prior experience of innovation funding, FEIF brought unique elements. For first-time assessors especially, the opportunity to review more applications could have supported a more confident assessment through better calibration of stronger and weaker proposals. Proposals from the pilot round could serve as examples for possible future FEC-facing competitions.

6 Post-award

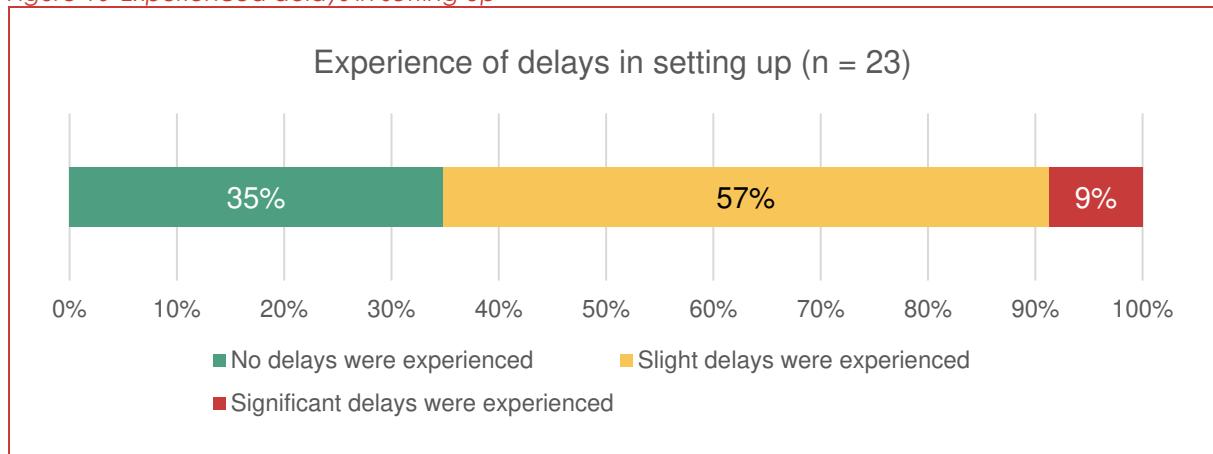
6.1 Introduction

This chapter examines whether, and how, **post-award support** (EQ12) **and the monitoring process** (EQ13) **have enabled the timely setup and launch of projects**.

6.2 Timeliness of setting up

We asked FECs whether they experienced delays in the overall process of preparing for launching their projects. As shown in Figure 10, below, approximately two thirds reported some delay, although only 9% ($n = 2$) considered these to be significant.

Figure 10 Experienced delays in setting up



Source: Technopolis survey of FECs

The post-award stage followed a standard IUK process: an award notification led to a 90-day setup period before the issuing of Grant Offer Letters (GOLs). On the whole, awarded FECs experienced few delays resulting from IUK actions.²⁷ From the FEC perspective, delays were generally linked to full preparedness for project launches in March and April 2024. The following sections discuss elements of the post-award process in more detail.

6.2.1 Outcome announcement and usefulness of feedback

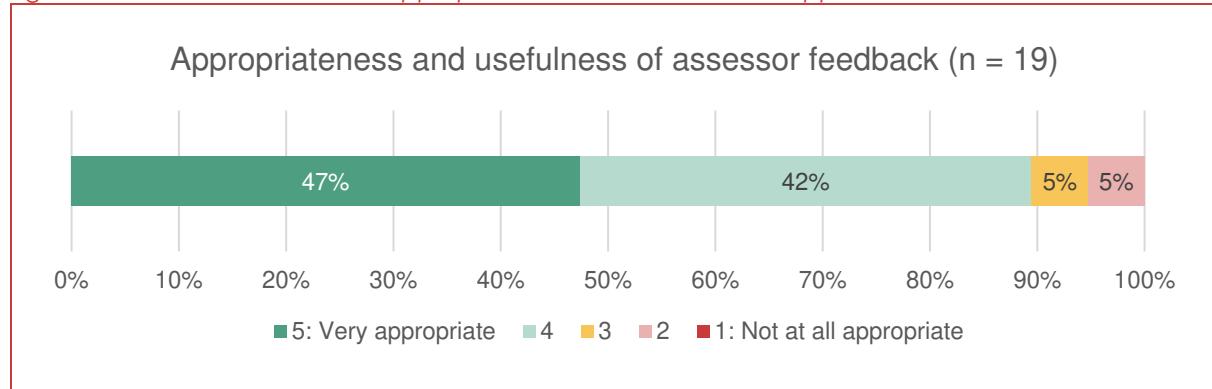
FECs expressed satisfaction with the application turnaround time in both, survey and interviews. All but one FEC reported having learnt about the status of their applications in mid-December.²⁸

Similarly, FECs were broadly satisfied with the feedback received in the assessment process. Aggregate survey responses reflecting this are summarised in Figure 11. Interviewed FECs expressed some confusion around differing opinions from one assessor to another, but for the most part regarded the feedback to be useful.

²⁷ NB: one consortium reported that their official Grant Offer Letter had arrived after April.

²⁸ NB: it is unclear why this respondent had learnt about the status of the application so late, as others in their consortium reported having received the award notification in December.

Figure 11 FEC assessment of the appropriateness and usefulness of application feedback



6.2.2 Compliance requirements

Having heard the outcome, awarded FECs began the administrative process for project launch. This was a learning curve for most FECs. Only three FECs said the process had been straightforward. By contrast, 13 felt it had been challenging to follow for reasons including:

- **Understanding the claims process** was the component which raised the most questions. Eight FECs expressed difficulties comprehending the budget categories and expenses reporting. Some reported having grasped the system but that it had required an unexpected effort to master the requirements. Others wished that more hands-on support had been available in the post-award stage to understand it. Part of the claims eligibility issues had arisen from the presumed treatment of Value-Added Tax (VAT); concretely, FECs differ from HEIs in that they cannot recover VAT.
- The **Independent Accountant's Report (IAR)** had additionally caused some pressure. Although the requirement was mentioned in the applicant briefing, three FECs had not anticipated it at the start of their projects. It is possible that the volume of information resulted in details being lost in the process.

6.2.3 Monitoring and evaluation

Establishing Key Performance Indicators

The Key Performance Indicators (KPIs) for FEIF pertain to both, activities run within the projects (e.g. number of events hosted, employers engaged) and effects on employers (e.g. number of FTEs, expected number of FTEs as a result of the offered support, operating profit as a result of the support). Implementing the FEIF-defined KPIs was a straightforward process for most FECs. Of the 11 FECs who discussed KPIs in interviews, 10 were broadly positive. Setting up the FEIF monitoring system had been simple, and in many cases helpful in defining deliverables. It was for this reason that one of the FECs wished that they had been introduced sooner. Only a small handful of FECs expressed views on their suitability indicating that, broadly, the KPIs had caused no particular issue accommodating them. One interviewee felt that the indicators were more suitable for HEIs than FECs, however, another college thought that, given complete freedom, they were likely to have come up with a very similar set of KPIs.

Monitoring Officers

Each of the awarded project was assigned an IUK-contracted Monitoring Office (MO) to support the reporting. The MOs first met with the project leads in an inception meeting and set up quarterly reporting cycles. This protocol follows a light 'bronze' level of IUK monitoring

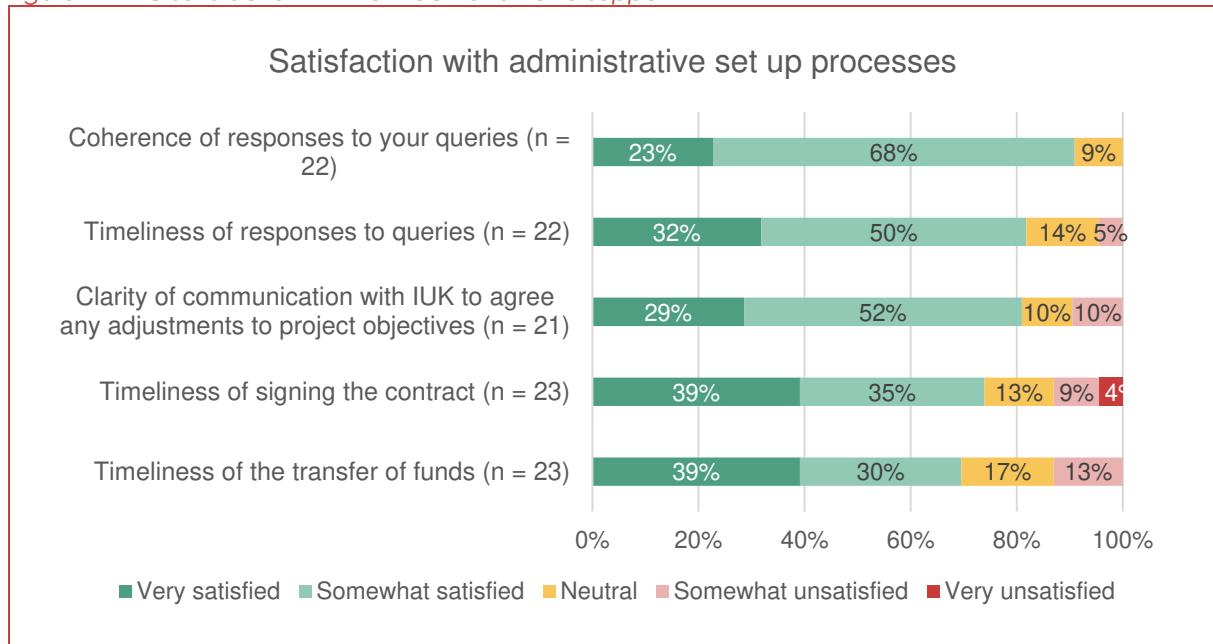
practices. According to an interviewed MO, the process in FEIF broadly follows a similar pattern to other IUK-led monitoring processes.

Based on input from nine FECs, the MOs have offered valuable support in navigating the FEIF reporting process. Their familiarity with IUK and project environments have provided reassurance and answers to specific queries. Only one FEC reported a negative experience with their MO. Although some of the issues were reportedly due to individual differences, the considerable challenge in this instance was that the MO had further confused the monitoring process. This suggests that the value of the MOs in FEIF is having a designated person to demystify the process and to provide reassurance where relevant.

6.2.4 IUK facilitation

FECs were positive about the support from IUK in the post-award stage. Surveyed perceptions of various elements in the setting up process are summarised in Figure 12.

Figure 12 FEC satisfaction with IUK facilitation and support



Source: Technopolis survey of FECs

Echoing the survey, nine interviewees were appreciative of the **programme manager's investment in the projects**.²⁹ FECs described active efforts on the manager's part to understand FECs' conditions and to provide prompt responses to clarification questions.

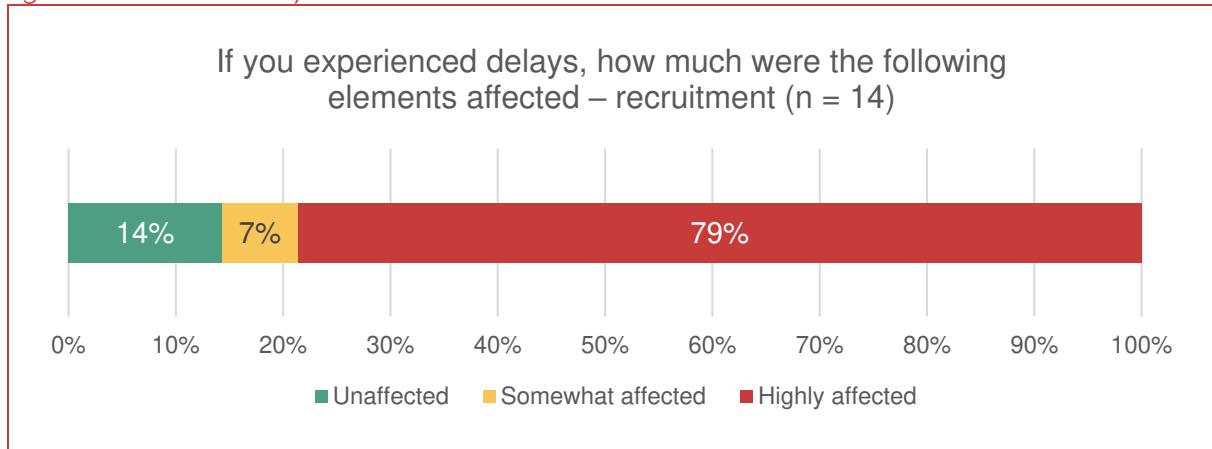
Perceptions of timeliness (contract-signing and funds transfer) were slightly less favourable, however, a majority of all FECs were satisfied with these elements too. Interview feedback on these topics was mixed and reflected the pressures felt in the run up to launch, rather than process delays on the part of IUK. FECs either found the runway for the project launch too short, or waited for official approval before launching their final preparations. Given that IUK followed its standard procedures, this frustration may stem from a misalignment of expectations rather than any procedural shortcomings.

²⁹ NB: this was in response to an open answer about especially valuable support

6.2.5 Recruitment

Appointing the necessary staff for the projects was the most critical part of the post-award mobilisation. According to the FECs, this step was the most challenging in the setup process too. Figure 13, below, summarises survey reflections on the recruitment process.

Figure 13 Indicated delays due to recruitment



Source: Technopolis survey of FECs

This view was commonly mentioned in interviews. More than half of the interviewed FECs (n = 14) shared the experience that recruitment had taken longer than anticipated, or was a source of uncertainty. For many, recruitment was not complete by the project launch time. In large part, this is due to a broader recruitment issue in the FE sector. Research on the subject in recent years has identified a concerning trend of the sector as an overlooked employer.³⁰ The recruitment challenge was acknowledged by interviewed stakeholders.

Part of the challenge concerned the **type of positions which FECs sought to fill**. The required professionals included high level or technical experts with specific skills (e.g. researchers, technical industry experts, knowledge exchange professionals). It was acknowledged that these kinds of professionals are in high demand and the great majority will be in-post somewhere already. Should they be tempted to move to these newly created innovation centres, many would need to work a 2 or 3-month notice at their place of work. Where this requirement was not the case, FECs tended to opt for internal secondments. This approach alleviated some of the recruitment pressure and ensured that the skills developed by the seconded staff were retained.

FECs **began the recruitment process at different times**. Five FECs reported having begun advertising for the roles immediately after learning about the application outcome to maximise the runway to project launch. Two FECs referred to the news embargo which IUK had placed on FEIF: they had taken this to mean that no roles for the initiative could be advertised effectively until February. One FEC said that they had waited until the official funding confirmation before launching the recruitment process.

³⁰ Source: <https://www.ncfe.org.uk/all-articles/addressing-increasing-skills-gaps-fe/>

6.3 Differences between consortium and single-FEC initiatives

Table 4 Differences in conditions between single-FEC and consortium-led initiatives

	Single-FEC initiatives	Consortium initiatives
Delays reported	No	Yes
Staff recruited or seconded	Both	Both
Challenges reported in ingesting compliance	Yes	Yes

Source: Technopolis consultations with FECs

The notable difference in the setup phase was that FECs participating in the Innovation Mission channel reported no delays. While this finding may have limited generalisability due to the small sample size, it contrasts with the broader population. Similarly, the consultees in single-FEC projects indicated a higher degree of satisfaction with all measured components in Figure 12 (above) compared to their consortium counterparts. These projects probably benefitted from a lack of standardisation and other coordination requirements, which may have lent more agility in the setup. Two of those projects had begun the recruitment process immediately, while the third had waited for the permission to talk openly about FEIF. By contrast, consortia described coordination requirements in the mobilisation process: each consortium member was responsible for a budget template and contract, whereby the volume of administrative tasks affected by the number of members. Consortium members would additionally face a larger setup process following the greater scope of their ideas. Thus, the number of consortium members together with larger projects are likely to have added pressure to the setup stage.

6.4 Considerations and opportunities for improvement

FECs were broadly satisfied with most of the support and facilitation provided in the post-award stage. As shown above however, challenges were reported with mastering compliance processes and recruitment.

6.4.1 Costs eligibility and compliance

As with the application stage, there were aspects in setting up where more hands-on guidance would be beneficial. In particular, FECs reported difficulties understanding IUK cost categories and eligibility. Similarly, a small number of FECs were surprised by the IAR requirement prior to the project start. Both topics were introduced in the application brief, and some FECs had resolved these challenges through queries to the FEIF team. Nonetheless, a notable share ($n = 7$) of interviewees expressed confusion regarding these issues. To proactively address these concerns, a revision of compliance elements is recommended. This could be done by a briefing session dedicated to project initiation, or by developing centralised resources which explain each requirement and process step in detail.

6.4.2 Recruitment

Recruitment is a broader challenge for the FE sector and is not unique to FEIF. However, as the core objective of the programme is to enable FECs' to expand their delivery of innovation support, FECs' ability to secure capacity to deliver this support is a key part in project success.

Some FECs began recruitment as soon as the application outcome had been announced in December or January. These FECs underscored the involved risk of recruiting staff without a signed grant agreement. The same risk might well be intolerable to several FECs in the pilot



projects and the broader sector generally. To support FECs' readiness to launch projects with full capacity, an **additional three-to-six-month funded lead-in time may be necessary**. These months (possibly built into the live delivery time with adjusted targets), would ensure FECs' readiness to hire staff, advertise the FEIF-linkage to the roles, and accommodate onboarding requirements.

Although some staffing capacity was acquired via secondments, the needed skills were largely not employed by most FECs at present. The labour market for innovation advisor positions may be more closely shared by the HE sector. There are a handful of ways to support awarded FECs in identifying fitting candidate pools in future iterations.

Future capacity needs may benefit from targeting recruitment in Technology Transfer or Knowledge Exchange units at HEIs or personnel at local accelerators. Linking up with KE professional networks, like Knowledge Exchange UK (formerly PraxisAuril)³¹ could provide insight on salary ranges and pay structures to enable FECs to compete with other employers. IUK could also contract a FEIF recruitment consultant in support of future awarded FECs. Insight on the ideal specifications for the innovation advisor roles could be sourced from FECs in the pilot projects.

³¹ Source: <https://ke.org.uk/about-us/> Source: <https://ke.org.uk/about-us/>

7 Project delivery

7.1 Introduction

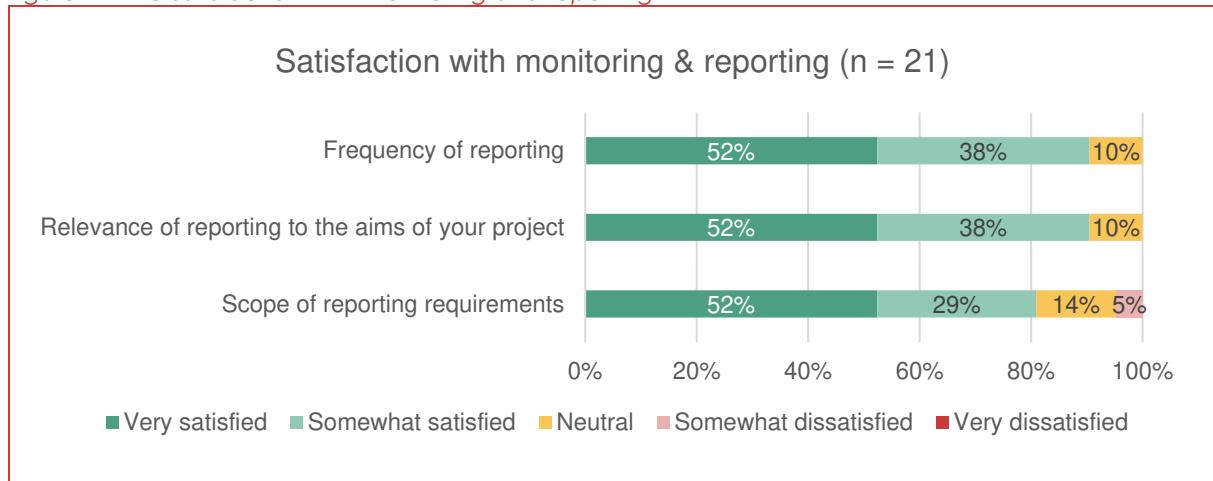
Chapter 7 examines the evaluation questions concerning the delivery of live projects. First, attention is paid to the evidence on the **effectiveness of the monitoring process** in supporting projects in line with Innovate UK requirements (EQ14). The chapter will then examine the **forms of support offered in delivery** to assess the perceived value of that support (EQ15). From there, the chapter considers the **FECs' engagement efforts with external actors and businesses**, and their effects on programme objectives (EQ16 and EQ18). Finally, attention is turned to the **emerging impacts** in line with FEIF and local objectives and the role of FEIF in achieving these (EQ17). This section will also consider the **barriers in the process and considered ways to overcome them** (EQ19).

7.2 Effectiveness of FEIF implementation

7.2.1 KPIs and reporting

This section covers the evidence collected from FECs in relation to the implementation of monitoring systems. Similarly to setting up, FECs have taken to the monitoring and reporting process positively. FECs' surveyed perceptions of reporting frequency, relevance and workload are summarised in Figure 14, below.

Figure 14 FEC satisfaction with monitoring and reporting



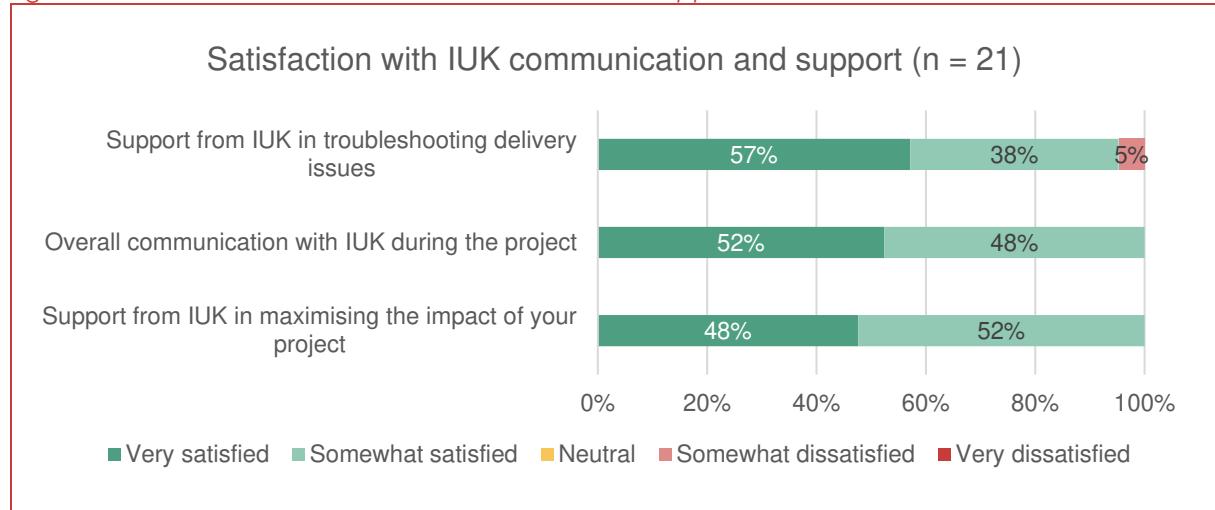
Source: Technopolis survey of FECs

Fourteen interviewed FECs expressed similarly positive sentiments. Generally, the progress reporting element is considered manageable and, in many places, beneficial. The performance metrics have helped FECs track their progress and guide teams on any necessary course correction. Many cited the helpfulness of the MOs in the process: their support has ensured that the monitoring and reporting processes have had a positive (value-adding) impact on implementation. The interviewed MO, in turn, felt that supporting a consortium was a more laborious task relative to single-FEC projects. Each FEC in the consortium submits their claims independently, which renders the MO as many sets of claims as the number of FECs. This is an admitted downside to larger consortia, and perhaps a vote in favour of dividing regional FECs into multiple projects or assigning more than one MO for larger consortium projects.

7.2.2 Other delivery support

Similarly, nearly all consulted FECs were highly appreciate of the support received from IUK in the project delivery phase (Figure 15).

Figure 15 FEC satisfaction with IUK communication and support



Source: Technopolis survey of FECs

Seven interviewed FECs elaborated on the value of support. Similarly to prior stages, the prompt clarifications and answers have supported FECs to resolve operational elements. More broadly, the FECs have developed a good relationship with the programme manager and MOs. Many described them as encouraging and understanding. This has helped the project teams feel reassured.

Webinar and in-person events

In addition to general advice provision, the FEIF delivery team has organised two opportunities for awarded FECs to come together across projects. FECs met in a webinar in June, within the first two months of the live projects. Later in October, the FECs came together in person at an event in Glasgow. Asked what support the FECs have especially valued, seven FECs mentioned these events through survey and interviews.

- Foremost, the FECs valued the **opportunity to learn from one another**. As a highly novel initiative, there is little frame of reference on established practices. As such, the FECs praised the opportunity to exchange experiences and ideas across projects.
- Similarly, as the pilot awardees in FEIF, the FECs appreciated the sheer **opportunity to meet with their peers**. The exchanges highlighted that the project teams were not alone in negotiating challenges.
- Additionally, two FECs discussed the potential to **build collaborations** between projects. The networking aspect allowed for the FECs to identify common themes. Explorations for mutual projects and partnerships are being explored as a result.

***"The events organised have been relevant and foster a collaborative environment, making all participants feel included and purposeful. Overall, I've been very impressed with IUK's efforts, especially considering their initial unfamiliarity with the sector."* – Interviewed FEC representative**

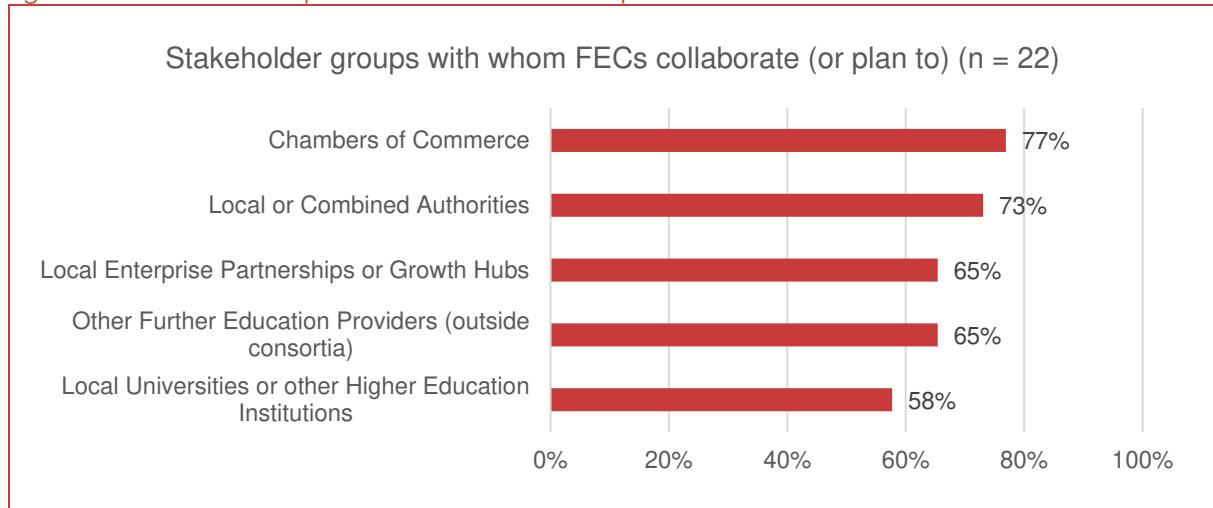
7.3 Project delivery

The following section considers the activities FECs have undertaken within the Innovation Centres as part of their projects. These include the engagement with stakeholders, attracting businesses and delivering innovation support.

7.3.1 Engagement with stakeholders

This section addresses the following questions **FECs' engagement efforts with external actors**, and their effects on programme objectives (EQ15 and EQ17). Consulted FECs have indicated connecting with a broad set of local stakeholders, as shown in Figure 16, below.

Figure 16 Actualised and planned FEIF collaboration partners



Source: Technopolis survey of FECs

- The FEIF projects particularly connect with **business-facing bodies** (e.g. Chambers of Commerce) and local, regional and national **public sector organisations**. A large motivation for this is to establish the centres in the ecosystems, set up referral systems and develop networks. This trend is recommended by the stakeholders, who see the potential for FECs to be linked up right in the ecosystem.
- In addition, interviewed FECs (n = 7) reported **sector-specific organisations, technology experts and other innovation support provision**. In addition to networking, partnerships in these spaces have enabled things like technology-specific projects and bilateral information on technology and skills needs.
- A majority of the consulted FECs also engage with **HEIs and the broader FE sector**. The innovation experience in Higher Education has been valuable for the projects.

Consulted FECs are unanimous about the value of the engagement activities. In particular, the networks have enabled effective outreach and promotional activities, expediting the subsequent employer engagement. Moreover, connecting with the local ecosystems (especially employers and other SME support offer) has placed FECs at the nexus of its skills needs. Two interviewed stakeholders argued that this strategic view and enhanced ability to respond to it is where FECs are critical. Similarly, two stakeholders were impressed with the efficiency with which the FECs have made contact and partnered with their ecosystems.

7.3.2 Engagement with employers

Here, we examine employer engagement in response to EQ17: **'To what extent, and how is the ability of projects to access and engage businesses impacting on their ability to deliver on the objectives of the programme?'**. The surveyed FECs indicated a collective target of engaging nearly 1,500 employers across all award channels. This is broken down in Table 6. Overall, the FECs have targeted a median of 50 employers, although there is considerable variation.

Table 5 Planned engagement with employers

Award channel	n=	Median number of employers to be engaged by FEC	Total employers to be engaged
Aggregate	22	50	1419
GCR	5	35	180
GMCA	4	52	214
IM	2	90	180
WMCA	11	20	845

Source: Technopolis survey of FECs

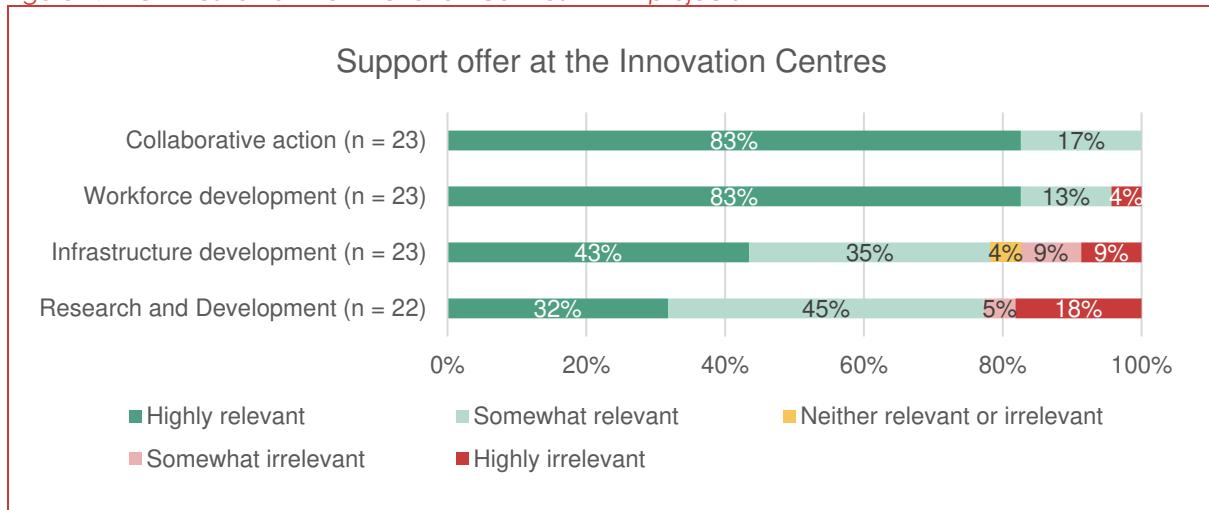
Across the projects, FECs tend to reach employers through similar means: promotional events, online promotional and educational resources, and one-to-one meetings with employers to discuss their needs. The FECs have reached through and expanded their employer networks and collaborated with local stakeholders on employer-facing events.

We note that, although rare at an aggregate level, one consortium reported challenges with business uptake in the first instance. In interviews, it was reported that the overall timeline from setup to project delivery put the FECs under pressure to complete recruitment and secure employer interest. In interviews, FECs from the consortium reported relatively fewer linkages with the broader ecosystems.

Local Innovation Centre support offer

On aggregate, the innovation support offer consists of a range of activities. The reported support offer among surveyed FECs is broken down in Figure 17, below.

Figure 17 Activities run at the Innovation Centres within projects



Technopolis survey of FECs

Aligned with their existing expertise, **collaborations with employers and workforce development** make up the main emphasis for the Innovation Centres. This is reflected in interviews, too. Most projects shared referral systems with each other and the surrounding ecosystem to ensure a cohesive local offer. Employers are invited to discuss their technology and skills needs on a tailored basis, and take on students trained on up-to-date technology. FECs also host events to showcase technology to employers. Compared to pre-FEIF activities, the relevance of **infrastructure provision and R&D activities has also increased during FEIF**.³² Seven FECs described sector-specific facilities presently open or to be opened in the near future. This element made the FECs stand apart to one stakeholder, who felt that the physical premises for employers to visit was a rarity.

7.4 Emerging impacts

This is a process evaluation rather than an impact evaluation, however, there are clear signs of emerging impacts. The core objective of FEIF is to enable FECs to enhance the innovation support available to SMEs in their local geographies and for FECs to play a fuller role in their innovation ecosystem.

7.4.1 Impact on FECs

According to most consulted FECs, FEIF has enabled them to **develop innovation support more systematically**. The projects have left FECs better informed on good practices and an up-to-date understanding of their local business and innovation ecosystems. Two FECs envisioned institutional redesigns to better embed innovative capacity within the Colleges (e.g. through expanded facilities and updated curricula).

FEIF has had a **positive effect on the culture of collaboration** within consortia. An interviewee in the Glasgow City Region considered the present partnership the strongest they have seen in

³² Reporting on pre-FEIF innovation activities and present activities, R&D activities had been at least somewhat relevant to 57% (n = 13) of respondents pre-FEIF, whereas the same activities are now relevant to 74% (n = 17) of the same respondents. Similarly, infrastructure development increased its overall relevance from 57% (n = 13) pre-FEIF to 78% (n = 18) post-FEIF.

the FE sector. Where the relationships were strong before, FEIF has provided the objective and resources for the FECs to work together towards mutual goals.

"Unlike other partnerships, there's no competition or territorial behaviour between colleges. Everyone is focused on shared goals, prioritising the partnership over individual interests, making it a uniquely collaborative and a successful effort."

– Interviewed FEC representative

Additionally, feedback from FECs, some assessors and stakeholders alike recognises that FECs' value in innovation has been overlooked. In response to present projects shifts in perception have been noted. FEIF has enabled FECs to demonstrate their value to businesses and stakeholders alike. **A handful of FECs and stakeholders expressed that the Colleges are taken more seriously.** Moreover, the volume of collaborations amassed by FECs with their surroundings supports the notion that FECs can be seen as an attractive partner in the business support landscape.

"[FEIF] is quite fundamentally changing perceptions. We want to make sure that FECs are increasingly involved in our initiatives. If previously all our discussions were about the HEI sector, colleges are now part of that discussion."

– Interviewed stakeholder

7.4.2 Impact on innovation support ecosystems

According to most of the interviewed stakeholders, the business support ecosystem has benefited from FEIF projects. **By running referrals with other business support provision**, FEIF projects support the cohesion in their locales and simplify the broader ecosystem for businesses. Additionally, one regional stakeholder raised the refreshing effect which the FECs had brought into workshops and meetings. The new perspective has led to unpacking of the prevailing conceptions about innovation and their accessibility.

The number of referrals (either to external support provision, or including Innovation Centres within a project) would make a functional indicator of supporting the ecosystem as a whole. The number of collaborations with external providers would also indicate the level of engagement.

7.4.3 Impact on employers

This study did not systematically consult employers. However, stakeholder feedback indicates that the FECs, through FEIF, bring added value to industry. Offering physical, bespoke spaces for employers to visit is a rarity in some of the target regions. Moreover, provided with resources through FEIF, FECs are understood to support innovation among smaller businesses; a business segment which is less reached by HEIs, for example. In this sense, the present ability among FEIF awardees is supporting the broader industry empowerment. Finally, early feedback from employers suggests that businesses have been highly satisfied with the support.³³

All of this could be measured with a variety of metrics. Depending on the project objectives, business benefit could be measured via site or facility usage (e.g. number of visits), and the number of, and attendance in, events.³⁴ If the project includes cohort-based support, the number of attending businesses or employees would demonstrate the uptake. One-to-one support could be similarly measured with the number of businesses taking up one-off and regular sessions. Businesses could be queried about the satisfaction with the received support

³³ NB: the feedback was from one stakeholder from local council and another which itself is an employer.

³⁴ E.g. workshops, lectures, showcases hosted during the project.

on a standardised scale. A question about other accessed support would, in turn, help gain a sense of whether the supported businesses had leveraged the broader support offer.³⁵ A full review of the suggested indicators can be found in Appendix D.

7.4.4 Sustainability

At the time of reporting, FEIF projects have been confirmed to receive funding for another 12 months, ensuring their running until March 2026. However, given the funding for present activities is finite, it is sensible to examine the appetite and plans among the FECs to continue innovation support in the future. The mandate of the FE sector to deliver education together with a limited budget are realities to consider in FECs' ability to sustain innovation support.

- **All consulted FECs have expressed a strong appetite for continuing with innovation support if possible.** Representatives from seven FECs shared detailed plans for capitalising on the gained momentum, working with and growing their networks, and develop their offer. Three FECs described plans to expand considerably via creating permanent resources and dedicated roles, developing a more advanced offer.
- Considering their options beyond FEIF, three FECs shared plans to eventually turn the Innovation Centres **commercially self-sustainable**. Identifying **alternative funding** was the possible goal for another three. Additionally, one regional stakeholder shared existing considerations for sourcing funding for the activities in their region. Only one FEC considered the scenario where no further funding was available, in which case, the project would cease.

"This experience has been transformative for our organization, sparking new enthusiasm and shaping a stronger vision for business engagement and innovation. It has also encouraged us to reframe and promote our work as part of an innovative approach." – Interviewed FEC representative

Based on these plans, it follows that FECs would seek to finance continued operations in some capacity. To this end, enquiring about commercial activities, or follow-on funding agreements (both planned and realised) would help understand future directions for the funded projects.

7.5 Differences between consortium and single-FEC initiatives

Table 6 Differences in conditions between single-FEC and consortium-led projects

	Single-FEC initiatives	Consortia initiatives
Scope of activities	<ul style="list-style-type: none"> • Mostly universal or sector-agnostic support offer 	<ul style="list-style-type: none"> • Support offer designed according to the needs of specific sectors
Referral systems	<ul style="list-style-type: none"> • No mention of referrals 	<ul style="list-style-type: none"> • Referral systems in place within consortia and with external actors
Reported challenges	<ul style="list-style-type: none"> • Reaching impact on time 	<ul style="list-style-type: none"> • Staffing concerns • Reaching impact on time

Source: Technopolis consultations with FECs

³⁵ In other words, the extent to which the FEIF-enabled support is reaching a new audience.

7.5.1 Sector-agnosticism vs sector-specificity

Single-FEC projects are less focused on particular sectors but rather have opted for activities relevant to several industries. These universalistic approaches are likely to be more sensible in balancing resources and relevance. Additionally, the universal themes (inclusive employment and AI in supporting growth) are likely to bring useful insight on good practices beyond local contexts.

By contrast all consortia-led projects deliver support and solutions tailored for particular industries based on local sector priorities. The larger headcount and set of specialisms mean that they are able to address a range of sectoral objectives. In this sense, it can be assumed that consortia may be advantageous in delivering against local strategies. Four members of different consortia confirmed that the full scope of activities would have certainly been smaller in the absence of the project partnership.

7.5.2 Referrals

FECs in all consortium projects emphasised referral systems with one another and external actors. These arrangements have not been described by representatives of single-FEC projects. Clarification queries have been sent out to learn whether those are in place.

It could be reasoned that establishing referrals within a consortium is necessary for its cohesive function. It is, then, possible that the practice is more readily extended to include relevant external actors. This example of collaboration with the ecosystem was supported by interviewed stakeholders. By referring employers to the right services, FECs support the cohesion of the local support offer and simplify customer journeys within it. This network approach is recognised in wider material as good practice for employer outcomes.³⁶

7.5.3 Challenges

It appears that staffing has been generally less challenging to IM projects relative to consortia-led projects. Between survey and interview data, FECs awarded through IM reported little to no challenges in relation to recruitment or capacity more generally. By contrast, acquiring staff was more of a concern for consortium-led FECs. Where IM projects reported challenges pertained more to the time to attract, and enact impact with, employers.

7.6 Considerations and opportunities for improvement

In answering EQ18 on **the barriers to reaching impact and ways which FECs deployed to overcome them**, we take a joined-up approach to the dynamics across the full programme period. Asked about the greatest barriers to impact, 73% of surveyed FECs (n = 26) pointed to the available time. This component is discussed further in Section 8.2.2. More specifically, however, the FECs found the programme timeline to add pressure to either recruitment,³⁷ or attracting employers to support, or both.

7.6.1 Timing recruitment

As discussed in Section 6.4.2, awarded FECs began mobilisation towards the projects at different times. In short, FECs either took a calculated risk in recruiting before funding confirmation and permission to advertise FEIF involvement, or they waited until later. Particularly

³⁶ Source: <https://neinsights.org/creating-a-robust-network-for-small-business-support/>

³⁷ NB: more specifically, where recruitment had carried over to live project time, delivery had begun with the ongoing focus of procuring the right staff.

in the latter cases, live project time has been spent on recruiting and onboarding staff while running the projects without full capacity. Solutions to this are discussed above.

7.6.2 *Promotion*

23% (n = 5) of the surveyed FECs considered low business uptake to have posed some challenge. Although this level is not very alarming, it is nonetheless higher than in the interim reporting. Moreover, this experience was clustered around one particular award channel, leaving the others mostly unaffected. Despite the local familiarity with the FECs, the funded projects introduce a novel offer. Local employers have had to learn about the offer and decide whether a buy-in is worth the time investment.

A few FECs shared their wish for a part of the grant to be usable towards marketing. In lieu of that, we can draw lessons on good practices in effective promotion from the pilot. As discussed above, FECs connected considerably with the existing ecosystem. In part, this was done to establish the projects to the other support offer and official bodies. However, actors like Local Councils and Chambers of Commerce also provided their existing platforms and following in reaching employers. FECs described appearances at existing events, co-hosting events with known actors and referrals to the Innovation Centres from those parties. This way, the projects were lent credibility from local actors which already enjoy trust among employers. Similarly, leveraging the IUK platform could be useful for the innovation centres to make their offer better known. Interactions between verified IUK channels and online promotion from FEIF projects might already be valuable for the local initiatives.

8 Programme design and context

8.1 Introduction

This chapter seeks to answer the **overarching** evaluation questions (EQs) pertaining to the FEIF Pilot as a whole:

- EQ2: To what extent is this funding route effective **within target locations and regions?** **Are there, or should there be, other initiatives, policies or programmes** to support such projects within the broader landscape?
- EQ4: To what extent, and how, **does the call design** (funding available, length of grants, ring fencing of regional budgets) **address the aims of the call and needs of the applicants?**
- EQ7: To what extent, and how have **consortia-led projects differed to individual college-led projects** in applying for funding, managing projects and delivering against the objectives of the scheme?

8.2 Programme design

This section explores the specifics of the FEIF Pilot offer to the benefiting FECs, including the funding, the overall programme duration, the regional approach and the locales and regions in which the programme invited FECs to participate. In so doing, this section looks to incorporate evidence in response to EQs 2 and 4.

8.2.1 FEIF concept

Overall, the feedback from FECs and stakeholders about the objectives of FEIF is decidedly positive. FECs and stakeholders acknowledged both the added value of FECs supporting businesses with the adoption of new technologies and the colleges' more general potential to make a meaningful contribution in the broader innovation ecosystem.

15 FECs across funding streams expressed appreciation to IUK for enabling them to expand their innovation activities. Similarly, stakeholders from all invited regions agreed that the programme is bringing value to local innovation provision and to employers.

"FEIF has been invaluable, providing both the financial support and strategic guidance to drive innovation within the FE sector. It has empowered us to explore new technologies and develop solutions that directly benefit businesses and the wider community. One of the key strengths of FEIF is its focus on practical, real-world applications of innovation. By encouraging collaboration between education providers and industry, the fund has helped bridge the gap between theoretical knowledge and its implementation in a business context, fostering growth and competitiveness in the region." – Interviewed FEC representative

8.2.2 Funding duration

The original 12-month project duration is considered a barrier to impact and has posed a challenge in two interlinked ways:

- First, as mentioned in Chapter 6 and Chapter 7, recruitment was a notable concern. In interviews, seven FECs talked about the **challenge of attracting and retaining industry experts with the right skills with 12-month contracts.** Knowledge of a longer-term employment from the outset is expected to support the attractiveness of the created positions, and thus enable a more efficient staffing period for awarded FECs.

- The second challenge relates to the **overall impact**. In part, challenges in recruitment affected the volume of staff on board and the requirement to complete the staffing during delivery stage. In addition, eight FECs and stakeholders across award channels discussed the realities of enacting impact on employers. For an inexperienced audience, the process of staffing, promoting, delivering support and recording effects in the 12-month window was considered infeasible. The estimates for an ideal project period ranged from 18 months to three years. To this end, the decision to extend the project contracts for another 12 months is highly beneficial. All FECs in the later interviews raised this as a relief.

8.2.3 Programme Budget

Although not instructed, FECs in all award channels divided up the budget allocation, or produced a single application for the full budget. As a result, project budgets ranged from £289,000 (a single-FEC project) to £2.5m (a consortium of nine FECs). While questions have risen around the compliance and eligibility of expenditure, feedback suggests that **the project budgets have been sufficient**.

8.2.4 Regional approach

Based on our evidence, **the regional approach selected for much of the FEIF pilot is advisable**. The evidence from the pilot strongly suggests that FECs are effective collaborators.³⁸ By taking a regional approach, FECs in Greater Manchester, West Midlands and Glasgow City Region were able to come together for mutual objectives and develop track in working together. Moreover, five out of six stakeholders and five consulted FECs said they were able to achieve more through regional collaboration. This is also beneficial for engaging employers who are able to navigate a geographically contained network. Notably, the consortia in West Midlands formed the groups along the three Local Enterprise Partnership (LEP) areas. The rationale for this was the FECs' prior history of collaborating with the LEPs (as opposed to the broader region as a whole). Conversely, the centralised layout of Greater Manchester and the relationships between FECs and regional authorities in Glasgow rendered the formation of a single response more natural. The evaluation did not uncover specific advantages or disadvantages between these approaches: although a single consortium may have minimised any duplication (and possibilities for regional competition), basing consortia on organic partnerships is understandable.

"This collaborative approach is helpful. We looked at this as a way to become a powerhouse, developing the regions. We are here to develop businesses that can take on our students. Why not create that service where businesses can be more financially stable, take on more students across the area." – Interviewed FEC Representative

Clustering awardees regionally also supports greater contributions towards local and regional strategies. As seen in the pilot, regional consortia have resulted in multi-sector services modelled after regional economic priorities. This has rendered consortium projects especially complementary with regional needs and interests. These synergies likely to have supported the reciprocal benefit and encouraged broad collaboration in the area. For FECs, leveraging existing platforms and co-organising with stakeholders ensured cost-efficient awareness-

³⁸ NB: FECs in all award clusters formed some degree of collaboration, and there are signs of these extending between projects. Similarly, FECs in several projects have set up agreements with external actors. This view was also shared by stakeholders.

raising. To this end, directing FEIF regionally can be seen as beneficial for developing symbiotic relationships between the local FE sector and the innovation support body.

8.2.5 Advantages and requirements of single-FEC and consortium approaches

Trying together the evidence regarding the single-FEC and consortium projects, a set of key differences is apparent. However, for a clear sense of relative advantages and disadvantages, an impact assessment will be necessary.

Consortium projects

The size of consortia may predict a greater overall effect on their host regions; being able to model the project against a broader local strategy ensures that the array of activities supports several (if not all) local priority sectors. This is, however, dependent on central coordination to prevent the duplication of efforts.

Our evidence also suggests that the pilot application period was relatively lighter for consortia, probably due to the greater amount of available resources and experience. In turn, pre-project mobilisation appears to have placed a greater burden on consortia, most likely due to the scaled up setup and recruitment needs.

At live stage, consortia benefit from the existing service network within itself. Due to the mutual aims, FEIF projects have also supported the collaborative tendency among consortium partners. For the 'host' regions, the consortium approach brings a generally enhanced innovation support capacity in the FE sector. However, the plurality of partners retains the need for additional coordinating structure to ensure that administrative and monitoring aspects are timely and standardised.

Single-FEC projects

Single-FEC projects can make a valuable addition locally and relevance to businesses beyond these limits. This may, however, be dependent on a good thematic objective. A focus on topics with a cross-sectoral relevance like digital skills and AI, or recruitment practices (as is the case in pilot single-FEC projects) ensures translational value despite the relatively fewer facilities and other resources. The smaller scale also brought process-related advantages and disadvantages: based on our evidence, the application period was more onerous for single-FEC applicants due to the fewer available resources. In the setup, however, the contained scale of single-FEC projects appears to have made the mobilisation faster. Based on the MO insight, single-FEC projects are also relatively simpler to manage.

8.2.6 Invited applicants

Although there is scope for scaling, **there is a number of upsides to maintaining a selective approach to FEIF:**

- Firstly, **by inviting FECs, FEIF supports the regional approach and buy-in from local or regional authorities.** All interviewed stakeholders in scoping interviews and main data collection expressed investment in FEIF. While the FECs in the pilot developed proposals among themselves, the invited nature ensured top-down support. It is also likely that a pre-selection has supported the local awareness of FEIF and the resulting projects.
- A selective approach helps to **strategically assess where the conditions for FECs' success are in place³⁹ or where the support may be particularly beneficial.** One

³⁹ E.g. where there is a robust ecosystem into which FEIF projects can assimilate.

stakeholder made a case for the impact of FEIF projects on regional productivity. In this view, delivering FEIF where productivity support is needed is also cost-effective.

- **By inviting applicants, the overall volume of required assistance can be better controlled.** The evidence in this study suggests that the novelty of the IUK context and innovation support to most FECs resulted in the need of hands-on assistance from the programme manager (and the MOs). The efforts to understand the FE context (and conversely, to help FECs interpret IUK requirements) have been highly valued among participating FECs. Scaled up, this time investment from IUK could place a capacity strain on single person. Simultaneously, uninvested support may lead to further confusion or breakdowns of communication. By controlling the volume of applicants, the support requirement may be better managed.
 - Depending on scaling ambitions, an additional staff member or two in programme delivery would support informed applications and later stages. Supporting 14 applications and eight live projects has been a time-intensive undertaking.⁴⁰ On this basis, it can be assumed that roughly doubling the number of applications (28 to 30), handling queries at the application stage could take as long as eight full working days. To this end, a designated advisor or relationship manager with an understanding of the FE sector would be likely to be valuable in this context. It would enable the programme manager to focus on other responsibilities while ensuring that applicants (and the subsequent awardees) are closely supported, and trust between FECs and IUK is established / maintained. The programme manager could attend larger briefings and carry out check-ins alongside with the advisor to ensure familiarity.
 - Further ways to mitigate the effects on IUK capacity (without compromising the quality of support) could include **robust and accessible central resources**. If feasible, **current FEIF participants** could also provide valuable perspectives to new cohorts (e.g. via contributions to briefings, showcasing their projects to applicants, or consulting for written resources).
- Considering the contextual pressures in the FE sector and the novelty of the overall endeavour, **an open competition is unlikely to be in FECs' best interest**. Four of the six stakeholders cautioned against overtly competitive conditions. An open setting subjects FECs to expending time and capacity towards applications whose success rates are ultimately subject to FEIF's demand. Moreover, while consortia would be likely to emerge, the competitive approach would set FECs competing against one another. This is counterproductive to the collaborative predisposition which the FECs in the pilot have demonstrated.

This places the need to consider **approaches to identifying individual FECs to apply**. Despite the strengths in the consortium approach, single-FEC applicants and projects have demonstrated strong merits. Moreover, a singularly regional selection approach may rule out individual FECs with the capacity and ideas to bring considerable added value through FEIF. To this end, connecting with innovation-oriented FEC organisations and networks (such as the

⁴⁰ Based on an estimate from the programme manager; responding to enquiries in the application stage alone took approximately four working days.

Association of Colleges and the Scottish College Innovation Network) could provide guidance in identifying individual FECs.

8.2.7 Choice of regions or FECs to apply

In examining the suitability of the selected award channels, we consider two particular success factors for FEIF projects:

- The **level of innovation prioritisation within the region or cluster** can be expected to predict the present FECs' exposure to innovation (and thus, relative readiness to take up innovation support). The IM FECs, through the prior exploration of innovation practices in the Netherlands and the Basque Country,⁴¹ were probably a suitable population to take on FEIF. More broadly, association in innovation-related networks (like the College Development Network)⁴² or other track in innovation activities could reliably predict an appetite for scaled innovation support. Similarly, the participation of the three Innovation Acceleration regions likely supported the participation of FECs with some background in related activities. Even as the level of experience within a consortium varied,⁴³ each collective involves more experienced FECs who are able to support the others.⁴⁴
- The **robustness of the surrounding support ecosystems** has helped the FEIF projects to become established and operate in networks. As discussed in Section 7.3.1, FECs were able to leverage existing platforms to build awareness of their offer. Moreover, joining up with a pre-existing system is beneficial for the FECs, the ecosystem and employers alike. For this reason, too, the Innovation Accelerator regions probably provided FECs with a particularly beneficial environment.

In addition to the above factors, directing business innovation support **outside of Greater London and South East** is advisable. Although the areas are likely to meet the above criteria, there is cause to direct FEIF in a way that tackles regional productivity inequalities in the UK.⁴⁵

8.2.8 Impact indicators for projects and businesses

The impact indicators for funded projects and supported businesses are generally appropriate for capturing the programme effects. Some minor suggestions are proposed pertaining to aggregation or type of question (specified in Appendix D). In addition, the pilot demonstrated some additional outcomes and impacts which could provide valuable evidence where captured.

Project indicators

- **Indicators of offer take-up:** the considered indicators capture collaborative research and development. To complement this, additional questions pertaining to other offer types (e.g. coaching, lectures, facility use) would support a full picture of the volume and kinds of support exploitation.

⁴¹ See more insight here: <https://www.gatsby.org.uk/education/latest/fe-and-innovation>

⁴² Source: <https://www.cdn.ac.uk/>

⁴³ Largely due to the existing barriers to increasing innovation support (personnel, staff capacity) and limited funding for the FE sector for innovation activities.

⁴⁴ For instance, in Glasgow City Region, innovation leadership was a specific focus point for City of Glasgow College which is comparatively accomplished as an innovation-oriented FEC.

⁴⁵ See, for instance The Productivity Institute (2023) The Productivity Agenda. URL: <https://www.productivity.ac.uk/wp-content/uploads/2023/11/TPI-Agenda-for-Productivity-2023-FINAL.pdf>

- **Indicators of ecosystem engagement:** as seen in the pilot, reaching out to external service provision has been valuable for the FECs and the ecosystem itself. This could be recorded with a few simple queries, like the number (and type) of referrals and external collaborators.
- **Income indicators:** this is somewhat covered in the proposed indicators and is valuable for a sense of post-programme activities. It could be complemented with a sense of public funding gained or confirmed, and commercial revenue (gained or planned) should the FECs seek self-sustainability

Business beneficiary indicators

The breadth of indicators is covers all needed areas (financial effects, innovative activities and outputs and FEC-relevant activities).

- In addition, a **Net Promoter Score** (NPS, an indicator of how likely they would be to recommend the support to others) could add a useful general sense of the overall perceived value of the support
- **Demographic insight:** insight on elements like business sector would support a more immediate composition analysis to understand whether the projects are reaching the intended target audience.
- **Financial indicators:** although helpful, the level of detail queried may be higher than necessary. Funding, revenue, expenses and profit are valuable points of insight, but the detail in scrutinising each component could perhaps be lightened somewhat. In an event of an evaluation, some of those indicators can be substituted with external data (reference to specific indicators made in Appendix D). A slightly simplified set of indicators would help avoiding fatigue or guess work-derived inaccuracies.

8.3 Process differences to IUK standard

Examining the key process components in FEIF and the IUK standard, we note a relatively more hands-on and personal support approach in the former. Main differences are summarised in Table 7, below.

Based on the overall feedback from FECs, this hands-on approach to support was highly valuable in navigating the IUK project environment for the first time. The personal approach (i.e. having familiar people to whom to reach out) was one of the key aspects for the consulted FECs. Maintaining some presence by the delivery team is encouraged in possible future iterations. However, centralised guidance and resources, as well as process clarities within IUK may alleviate the volume of enquiries. In addition, the MOs appear to have been counted among the support personnel from post-award onwards.

The additional assessment step does not appear to have caused overt disturbances to the project. On the contrary, the step was deemed beneficial for ensuring local relevance and early awareness of the coming projects.

Table 7 Process changes compared with IUK standard procedures

Component	FEIF	IUK standard	Consideration
Applicant briefing	<ul style="list-style-type: none"> • Briefing seminar • Drop-in clinic for questions 	<ul style="list-style-type: none"> • Briefing seminar 	Combination of support in FEIF was highly valued. Roughly estimated, this may have cost two

Component	FEIF	IUK standard	Consideration
			additional working days to the programme management.
Ad hoc advice/clarifications throughout	<ul style="list-style-type: none"> FECs are able to reach out to Programme manager and Monitoring Officers for clarifications and have regular meetings with the Programme Manager 	<ul style="list-style-type: none"> Innovate UK Business Connect (with larger programmes) support@iuk.ukri.org 	<p>In the pilot application phase (with nine applications), responding to clarifications took approximately seven working hours.</p> <p>The effort of learning from FECs and about the FE context was among the most positive aspects of FEC feedback. A more light touch or generic support is probably not going to be sufficient.</p>
Application window	<ul style="list-style-type: none"> 4 weeks 	<ul style="list-style-type: none"> 3.5 to 11.5 weeks⁴⁶ 	<p>FECs found the window generally short. It was further affected by the coinciding half term.</p> <p>Based on the currently open grant funding opportunities at IUK, this application window is among the shorter ones at IUK.</p>
Assessment	<ul style="list-style-type: none"> Standard review Combined Authority assessment step⁴⁷ 	<ul style="list-style-type: none"> Standard review (additional expert panel considered) 	<p>The combined authority-organised selection event was handled over the course of an afternoon.</p> <p>Stakeholder feedback suggests that the selection ensured a locally meaningful focus, which probably paid off in implementation. Approval from regional bodies is also expected to invite pre-built investment in the approved initiatives.</p>
Level of monitoring	<ul style="list-style-type: none"> Bronze (light touch) 	<ul style="list-style-type: none"> Bronze Silver Gold 	No indication of need to increase

8.4 FE innovation landscape

This section focuses on **EQ2**, on the **effectiveness of FEIF in England and Scotland**, and **whether there is demand for similar innovation support initiatives in the broader landscape**.

To answer these questions, we conducted desk research on the existing support mechanisms and the broader innovation contexts in the target regions, and in Northern Ireland and Wales. In addition, comparisons and transferable good practices were sought from the Dutch support mechanism, 'Practoraat'. The review supports the notion of FEIF's effectiveness in the English and Scottish ecosystems. It addresses a gap in innovation support provision by 1) especially targeting the FE sector, and 2) targeting innovation support beyond skills development. The desk review suggests that FEIF could be similarly effective in the Welsh innovation support landscape. The examination of Northern Ireland yielded contextual differences which may

⁴⁶ Based on the (non-EoI) application periods of IUK grant funding opportunities open on 4 February 2025.

⁴⁷ Available for Greater Manchester and West Midlands, used by West Midlands.

question the added value which FEIF could bring to the local FECs and employers. The full set of landscape reviews can be found in Appendix B.

8.4.1 Overarching trends

FECs are experiencing increased recognition for their value in supporting innovation. The sector is mentioned in national and regional strategies for their role in supporting a healthy innovation economy in all studied contexts. However, another emerging trend is that, across these landscapes, there are exceedingly few initiatives which:

- **Target the FE sector** in its own right,
- Offer **funding** for participating FECs, and
- Focus on **a rounded set of innovation support** (or any innovation support beyond skills needs)

In most studied instances, FECs are generally eligible collaboration partners but subject to opportunities to participate. In instances where FECs and HEIs have been facilitated to collaborate with industry, evidence suggests that these collaborations are concentrated on HEIs.⁴⁸

Funding specifically earmarked for FECs is mainly available in past and present English and Welsh schemes (FEIF, Local Skills Improvement Fund, Strategic Development Fund, and the Wales Further Education Innovation Fund).⁴⁹

8.4.2 Regional characterisations

England

English reviews and strategies are making a connection between the capabilities in the FE sector and business needs. There are signs of increased local voice given to the FE sector through schemes like the Local Skills Improvement Plans, and the previously trialled College Business Centres. Moreover, a broad range of English initiatives have invested in building capacity at FECs. However, virtually all past and present funding mechanisms are directed to building FECs' capacity as the educators for current and future technical experts. In the main, FECs' participation in innovation support is broadly concerned with education and training.

Scotland

The innovation support context in Scotland can be characterised as highly collaborative. The Scottish strategies and schemes concern multi-sectoral industry-specific initiatives rather than sector-specific support schemes. In this picture, there are initiatives and projects which include FE voices (e.g. the advanced manufacturing hub AMIDS which involves the West College Scotland). Some funding mechanisms also incentivise HEIs to partner with FECs. However, less high-level consideration has been directed to enabling the FE sector to increase its capacity or capability in this domain. While programmes exist to enable FE inclusion in innovative collaboration (such as the Innovation Centres and the Innovation Vouchers), reviews have suggested that the resulting collaborations tend to favour HEIs. Regional hubs exist, like the Glasgow City Region which integrate the local FECs in the myriad of the local innovation

⁴⁸ E.g. Innovation Centres (Scotland) were found to engage with FECs far less than with HEIs, Innovation Vouchers (Northern Ireland) were generally spend on expertise from HEIs. In SMART FIS, an open innovation project fund, FECs are yet to be awarded.

⁴⁹ NB: The £5m Wales Further Education Innovation Fund was announced in 2023 to support education activities in the Welsh FE sector. Source: <https://www.publicsectorexecutive.com/articles/wales-further-education-innovation-fund>

activities. Beyond the region, Scottish reviews have called for the increased engagement with, or bespoke funding for FECs.

Wales

In recent strategic directions have underscored the importance of supporting innovation among businesses. The role of FECs in this ecosystem is also generally acknowledged. With its recent innovation strategies, Wales has taken a more inclusive approach to its innovation funding activities; the regional £20m investment, SMART FIS is noted for allowing FECs and other organisations beyond conventional research institutions to apply for project funding. Little evidence suggests, however, that FECs have been awarded in this scheme. Moreover, similarly to England, the role of the FE sector is broadly linked to skills provision. This contextual setting leaves a market gap for FE empowerment and demonstration of their value as more than skills providers.

Northern Ireland

Relative to other contexts, the innovation support in Northern Ireland is contained and somewhat less top-down-oriented. The ecosystem is holistically designed to support employers on their terms: FECs and HEIs partner up with businesses and offer their expertise commercially, as supported by governmental sponsor mechanisms. This includes Department for the Economy (DfE)-funded schemes like Innovation Vouchers. This system already sees FECs engaging in innovation beyond skills development, and enables FECs to operate with lesser top-down management. The FE capacity in Northern Ireland appears to be fairly dynamic and practice autonomous collaboration with business networks as is. It is unclear how much added value FEIF might bring in this context.

Netherlands

The Dutch *practoraat* model is an exception in this context, one which the modelling of FEIF closely follows. The model is designed specifically for vocational education, and grants applying VETs (FEC counterparts) the autonomy to define the targeted problem. Approved, applications result in 2.5-year-long Centres of Expertise ('practoraats') which conduct applied industry-specific research in collaboration with industry partners. Critically, the resulting *practoraat* projects are not centrally funded. At a high level, the Dutch educational funding model grants each institution with a single annual lump sum. Institutions are granted autonomy to conduct their activities with the funding as seen appropriate. This, combined with a preparatory time of up to 1.6 years, enable Dutch VETs to adjust and absorb the expenses of the *practoraat* projects.

8.4.3 Good practices

Netherlands: the Practoraat model

The Dutch educational funding model enables the FE sector to take on additional innovation responsibilities without the need for added funding. As such, considerable parts of the innovation model in the FE sector may be untransferable to the UK setting. However, the country-wide *practoraat* model incorporates other elements which are expected to support the success of the resulting innovation support.

- **Self-determination.** First, the entire movement is FE-owned and operates with the imperative that the FECs develop their activities from the ground up. The *Practoraten* Foundation supports with the design of these centres of expertise, but the ideas are developed at the FE sector. Aligning with FEIF, this practice provides opportunities for the sector to develop and brings a new perspective to technical innovation.

- **Long preparation periods.** The pracotraat model includes a preparation period of up to one year to enable the VETs (local FECs) to ensure that the centres of expertise are fully prepared at the time of launch. From there, the centres operate for 2.5 years. Feedback from FECs in the FEIF pilot, and stakeholders have argued for a similar longer preparation window (or a longer overall duration to absorb the time requirement to set up).

Northern Ireland: government-sponsored commercial innovation

The FECs in Northern Ireland engage in business innovation effectively through commercial expertise provision. The Department for the Economy in the region has developed mechanisms for businesses to connect with FECs and HEIs for bespoke R&D and skills development needs on an ad hoc basis. This has not only supported businesses to realise their goals, but for FECs to also demonstrate their value for businesses and the broader economy in this respect.

- The longest-standing such mechanism concerns **Innovation Vouchers**. Piloted in 2008, the vouchers are available for businesses to purchase technical expertise from FECs and HEIs towards specific commercial needs. Each vouchers is worth £5,000 enabling the educational sector to engage in project-based collaboration on a short-term basis.

9 Conclusions and recommendations

Overarching conclusions

- **The core FEIF concept is generally considered beneficial** for FECs, businesses and innovation support ecosystems. Regardless of process-related details, the pilot has been considered particularly transformative for the participating FECs.
- **The main concern for impact achievement pertains to the original 12-month timeline** for the whole pilot. Primarily, it has created challenges in staffing and in reaching the aimed impacts. The announced extension has been met with relief, but running such a programme on a longer-term basis from the outset would support with identified recruitment-related pressures.

Recommendation: As far as possible, any future funding rounds would ideally account for two years, also to include a funded preparatory period for FECs.

- **The programme budget is deemed sufficient.**
- **The regional approach piloted in FEIF has brought positive aspects to FECs and target regions.** Supporting the FE sector in regional clusters is deemed to bring comprehensive benefits to local economies. Moreover, the synergies with these projects and the contextual priorities are likely to have eased the project integration into cohesive ecosystems.

Recommendation: Continuing FEIF with a regional approach is recommended

- **The invite-only approach has demonstrated a range of positive outcomes.** These range from stakeholder buy-in, through strategic placement of the FEIF intervention, to a managed volume of support requirement from the applying FECs.

Recommendation: Continuing an invite-only approach for FEIF is recommended.

- **In choosing a region**, two main factors have emerged as effective indicators. The **invited clusters' predisposition to innovation** (rendering the Innovation Mission and Innovation Accelerator FECs suitable), and **the robustness of the support ecosystems in the invited areas**.
- We characterise the **single-FEC and consortium-led** approaches as follows:
 - Consortium-led approaches have generally shown merit in the regional contexts; a greater ability to model and execute innovation support according to local priorities is met highly well. The consortia have shown effectiveness in both, application and delivery phases.
 - Single-FEC approaches could be characterised as more universal in their thematic focus points. While they are relevant to local contexts, resource management dictated more focused topics which are generally beneficial beyond the local contexts. The application window might have been more challenging for individual FECs due to the consolidation of the application on fewer people. However, in setting up, the leaner projects encountered fewer barriers and delays, and were able to launch considerably more efficiently.
- In the main, **the process exceptions in the FEIF pilot have been beneficial** for the FECs. **The more hands-on approach to support and advice on part of the FEIF delivery team has been especially valuable at every process stage.**

Recommendation: Scaling up, internal clarity within IUK, robust point-for-point written resources and select support from the pilot FECs⁵⁰ may support effective guidance for possible future participating FECs.

- Our landscape review suggests that **the FEIF pilot is fairly unique and efficient in the target regions**, meeting a contextual gap in England and Scotland. No exact comparators were identified across any of the studied landscapes.

Application briefing and support

- **FECs valued the IUK support and advice provided at the application stage.** In addition to IUK resources, FECs commonly turned to **regional stakeholders and each other** in drafting proposals towards FEIF.
 - **Recommendation: These resources appear to have been beneficial for several applications and could be encouraged for future applicants.**
- The varying levels of experience with innovation support left some FECs hoping for more guidance or direction with the idea-development. Additionally, FECs reported some uncertainty with the application process, especially related to budgeting and other financial elements. As a new audience for IUK, even some of the most basic aspects would benefit from a greater degree of translation or introduction
 - **Recommendation: Prior examples of successful innovation support to local innovators could help new FE applicants develop their ideas and strengthen their applications. Encouraging them to engage with regional stakeholders may also help them to identify regional priorities – sectoral and technological – where further investment would be beneficial and greater synergies might be found.**
 - **Recommendation: Distributing written resources on project design, with emphasis on grounded implementation could support less-experienced FECs. Strong applications from the pilot could be prepared as such examples for possible future application rounds.**
 - **Recommendation: More explicit explanation in relation to elements like eligible costs would be useful. As this challenge was not universal, some additional written guidance would be cost-efficient. Including a representative from the FECs' financial team in this introduction could be beneficial.**
- **The four-week window to prepare the applications posed the most widespread challenge to the applicant FECs**, especially as it coincided with a seasonal leave for the sector. Compared to currently running IUK competitions, the application window is also found to be relatively short. Regardless of experience or team configuration, FECs tended to hope for a few additional weeks at this stage. Similarly, compared to the presently open Innovate UK competitions, the application window in FEIF is relatively short.
 - **Recommendation: Increasing the application window from four to six weeks would ease this challenge, especially if future application windows fall on a holiday period.**
- The differences between the FE sector and 'standard' IUK audiences (academia and industry) resulted in some confusion among applicants. In lieu of FE-specific processes, FEIF briefing included a combination of industry and academic support sources.

⁵⁰ This could be in a form of an alumni network, or other collaborative engagement to ensure a community of good practice.

- **Recommendation:** Adding FECs as a new category in the classification system could clarify appropriate guidance and requirements. Alternatively, extending the definition of academic institutions to include FECs would also support this internal clarity.

Assessment and awardee selection

- **Overall, the assessment process – and evaluation criteria – were appropriate to the scheme's requirements.** The review process was implemented efficiently and assessors were largely confident in their ability to distinguish the strongest applications from within the full set of proposals. Some minor additional guidance could be useful for less-experienced assessors, perhaps with examples of strong and weak applications to calibrate their reviews.
- Reflecting on the relative novelty of grant application activities, added guidance for FECs could be beneficial. **Most interviewed assessors found room for improvement in the articulation and realistic implementation.** Specific recommendations are included in the recommendations for application support.
- Due to the novelty of the assessment task (in assessing applications from FECs) a subset of assessors wished for more material to support distinguishing strong applications from weaker ones.
 - **Recommendation:** Where possible, fewer assessors would ideally review more applications to support a more robust frame of reference. Alternatively, applications from the pilot round could be used as illustrative examples to help calibrate the assessment in future rounds.
- The Combined Authority-led assessment step is **well-perceived by stakeholders.** Involving local actors helps to ensure local relevance. In addition, it has supported awareness of the funded projects. However, considerations of bias or conflicts of interest should be in place.

Post-award

- **Nearly two thirds of consulted FECs reported delays in their project launches.** For the most part, these delays pertained to the state of recruitment by launch time. This is a complex challenge, mainly driven by the broader staffing difficulties in the FE sector. However, they were probably spurred on by the type of skills needed, and some process elements: recruiting prior to funding confirmation was a risk which may be unfeasible for FECs. In addition, those FECs which took the risk with early recruitment negotiated advertising with explicit links to FEIF during the publicity embargo.
 - **Recommendation:** To support FECs' readiness to launch projects with full capacity, an additional three-to-six-month funded lead-in time may be necessary. These months (possibly built into the live delivery time with adjusted targets), would ensure FECs' readiness to hire staff, advertise the FEIF-linkage to the roles, and accommodate onboarding requirements.
 - **Recommendation:** Insight from the pilot on ideal skill specifications, external support from KE experts (e.g. professional networks) or an IUK-contracted recruitment expert could all be beneficial in narrowing down the needed skills and where/how to recruit or access those skills.
- A majority of the **FECs reported difficulties in the administrative setup process.** As with applications, difficulties were observed with financial aspects, especially eligible expenses and the independent accountant requirements.
 - **Recommendation:** More robust, point-for-point guidance at the award announcement could be useful to prevent important components being lost.

- Awarded FECs were appreciative of IUK presence and Monitoring Officers in the setup. Both parties provided valuable guidance in interpreting requirements and understanding IUK processes. Setting up the monitoring provided additional clarity on expected outcomes, and added a sense of structure to the awarded FECs.

Project delivery

- Awarded FECs have placed a high value on the support and time-investment from the FEIF delivery team. This must be considered against the delivery team's capacity and a possibility to scale up the programme.
 - **Recommendation:** Scaled up, periodic forums or project-specific check-ins could consolidate queries and concerns in decided allotments. Where feasible, increasing the size of the project management team could also support close support at the live stage.
- Opportunities to meet each other across projects have been especially valuable. These instances have resulted in knowledge exchange, grounds for collaboration and a communal sense.
 - **Recommendation:** Within capacity, these opportunities are a cost-effective way to support mutual learning and increasing collaboration between projects. Continuing these opportunities periodically is recommended.
- The FECs have managed broad engagement with the local ecosystem, and generally find it valuable in establishing their support offer. This engagement was found to expedite the process of starting delivery.
- As a result of FEIF, awarded FECs have increased the range of their activities with some signs of them becoming more recognised as innovation support providers. FEIF has also had a positive effect on the level of collaboration between FECs. All consulted FECs have also indicated appetite to continue with the expanded remit.
- The FECs have filled a role in the innovation support landscape. Working referral systems and a fresh perspective have supported the cohesion of the existing landscapes and helped unpack stagnant concepts. Limited evidence also suggests that the FECs have brought value to businesses.
- For a subset of the projects, promotion and business uptake has been a challenge. Learning from successful project starts, leveraging the following of prominent actors (e.g. chambers of commerce, local and combined authorities) has supported quick awareness-raising.
 - **Recommendation:** The value of early and broad stakeholder engagement should be encouraged as good practice. Additionally, acknowledgements from official IUK channels (website, social media) may support bringing more attention to the FECs' support offer. If FEIF is maintained.

Appendix A Methodological notes

To build answers to the evaluation questions, we draw mainly on primary data.

A.1. Surveys

The data collection began shortly after the approval of the work plan report in September 2024. Initially, successful FECs were contacted by Innovate UK to alert them to coming survey and interview invites from Technopolis. **37 FECs** (both, Lead and collaborating FECs, successful and unsuccessful) **were invited** to participate in a survey through individualised survey links sent on the 26th of September. **Two respondents opted out and two invites bounced**, indicating that the contact information was either invalid or out of date. Weekly reminders were subsequently sent to the FECs who were yet to submit a response. Later, an open link was also created for those who requested it. Overall, this collection yielded 21 responses through individualised invites, and seven responses through open links. None of the unsuccessful applicants participated in the survey: two of the five associated emails were out of date, and three did not respond to the survey invites.

Invites to 20 application assessors to attend a survey of their own were sent on the 1st of October. This was followed with weekly reminders for those who had not yet completed the survey. 18 recipients opened the survey, and 14 recipients completed responses.

Both surveys remained open until early January 2025.

A.2. Interviews

Parallel to the surveys, the **Lead FEC of every live project** (n = 8) **was invited** to interview via email on the 2nd of October. Follow-up emails were sent weekly, and the contact information was reviewed with Innovate UK for relevance. Interviewed Lead FECs were requested to recommend both, collaborating FECs and potential external stakeholders to contact. From the 17th of October onwards, **collaborating FECs were approached** via email based on Innovate UK contact information. As such, FECs were interviewed from October to January, roughly over the third quarter of the funded projects. As with Lead FECs, collaborating FECs were queried about potential stakeholders to interview. **Stakeholders were approached as the recommendations and introductions are made.**

We also invited **assessors** for interviews. In their case, interview invites were issued following their agreement to participate indicated through survey. First invites were sent on the 9th of October, and interviews ran from October until early December. This is approximately one year after the assessment process.

In addition, the five **unsuccessful applicants** were approached via email on the 21th of November. **Two of the contact details were outdated.** One FEC did not respond, while two FECs were reached, both of who agreed to interview. However, due to the length of time (approximately a year) since their last connection to FEIF, the unsuccessful FECs were unable to recall significant details.

Finally, **IUK staff and a contracted Monitoring Officer** were approached based on recommendations from the programme lead for up to five interviews. Three specific discussions pertaining to project stages and particular points of interest were carried out. In addition, a conversation was run with the programme lead in relation to specific clarifications.

A.3. Limitations

Although the primary data collection exercise was in other ways successful, we acknowledge that very few unsuccessful applicants were reached for a consultation. Moreover, those who were reached for an interview reported that they could not recall the application stage very vividly, as their participation in FEIF had ended approximately a year before the consultation. Although the collected feedback was taken to account and synthesised with other evidence. These limitations may have lightened the volume of critical views of the application stage.

Appendix B Landscape reviews

B.1. England

The FE sector has been increasingly recognised the English innovation landscape. However, their recognition has been fairly limited to skills development. The FE sector has benefitted from a wide array of funding initiatives, particularly in the past four years. Generally, the initiatives and recent strategies have placed FECs in the innovation system. However, the promotion and funding directed to the FE sector has fortified the FECs' role as dynamic skills providers. Although past and current initiatives place FECs close to employers and promote their importance in local skills settings, their remit has rarely been reconsidered.

In the 2021 UK Innovation Strategy published by BEIS, the sector was brought up as a critical component in the greater tapestry. In the strategy, their role was considered to encompass instilling, maintaining and developing skills in young learners and professionals alike.⁵¹ However, stakeholders and broader literature suggest that the national ecosystem does not considerably elaborate on the role of, or routes to, innovation diffusion or adoption.

The approach to include the FE sector in the innovation landscape in skills capacity was echoed in the 2021 Skills for Jobs White Paper, published by the DfE.⁵² Laying the former Government's plan for the FE sector, the White Paper placed FECs in partnership with businesses. This framing has spurred initiatives and investment boosting connections between FECs and employers locally.⁵³ The impression of FECs as innovation drivers through skills provision has been supported with an array of funding programmes. For instance, the T Levels Capital Fund has provided funding for the procurement of industry standard equipment and high-quality facilities since 2021. By the Wave 5 launched in September 2024, the fund has funded approximately £450m to providers delivering T level courses.⁵⁴ To support the attraction of FECs and technical qualifications, the FE sector was injected £18m through the **Higher Technical Education Provider fund** to expand high-quality provision and to enhance the reputation of Higher Technical Qualifications among learners and businesses in 2021.⁵⁵

Strategic Development Fund and College Business Centres

As part of the 2021 approach, the **Strategic Development Fund (SDF) pilot** was launched in 2022. The pilot was designed to create collaborations of FE providers. Its objectives were to support facilities to meet employer needs, support innovation and economic growth, and develop delivery infrastructure.⁵⁶ Between 2022 and 2023, SDF was trialled in 18 areas across England in a £65m pilot.⁵⁶ The Fund concentrated local investment to be delivered by clusters

⁵¹ Source: <https://www.gov.uk/government/publications/uk-innovation-strategy-leading-the-future-by-creating-it/uk-innovation-strategy-leading-the-future-by-creating-it-accessible-webpage>

⁵² Source: [https://assets.publishing.service.gov.uk/media/601967d9d3bf7f70c036dbb9/Skills for jobs lifelong learning for opportunity and growth print version.pdf](https://assets.publishing.service.gov.uk/media/601967d9d3bf7f70c036dbb9/Skills_for_jobs_lifelong_learning_for_opportunity_and_growth_print_version.pdf)

⁵³ E.g., the White Paper pledges to fund the FE sector with £1.5bn in capital investment and £291m + £375m to support learning outcomes.

⁵⁴ Source: https://assets.publishing.service.gov.uk/media/6399c600d3bf7f7b68afc126/TLCF_W5_Applicant_Guidance.pdf

⁵⁵ Source: <https://www.gov.uk/government/publications/higher-technical-education-provider-growth-fund/guide-to-the-higher-technical-education-provider-growth-fund>

⁵⁶ Source: <https://www.gov.uk/guidance/skills-accelerator-apply-now>

of FECs with focus on specific sectors and technologies.⁵⁷ Additionally, seven of the 18 SDF pilot areas received ring-fenced funding towards **College Business Centres (CBCs)**. In the English landscape, CBCs were perhaps the closest comparator to FEIF: FEC-based centres, they were established to attract employers, and to explore ways to collaborate for business innovation outcomes.⁵⁸ A distinction was that, in addition to revenue funding, the CBCs received capital funding to develop technical infrastructure and to accommodate employers in the FE spaces.⁵⁹ An evaluation of the CBC pilot yielded positive results from both, participating FECs and employers.⁵⁹ Despite this, the pilot was not followed up with a broader CBC rollout. Instead, the DfE opted to extending the more open-ended SDF funding for the following year. Although the CBC concept was allowed as a voluntary option for the funding, the rationale was to provide the FE sector with more flexibility in implementation. Some stances supporting this decision concerned the feasibility of CBCs funded in one-year increments.⁵⁹ Additionally, it was deemed that the viability of the CBC concept depended on the region, thus not warranting a nation-wide implementation.

Local Skills Improvement Plans

The SDF was followed-up with the **Local Skills Improvement Fund (LSIF)** which broadly follows the ethos of the SDF. Investing approximately £165m in capital and revenue funding between 2023 and 2025,⁶⁰ The fund is used to respond collectively to the priorities outlined in the **Local Skills Improvement Plans (LSIPs)**. LSIPs were developed collaboratively between local employers, FECs and other stakeholders to offer direction and support meeting the local skills needs across England. For example, Bury College, a consortium member in the Greater Manchester Further Education Innovation Programme was announced to receive Health Innovation STEM facilities through a £60m investment from Bury as part of the Greater Manchester LSIP.⁶¹

Institutes of Technology

The Institutes of Technology (IoTs) were first announced in 2019 with the introduction of 12 IoTs.⁶² They were envisioned as a key bridge-builder between the FE sector, HE sector and employers, via supporting entrepreneurial and technical skills. As part of the 2021 Innovation Strategy, IoTs were pledged an investment of £290m to develop a country-wide network.⁵⁸ As of 2021, IoTs had tied together approximately 40 FECs, 18 HEIs and 60 employers.⁶³

B.2. Scotland

As with England, Scotland broadly acknowledges its FE sector as a valued part of the national innovation support landscape. In Scotland's ten-year Innovation Strategy (2023), FECs were acknowledged in the country's academic capacity alongside with HEIs and research

⁵⁷ Source: <https://www.gov.uk/government/publications/strategic-development-fund-awards-2022-to-2023/strategic-development-fund-2022-to-2023-financial-year#west-midlands>

⁵⁸ Source: <https://assets.publishing.service.gov.uk/media/61110f2fd3bf7f04402446a8/uk-innovation-strategy.pdf>

⁵⁹ Camden, B. (2023). What happened to college business centres? FE Week. URL: <https://feweek.co.uk/what-happened-to-college-business-centres/> [accessed 20 January]

⁶⁰ Source: <https://www.gov.uk/government/publications/identifying-and-meeting-local-skills-needs-to-support-growth/local-skills-improvement-plans-lsips-and-strategic-development-funding-sdf>

⁶¹ Source: <https://www.gmchamber.co.uk/media/3852782/gm-lsip-updated-08aug2023.pdf>

⁶² Source: <https://www.gov.uk/government/news/the-first-twelve-institutes-of-technology-announced>

⁶³ Source: <https://educationhub.blog.gov.uk/2021/10/what-are-institutes-of-technology/>

institutions.⁶⁴ Notably, and in contrast with the other studied contexts, **the Scottish strategy explicitly highlights the importance of innovation adoption and diffusion**. Although the strategy does not connect the FE sector to these activities, interviewed stakeholders expressed that the FE sector is implicitly attached to this side of innovation.

Collaborative innovation

The Scottish innovation landscape can be characterised as especially collaborative. Both, regular funding and some of the country's most ambitious innovation interventions are aimed to enable and incentivise cross-institutional collaboration. For example, of the more ambitious initiatives, the seven sector-focused **Innovation Centres (ICs)**,⁶⁵ facilitate collaborative project activities between FECs, HEIs and the private sector.⁶⁶ In total, the Innovation Centres programme has been confirmed to receive approximately £280m in funding between 2012 and 2034.⁶⁷ Similarly, **Research Innovation Scotland (RIS)**, launched in 2020, has the sole mandate to depict a whole system view as a catalyst for intersectional RDI.⁶⁸

In this process, there has been a handful of initiatives which have incentivised other institutions to engage with FECs. The SFC-funded **Knowledge Exchange and Innovation Fund (KEIF)**, which replaced the University Innovation Fund in 2024, actively encourages HEIs to incorporate engagement plans with FECs in their five-year strategies.⁶⁹ Another example concerns **FUTUREquipped**, a 2018-2019 pilot project funded by the SFC. The pilot engaged 13 FECs with ICs to collaboratively develop new teaching modules to integrate lessons from latest technology in select sectors.⁷⁰ Similarly, the SFC has been funding Innovation Vouchers for SMEs to partner with HEIs or FECs on workforce development and R&D activities.⁷¹ This participatory approach to innovation has considerably supported remit expansion for some FECs. A specific example of this is West College Scotland's involvement in the **Advanced Manufacturing Innovation District Scotland (AMIDS)**, a prominent hub for manufacturing innovation.⁶⁴ Led by Renfrewshire Council, AMIDS is a key example of innovation which integrates HEIs, FECs, businesses and national funders for sectoral technology outcomes.⁶⁴

FE-specific implementation lacking

In all this, however, there are few top-down FE-facing initiatives which support the sector to increase its innovation scope. Rather, the observed examples of innovation interventions have encouraged other actors to reach out to select FECs, or for FECs to integrate new knowledge in their educational scope. Compared to FEIF or CBCs in England, few examples in Scotland suggest that the FE sector have been intervened on with the intent to increase their innovation remit. For instance, the ICs facilitate avenues for FECs to participate, but the FECs have been found overshadowed by HEIs: a 2023 evaluation of the Innovation Centre Programme

⁶⁴ Source: Source: <https://www.gov.scot/binaries/content/documents/govscot/publications/strategy-plan/2023/06/scotlands-national-innovation-strategy/documents/scotlands-national-innovation-strategy/scotlands-national-innovation-strategy/govscot%3Adocument/scotlands-national-innovation-strategy.pdf>

⁶⁵ Source: <https://www.gov.scot/publications/scotlands-national-innovation-strategy/pages/11/>

⁶⁶ Source: <https://www.sfc.ac.uk/wp-content/uploads/2024/01/Innovation-Centres-Evaluation-Report.pdf>

⁶⁷ Source: <https://futurescot.com/three-scottish-innovation-centres-miss-out-on-new-round-of-government-funding/>

⁶⁸ Source: <https://www.supa.ac.uk/news/2020/research-innovation-scotland-launches>

⁶⁹ Source: <https://www.sfc.ac.uk/wp-content/uploads/2024/06/KEIF-Strategy-Guidance-AY-2025-26-to-AY-2029-30.pdf>

⁷⁰ Source: <https://www.dhi-scotland.com/projects/futureequipped>

⁷¹ Source: <https://funding.scot/funds/a0Rb0000008nfe4EAA/interface-standard-innovation-vouchers>

identified limited and inconsistent levels of engagement with FECs compared to HEIs; the evaluation specifically recommended efforts to increase FEC inclusion.⁷²

This indication of lacking implementation is echoed in the SFC's Outcomes and Assurances Framework, which sets the mutual thematic outcome expectations for FECs and HEIs. Outcomes set for both concern student and learning-based goals. By contrast, knowledge exchange and innovation-related expectations are explicitly targeted at HEIs alone.⁷³ As a result, while the landscape incentivises and facilitates inter-institutional innovation activities, the participation from the FE sector has remained fragmented. This was also acknowledged in a 2023 report by the **College Innovation Network (CIN)**, a Gatsby Foundation-funded FEC network.⁷⁴ The report found that, despite its potential value for employers, FEC-offered innovation support is at an early stage in Scotland. Reasons for this were expected to concern limited capacity and bespoke funding opportunities for FECs.⁷⁴

B.3. Northern Ireland

Compared to the rest of the UK, Northern Ireland is a fairly small entity. Its businesses are estimated to account for roughly 2% of the UK business population,⁷⁵ and the education sector encompasses six FECs, two university colleges, and three HEIs.⁷⁶

In the general vision, the innovation support landscape is driven by business needs in Northern Ireland. In this picture, FECs especially have assumed a supporting role in developing the required technology skills, but also act as hubs for technical expertise.

Strategic context

Northern Ireland has recognised the role of the FE sector in driving innovation for close to a decade, since the 2016 national strategy for the FE sector.⁷⁷ The strategy considered FECs as educators and skills-developers, but envisioned their role in collaborating with employers on skills needs.⁷⁷ Since then, FECs in Northern Ireland have been increasingly recognised as integral innovation partners for businesses, particularly start-ups and SMEs through apprenticeships, skills provision and collaborative projects.⁷⁸ The economic strategy, 10X Economy, in turn, heavily prioritises innovation. In 10x, businesses are at the core of the national innovation plans, while FECs are considered as critical skills builders in supporting businesses and the economy.⁷⁹ Little indication suggests that there are overarching strategies guiding FEC innovation at a high level beyond that. Instead, the contained size of the sector has enabled the DfE to establish individual partnership agreements with each of the six FECs.⁸⁰

⁷² Source: <https://www.sfc.ac.uk/wp-content/uploads/2024/01/Innovation-Centres-Evaluation-Report.pdf>

⁷³ Source: <https://www.sfc.ac.uk/publications/outcomes-framework-and-assurance-model/>

⁷⁴ Source: <https://www.edinburghcollege.ac.uk/media/gh3ckaf5/employer-engagement-with-colleges-and-the-adoption-and-diffusion-of-innovation.pdf>

⁷⁵ Source: <https://www.gov.uk/government/statistics/dcims-economic-estimates-business-demographics-2024/dcims-economic-estimates-business-demographics-2024-main-report>

⁷⁶ Source: <https://www.nidirect.gov.uk/articles/universities-and-colleges-northern-ireland>

⁷⁷ Source: Source: <https://www.economy-ni.gov.uk/sites/default/files/publications/economy/FE-Strategy%20-FE-Means-success.pdf>

⁷⁸ Source: <https://www.aoc.co.uk/the-college-alliance/news-insights/news-transforming-the-skills-system-is-key-to-unlocking-northern-irelands-potential>

⁷⁹ Source: <https://www.economy-ni.gov.uk/sites/default/files/publications/economy/10x-economy-ni-decade-innovation.pdf>

⁸⁰ Source: <https://www.economy-ni.gov.uk/publications/partnership-agreements-between-dfe-and-fe-colleges>

The small scale of Northern Ireland has additionally supported a level of co-production instead of superimposed structures. In 2024, FECs joined HEIs, government bodies, business leaders and community actors to co-produce a strategy to make Northern Ireland a top 3 UK hub for innovation-driven enterprises.⁸¹ In the same year, the Department for the Economy (DfE) published a report on the innovation support provision for businesses and gaps in the picture.⁸²

Innovation support in execution

Following this strategic context, the innovation landscape in Northern Ireland is heavily business-focused. Based on the identified support schemes, FECs participate in innovation support on business terms via government-sponsored, service-based partnerships with businesses.

- **Innovation Vouchers** are a long-standing, DfE-funded scheme first piloted in 2008. Today, it provides eligible applying SMEs with vouchers of £5k in value. The vouchers can be used to purchase expertise or practical advice from FECs and HEIs.⁸³
- **Connected** is a DfE-funded knowledge exchange programme. Through Connected, FECs and HEIs support businesses, on a case-by-case basis, to identify a need, and coordinate an expert-informed response. The programme would fund the initial assessment and the business could apply for an innovation voucher to cover subsequent consulting costs arising from the partnership. Connected engages all six FECs and three HEIs in Northern Ireland.⁸⁴
- **Skills Focus and InnovateUs** enable SME-FEC partnerships based on the employers' skills needs. Aimed at SMEs of different sizes (InnovateUs targeting small businesses and Skills Focus targeting employers of up to 250 FTEs), both schemes encompass a FEC representative to meet with an employer identify the innovative needs and to develop and deliver a tailored training solution.⁸⁵

B.4. Wales

FECs are **integrated into the Welsh innovation and skill development strategy: The FE sector is recognised in the national strategy, 'Wales Innovates'**. In this context, FECs have a designated role to prepare the workforce for research, development, and innovation (RDI). However, as in most other studied contexts, the expectation for FECs to engage in further innovation support is occasional at best.

A scarcity of dedicated FEC-business innovation partnerships: While there are mechanisms for collaboration, such as the Further Education Innovation Fund, no major initiative exists solely to connect FECs with businesses for joint RDI activities. In more recent year, opportunities to participate in broader collaborations have been opened for the Welsh FE sector (along with other non-research entities). However, bespoke initiatives for FECs have concerned their educational scope.

⁸¹ Source: <https://wearecatalyst.org/2024/12/05/new-coalition-seeks-to-make-northern-ireland-a-top-3-uk-hub-for-diverse-and-scalable-enterprises/>

⁸² Source: <https://www.enterpriseresearch.ac.uk/wp-content/uploads/2024/09/RD-and-Innovation-support-in-Northern-Ireland.-Final.pdf>

⁸³ Source: https://www.sqw.co.uk/application/files/4016/2081/4083/evaluation_of_innovation_vouchers-final-November-2019.pdf

⁸⁴ Source: <https://www.economy-ni.gov.uk/articles/higher-education-knowledge-exchange>

⁸⁵ Source: <https://www.nibusinessinfo.co.uk/sites/default/files/2023-05/Innovate-Us-Skills-Focus-Programme-April-2023.pdf>

In 2019, the Welsh Government published a review of Government-funded research and innovation. The objective of the review was to effectively map a way for the region after the UK's shift away from European Union-funded innovation activities.⁸⁶ Acknowledging the more competition-based funding activity in the UK, the review called for a more integrated and cohesive innovation landscape to support the pursuit in the British funding system.⁸⁶ In this view, Wales needed a more skilled workforce to boost productivity and competitiveness. To this end, access to innovation funding was to be increased to include the FE sector, to work with HEIs to improve skills and employability.⁸⁶

Four years later, 2023, marked a considerable year of innovation for Wales: the Welsh Government announced a national innovation strategy,⁸⁷ and revealed an innovation action plan and a partnership to this end with IUK.⁸⁸ Both strategic directions considered the regional FE sector as a partner to employers in skills-development capacity, as well as to develop new generations of skilled individuals.

Implementation

The 2019 innovation review (and the later strategies) was followed with a range of innovation-oriented investment and programmes particularly clustered between 2019 and 2023. Broadly, the array of investments brings opportunities to an expanded audience (beyond HEIs and research centres), and to address increasingly place-based needs and objectives.

- In support of bringing FECs closer to businesses in turn, four Regional Skills Partnerships were drawn up for 2022 to 2025. Akin to the English Local Skills Improvement Plans, these strategies encompass collaborative plans between FECs, HEIs and employers to identify regional and sub-regional skills priorities.⁸⁹
- Miscellaneous funding opportunities were also created, open for FECs and a broader audience to propose challenge-led projects to develop skills-development in specific or strategic sectors. Regionally, the Swansea Bay City Deal runs a £30m Skills and Talent Programme, targeted for education providers at all levels in the region. The programme supports projects to upskill or deliver new training aligning with regional priorities over a period of 2 years.⁹⁰ Similarly, the Creative Skills Fund offered project funding for up to £125k for up to two years for training and skills-oriented entities. The funded projects (2022-2024) broadly concerned increasing innovation in and upskilling creative industries.⁹¹
- In line with the high level strategies for innovation, 2023 also marked a £30m Government investment in innovation activities.⁹² Two thirds of this investment is directed to the SMART Flexible Innovation Support programme (SMART FIS), which marked a concrete expansion in the Welsh innovation scope, allowing innovation-

⁸⁶ Source: <https://www.gov.wales/sites/default/files/publications/2019-04/review-of-government-funded-research-and-innovation-reid-review.pdf>

⁸⁷ Source: <https://www.gov.wales/sites/default/files/publications/2023-04/wales-innovates-creating-a-stronger-fairer-greener-wales.pdf>

⁸⁸ Source: <https://iuk-business-connect.org.uk/wp-content/uploads/2023/11/English-Wales-Action-Plan.pdf>

⁸⁹ Source: <https://businesswales.gov.wales/skillsgateway/skills-development/regional-skills-partnerships>

⁹⁰ Source: <https://www.rlp.org.uk/the-swansea-bay-city-deal-skills-and-talent>

⁹¹ Source: <https://www.creative.wales/creative-skills-fund>

⁹² Source: <https://www.gov.wales/new-30-million-funds-launched-boost-innovation-wales>

related R&D and collaborative projects beyond research organisations and employers. Effectively, SMART FIS opened the door for the FE sector (along with actors like the public sector) to participate in innovation activities directly.⁹²

Additionally, pots of funding have been reserved for the FE sector alone, although the aim of this funding is strictly education-oriented. In 2019, to support FECs' capacity in delivering up-to-date technological skills, bespoke capital funding for was made available as part of a broader £30m investment in digital technologies.⁹³ In 2023, the Welsh Government announced a £5m Further Education Innovation Fund earmarked for the FE sector alone. The fund is aimed to enable FECs to explore new ways to improve learning outcomes and expand on recent good pedagogic practices.⁹⁴

B.5. The Netherlands

The Dutch vocational education system (equivalent to the FE sector in the UK) has a concentrated route to business innovation support. Perhaps the closest comparator to FEIF, the Practoraat model enables vocational education institutions (VETs) to define a industry-relevant research problem, and practice applied technical research through officially recognised bespoke Centres of Expertise ('practoraats').

Practoraats

The practoraat model is overseen by the designated Practoraten Foundation. The model oversees the establishment of sector-specific projects, 'practoraat's, at VETs. Each practoraat is led by a 'practor', with a team of teacher-researchers. Roughly, there are two types of practoraats, which also occur in combinations. The first approach is generally industry-facing and explores matters like technology and process upgrades for relevant employers, as well as employee skills development. The second type focuses on the pedagogical side at the VETs, looking to update educational practices to meet industry needs.⁹⁵ The practoraats are established to the degree that designated funding calls have been made available for problem-oriented research projects.⁹⁶

The model was established in 2015 in a bottom-up approach by five VETs, resulting in the present foundation.⁹⁵ As of 2024, there were 138 practoraats across 60 VETs in the Netherlands.⁹⁷ Since 2016, the Foundation has received funding through multiple subsidies from the Dutch Ministry of Education (OCW) and the European Union. However, in later years, the funding model has been in transition into a contribution-based membership system; each practoraat is expected to be self-sustained, in addition to becoming liable to a €2k annual fee towards the foundation.⁹⁷ Notably, the foundation assumes a coordinating and supervising role. The practors do not receive funding from the foundation but are expected to source the resources to operate via other means.

⁹³ Source: <https://www.gov.wales/8m-boost-digital-learning-further-education>

⁹⁴ Source: <https://www.publicsectorexecutive.com/articles/wales-further-education-innovation-fund>

⁹⁵ Source: <https://tijdschrifttops.nl/article/view/14391/20001>

⁹⁶ Source: <https://www.nwo.nl/en/calls/kiem-groen-pilotregeling-practoraten>

⁹⁷ Source: <https://practoraten.nl>

Table 8 Lifecycle of a practoraat

<p>The practoraats operate as projects with set start and end dates (with a 2.5-year duration).⁹⁸ Instead of a cohort-based programme, the practoraat foundation accepts applications throughout the year. Based a document-based application and an interview, the Foundation board reviews and approves proposals at regular meetings.</p> <p>Once approved, the applicant is considered a to-be practor, and engages with the Foundation and a dedicated quality committee to develop and finalise a project plan. Once a final 'practoraat' plan is developed, the practor and their VET undergo a preparatory period of up to one year. During this time, the practoraat is considered 'under construction'.</p> <p>After this preparatory period, the foundation's quality committee assesses the established plan and makes a final approval. This launches an active practoraat phase which the foundation monitors and supports with advice. The practoraat carries out planned research and industry engagement.</p> <p>By the end of the practoraat project, the practor prepares resources based on the lessons learnt. These get disseminated through the foundation.</p>

Dutch FE funding

Running a practoraat without additional funds-provision raises questions about the level of activities which the practoraat is able to implement. However, the Dutch educational funding model is likely the enabler in the process. The funding towards VETs is directed from three main sources; national funding (including EU funds), municipal funding and tuition fees.

The Dutch Ministry of Education, Culture and Science fosters autonomy at the country's schools. To this end, all educational institutions receive one annual budget from the central government for all material and staffing costs, to offer more freedom to educational institutions in their policy-making.⁹⁹ Consequently, schools have the possibility to adjust their offer by tailoring their policies to contextual needs.⁹⁹ This one-sum approach and the multi-year approach to practoraats (including a year's setting up phase) create the conditions where FECs would be able to adjust their budgets to accommodate the expenditures. In addition, municipalities administer financial support, and the tuition fees set in law for the VE sector supports daily operations.⁹⁹ The combination of these sources, together with the autonomy to spend it flexibly likely sets Dutch VETs in a position where the costs of practoraats can be absorbed.

⁹⁸ Source: <https://practoraten.nl/stappenplan/>

⁹⁹ Source: <https://eurydice.eacea.ec.europa.eu/national-education-systems/netherlands/funding-education>

B.6. Benchmarking innovation support schemes

Table 9 Innovation support schemes in England, Scotland, Northern Ireland, Wales and Netherlands

Context	Scheme	FEC involvement	Innovation activity types	Academic v commercial emphasis
England & Scotland	FEIF	Dedicated funding	<ul style="list-style-type: none"> Skills provision Networking Infrastructure provision R&D 	Commercial
England	Strategic Development Fund (no longer active)	Dedicated funding	<ul style="list-style-type: none"> Skills development Networking 	Commercial
	Local Skills Improvement Fund	Dedicated funding	<ul style="list-style-type: none"> Skills development Networking 	Commercial
	College Business Centres (No longer active)	Dedicated funding	<ul style="list-style-type: none"> Skills improvement Networking Infrastructure provision 	Commercial
	IoTs	FECs are centrally involved	<ul style="list-style-type: none"> Skills improvement Networking Infrastructure provision R&D 	Commercial
Scotland	Innovation Centre Programme	FECs are involved	<ul style="list-style-type: none"> R&D Networking Infrastructure provision 	Commercial and academic
	Research Innovation Scotland	FECs are not involved	<ul style="list-style-type: none"> R&D Networking 	Academic
	Knowledge Exchange and Innovation Fund	FECs are not directly involved, incentivises HEIs to engage with FECs	<ul style="list-style-type: none"> Networking 	Academic
	AMIDS	FECs are involved	<ul style="list-style-type: none"> R&D Infrastructure provision Networking Skills development 	Commercial and academic
Northern Ireland	Connected	FECs are centrally involved	<ul style="list-style-type: none"> R&D Networking Infrastructure provision 	Commercial
	Innovation Vouchers	FECs are centrally involved	<ul style="list-style-type: none"> R&D 	Commercial

Context	Scheme	FEC involvement	Innovation activity types	Academic v commercial emphasis
			<ul style="list-style-type: none"> • Networking • Infrastructure provision 	
	InnovateUs & Skills Focus	FECs involved	<ul style="list-style-type: none"> • Skills improvement 	Commercial
The Netherlands	Practoraat model	FEC-focused	<ul style="list-style-type: none"> • R&D • Networking • Skills improvement 	Academic and commercial

Source: Technopolis desk research

Appendix C List of interviewees

This study was conducted in consultation with the following:

Name	Organisation	Award channel	Date of interview
FECs			
Coral Grainger & Richard Caulfield		GMCA	25-November 2024
Tracey Wood	The Trafford College Group	GMCA	07-November 2024
William McGillivray & Sophie Creswell	Bury College	GMCA	01-November 2024
Alison Rushton	Wigan and Leigh College	GMCA	28-October 2024
Catherine Langstreth	Bolton College	GMCA	08-January 2025
Carl Shaw	Tameside College	GMCA	09-January 2025
Lynn Pritchatt	Walsall College	WMCA	16-October 2024
Matthew Cadden-Hyde	Dudley College	WMCA	08-November 2024
Conrad Taylor	City of Wolverhampton College	WMCA	08-November 2024
John Murray	Halesowen College	WMCA	13-November 2024
Gemma Knott	Coventry College	WMCA	21-October 2024
James Lewitt	Warwickshire College Group	WMCA	07-November 2024
Suzie Branch-Haddow	Birmingham Metropolitan College	WMCA	24-October 2024
Rosa Wells	University College Birmingham	WMCA	22-November 2024
Melanie Lenehan	Fircroft College Of Adult Education	WMCA	15-November 2024
Rebecca Waterfield	South and City College Birmingham	WMCA	11-November
Matt Beck	Heart of Worcestershire College	WMCA	20-January 2025
Alistair McGhee	Glasgow Kelvin College	GCR	16-October 2024
Dugald Craig	New College Lanarkshire	GCR	31-October 2024
Stuart McDowall	City of Glasgow College	GCR	04-November 2024
Anne Doherty	South Lanarkshire College	GCR	07-November 2024
Paul Fagan	West College Scotland	GCR	01-November 2024
Beth Chinn	Loughborough College	IM	25-October 2024
Naomi Smith	South Hampshire College Group	IM	04-November 2024

Name	Organisation	Award channel	Date of interview
Sarah Hamilton & Andy Vaccari	Chelmsford College	IM	15-January 2025
Assessors			
Michelle Skotzen		NA	18-October 2024
David Luigi Fuschi	Bridging Consulting	NA	14-October 2024
Dr Fergal Tuffy	North West Regional Colleges	NA	22-October 2024
Eleri Jones	Space Syntax	NA	24-October 2024
Daniel Brett	ThinkMove	NA	23-October 2024
Jen Nelles	Oxford Brookes University	NA	18-October 2024
Elaine Baxter		NA	15-November
Stakeholders			
Duncan Booker	Glasgow City Council	GCR	10-December 2024
Alba Escala	Glasgow City Council	GCR	10-December 2024
Mani Hayre	Dudley Council	WMCA	26-November 2024
Gary Pritchard	MediaDigitals	WMCA	28-November 2024
Jospeh Crolla	GMCA	GMCA	10-January 2025
Professor Richard Jones	University of Manchester	GMCA	06-January 2025
IUK staff and other FEIF delivery personnel			
Paul Moorhead		NA	22-November 2024
Tyler Mills	Innovate UK	NA	06-January 2025
Sarah Hunt	Innovate UK	NA	10-January

Appendix D Reviewed indicators for FEIF projects and businesses

D.1. Impact metrics for FECs

Indicators of take-up

The reviewed indicators consider the level of research activities which would be useful. This picture could be filled further with capturing the take-up of other support types too

- For a sense of support adoption, capturing numbers of take-up would be highly beneficial. Depending on the types of support offered, these could involve:
 - Number of events held (lectures, workshops, showcases etc.) and cumulative attendance
 - Number of 121 support sessions ran (differentiating between one-off and recurring ones)
 - Number of businesses or employees in cohorts (if cohort-type support is offered)
 - Number of site visits (if relevant)

Indicators of ecosystem engagement

- For a sense of ecosystem engagement (and integration), projects could be queried about the volume of referrals, and established partners in the ecosystems. Specification should perhaps be in place for referrals within consortia and referrals to external service providers.

Income indicators

- For the Innovation Centres, funding is an appropriate consideration, especially in exploring their longevity post-FEIF. Based on the pilot, including a component capturing **public funding** (ideally accounting for both, **funding thus far and confirmed future funding**) would be useful.
- In addition to funding, present or planned **commercial activity** (i.e., payable innovation support) would be a suitable indicator of considered plans post-FEIF, as well as an indicator of the feasibility for such services.

Question type

- 'Main reason for new collaborations'** and **'Positive impact on communities and local economies'** would both potentially capture more nuance via short open answers, or even very short case studies/vignettes (0.5 per case max).

Table 10 Reviewed impact metrics for FECs

Short question text	Answer type format	Notes
Private funding as a result of this support	£value of funding	Adding a public component would be appropriate, together with capturing both, existing funding and certain future funding. In addition, commercial revenue (actualised or planned) from project activities would be a useful indicator of sustainability.
Number of research and development projects	Number of projects	Appropriate, although a retrospective question (i.e., in the last 12 months)

Short question text	Answer type format	Notes
		would provide a better sense of the longer-term picture. As with below, a measure of additionality from the IUK support would be a useful addition. Repurposing the last question in this table for that purpose could be useful
Total collaborations for innovation activities	Number of activities	Appropriate, although this question could be duplicated to account for activities with businesses and those with other ecosystem actors
New collaborations as a result of this support	Number of activities	Appropriate. The question could also be revised to 'In lieu of this IUK support, how many of these collaborations [...] would have happened'
Main reason for new collaborations as a result of this support	Access to increased networking opportunities; Increasing the profile and visibility of the project; Providing opportunities for the company to engage in new strategic approaches which include cross sector partnerships; Training and development of project staff to develop partnerships; No collaborations made	Appropriate. Allowing multiple choices or open answers would ensure an accurate capturing of effective enablers to collaborations.
Catapult centre engagement related to this support	Y/N	Appropriate.
Innovate UK KTN engagement related to this support	Y/N	Appropriate.
Innovate UK KTN engagement contributing to positive outcomes	Y/N/not engaged with IUK KTN	Appropriate, although perhaps more of a 'nice to have'. The broad term of positive outcomes may result in a disproportionate volume of 'Yes' answers. Offering specific outcome examples in question text (e.g., skills increased, partnerships, referrals) could limit the scope of interpretation.
Total investment in commercialisation training	£value	Investment in training makes sense. However, I would perhaps approach this from an aggregate number which can then be broken down
Total investment in innovation training	£value	
Total investment in innovation leadership training	£value	
Number received commercialisation training	Number	

Short question text	Answer type format	Notes
Number received innovation leadership training	Number	As above, a total number of training may be sufficient, although broken down numbers could be useful. Adding the number of staff trained for innovation training is also useful to this end.
Positive impact on communities and local economies	Yes - Has already had a positive impact/Yes - Positive impact is expected in the future/No - Positive impact is not expected/Unknown/Not Applicable	This is a very useful indicator. As a more qualitative one, the insight might be best captured in a more open, or narrative-based format (depending on the number of projects (e.g., short vignettes).
Business -focused research activities	Significantly less/Slightly less/No change/Slightly more/Significantly more/Not Applicable	Whilst useful, this indicator could be paired with the earlier one about the number of R&D projects carried out for a sense of effect of the IUK support.

D.2. Impact metrics for benefitting businesses

The breadth of indicators is very useful and they cover all needed areas (income, innovative activities and outputs, FEC-relevant activities).

- In addition, business beneficiaries a Net Promoter Score (NPS, an indicator of how likely they would be to recommend the support to others) could add a useful general sense of the overall perceived value of the support.

Funding and income indicators

- Although helpful, the level of detail queried is perhaps slightly higher than standard. Economic impact evaluations can source baseline insight on funding, turnover and profit from external databases like Crunchbase and FAME. Similarly, financial questions pertaining to the counterfactual (i.e., the “in lieu of this support...”) can be assessed with control groups. While some extent of the included questions are certainly useful, a slightly reduced level of detail is likely beneficial for avoiding fatigue and/or inaccuracies.

Table 11 Reviewed impact metrics for benefitting businesses

Number of Full Time Equivalent (FTE) employees [in the last 12 months]	Number (to one decimal place)	Appropriate, although probably best to ask for the present state, if a snapshot of 12 months prior is already in place.
Number of research and development and innovation FTE employees [in the last 12 months]	Number (to one decimal place)	Appropriate (perhaps nice to have).
Number of FTE employees as a result of this support [compared to 12 months ago]	Number (to one decimal place)	Appropriate.

	and include a negative number)	
Expected number of FTE employees as a result of this support [in five years]	Number (to one decimal place and include a negative number)	Appropriate.
Type of additional funding as a result of this support	Radio button: Existing Investors Debt Finance Business Angel Venture Capital Corporate Venture Funds Initial Public Offering Other Not Applicable	(Perhaps 'nice to have'). Grant funding would also be a useful option, and the funding types should be tick boxes to enable multiple answers.
Private funding as a result of this support [in the last 12 months]	£Sterling (in units of £1)	Appropriate. For an economic impact assessment, differentiating figures by grant funding, equity funding and loans may be more illustrative.
Public sector funding as a result of this support [in the last 12 months]	£Sterling (in units of £1)	
Total operating profit or loss [in the last 12 months]	£Sterling (in units of £1, including a negative number)	Appropriate.
Operating profit as a result of this support [in the last 12 months]	£Sterling (in units of £1, including a negative number)	This would be ideal for evaluations, but it may be difficult for employers to estimate. Economic impact evaluations would likely use a control group to arrive to a similar estimate.
Total research and development and innovation expenditure [in the last 12 months]	£Sterling (in units of £1, including a negative number)	I see the purpose of this, but it may be difficult to differentiate. Instead, similar snapshot to FTE figures (in the past 12 months, in the 12 months prior, in the next five years' time) could support observing the difference
Research and development and innovation expenditure as a result of this support	£Sterling (in units of £1, including a negative number)	
Total turnover [in the last 12 months]	£Sterling (in units of £1, including a negative number)	Each of the considered indicators is useful, but all together would likely be onerous for beneficiaries to fill out (and risk lessened enthusiasm in taking part or guesses where the information is not readily available).
Proportion of turnover from innovative products and services [in the last 12 months]	Percentage	
Turnover as a result of this support [in the last 12 months]	£Sterling (in units of £1, including a negative number)	

Proportion of turnover as a result of this support from overseas [in the last 12 months]	Percentage	
Expected turnover as a result of this support [next five years]	£Sterling (in units of £1, including a negative number)	
Cost saving as a result of this support [in the last 12 months]	£Sterling (in units of £1, including a negative number)	'Nice to have'
Number of research and development projects [at present]	Number	Perhaps a 'nice to have' as the below indicators offer insight to the same end
Total collaborations for innovation activities	Number	Appropriate – the wording could be RDI collaborations or Knowledge Exchange (KE) activities
New collaborations as a result of this support	Number	
Catapult centre engagement related to this support	Y/N	Appropriate
Innovate UK Business Connect engagement related to this support	Y/N	Appropriate
New patents, designs, trademarks or copyrights as a result of this support [in the last 12 months]	Y/N	A numeric value would be useful (0 being an option)
New or improved products launched as a result of this support [in the last 12 months]	Number	Having all three would certainly be a 'nice to have' – more often than not, these are considered together.
New or improved services launched as a result of this support [in the last 12 months]	Number	Select beneficiaries could be queried via vignettes, case studies or open answers
New or improved processes launched as a result of this support [in the last 12 months]	Number	
Expected new products, services or processes as a result of this support	"Radio Button: No Yes within 2 years Yes within 5 years Yes with 10 years Not Applicable"	Appropriate.
Number of papers as a result of this support [in the last 12 months]	Number	Most likely a 'nice to have' – whilst formal research activities are possible, I would expect that they may not be very common
Number of apprentices employed [in the last 12 months]	Number	Appropriate
Total investment in innovation training	£Sterling (in units of £1, including a negative number)	Appropriate
Positive impact on communities and local economies	Radio Button:	Perhaps more 'nice to have' as this is likely more relevant to projects

	<p>Yes - Has already had a positive impact</p> <p>Yes - Positive impact is expected in the future</p> <p>No - Positive impact is not expected</p> <p>Unknown</p> <p>Not Applicable</p>	<p>rather than downstream beneficiaries. If kept, an optional open answer would be useful, or (In an evaluation), beneficiaries could be queried about this via interviews</p>
Positive impact on making cities and towns inclusive, safe, resilient and sustainable	<p>Radio Button:</p> <p>Yes - Has already had a positive impact</p> <p>Yes - Positive impact is expected in the future</p> <p>No - Positive impact is not expected</p> <p>Unknown</p> <p>Not Applicable</p>	<p>As above. In an evaluation, beneficiaries could be queried about this via interviews</p>
The importance of impact monitoring (optional): 'I understand why it is important to provide impact monitoring information?'	<p>Dropdown options :</p> <p>Strongly disagree</p> <p>Somewhat disagree</p> <p>Neither agree or disagree</p> <p>Somewhat agree</p> <p>Strongly agree</p>	<p>Nice to have</p>
The relevance of impact monitoring questions (optional): 'The impact monitoring questions were relevant to my organisation and the programme?'	<p>Dropdown options :</p> <p>Strongly disagree</p> <p>Somewhat disagree</p> <p>Neither agree or disagree</p> <p>Somewhat agree</p> <p>Strongly agree</p>	<p>Nice to have</p>
The number of impact monitoring questions (optional): 'There was an appropriate number of impact monitoring questions'	<p>Dropdown options :</p> <p>Strongly disagree</p> <p>Somewhat disagree</p> <p>Neither agree or disagree</p> <p>Somewhat agree</p> <p>Strongly agree</p>	<p>Nice to have</p>

Ease of finding information (optional): 'It was easy for me to find the information to answer the impact monitoring questions'	Dropdown options : Strongly disagree Somewhat disagree Neither agree or disagree Somewhat agree Strongly agree	Nice to have
Submitting impact monitoring questions (optional): 'It was easy to submit impact monitoring information.'	Dropdown options : Strongly disagree Somewhat disagree Neither agree or disagree Somewhat agree Strongly agree	Nice to have
Additional thoughts on impact monitoring (optional)	Free text	Nice to have

technopolis
group 

www.technopolis-group.com