

Press notice

Monday, 01 December 2008

**COLLEGES AND TRAINING PROVIDERS TO HELP FIRMS INNOVATE
AND BOOST BUSINESS**

**Pilots announced in further initiative to support business in tougher
times**

Five pilots to ensure UK businesses can benefit from the specialist expertise of further education colleges and training providers, helping them to innovate to boost profits and competitiveness, were announced today by Further Education Minister Siôn Simon.

The pathfinder projects, backed with £2.5million from the Government as part of a new Further Education Specialisation and Innovation fund, will build direct links between businesses and experts, facilities and resources in colleges and the wider FE sector. The aim is to build FE capacity to help firms across the UK access the extra support they need to improve their business processes, develop new products and services and move into new markets.

Today's announcement follows a raft of Government measures to help businesses cope with tougher economic conditions, including a £350m package of support to help small to medium size businesses (SMEs) train their staff, reforms to vocational qualifications to make it easier for workers to gain the skills they need, and £98m for targeted skills training in vital industries.

Siôn Simon said:

“I want to transform the FE system so that business innovation is a key part of the sector’s mission. Many FE colleges and training providers have already developed outstanding relationships with the business community, delivering high-quality training and qualifications in partnership with local employers. But there is huge untapped potential not just to meet skills needs, but to drive innovation, helping firms get ahead and remain viable over the long term.”

Today’s announcement of the pilot projects delivers on a pledge made in the Innovation Nation White Paper published in March 2008 and a subsequent bidding exercise during which over 130 colleges applied to take part in the pilot exercise.

The following FE pathfinder projects have been announced:

- In Bristol, City of Bristol College leads a specialist network, the **South West Composites Gateway**, comprising Aerospace Training SW, University of the West of England, Yeovil College, West of England Aerospace Forum and GWE Business West, which will build FE capacity to help the south west aerospace and defence industry develop world-class innovation in composites design, manufacture and repair.
- In Cornwall, the **College-Business Innovation Accelerator** led by Cornwall College will build capacity within five FE organisations to enhance the quality and range of business innovation services for employers in the Land-based and Marine sectors;
- In the East Midlands: West Nottinghamshire College leads an **Innovation in Sustainable Construction** initiative bringing together a wide range of employer associates and a number of University partners, as well as eight FE colleges. The pathfinder will encourage sustainable development in construction by developing FE capacity to

provide consultancy, advice, support, and awareness raising to firms within the construction, built environment and civil engineering sector;

- In the South East and the North West, Barnfield College leads the **Knowledge Transfer Leadership** pathfinder project. Working with four colleges and a wide range of business partners, the pathfinder will build FE capacity in the diagnostic, translation and sales skills needed to supply business innovation services, with the aim of developing a co-ordinated offer to support to SMEs and micro businesses in the engineering sector;
- And the **National Skills Academy (NSA) for Financial Services** will lead its existing regional networks of leading FE colleges and training providers to bring about a step change in FE responsiveness to the demands of the financial services industry. The pathfinder project will grow the existing provider network, use FE expertise to develop new business services to meet the industry's development needs and improve performance, and share that learning through the on-line platform **£ink to FSXchange**. The pathfinder will build a range of partnerships between FE and the industry to facilitate 2-way knowledge exchange.

These FE Knowledge and Technology Transfer (FE KTT) Pathfinder projects are among the 'Top 5' Ministerial commitments in the March 2008 White Paper *Innovation Nation*, which sets out the Government's aim to make the UK the best place in the world to develop an innovative product or public service. *Innovation Nation* set out a new role for FE in supporting business innovation by sharing expertise, personnel and technology. The pathfinders will map the way forward for the wider FE sector.

Visiting the City of Bristol College-led South West Composites Gateway at Airbus today, Siôn Simon said:

“There is a huge appetite among FE colleges and training providers to help companies improve their business processes, develop new products or get into new markets, and it’s never been more important to harness this enthusiasm.

“The pilots we have announced today will play a vital role in showing how FE can boost the performance of local firms, helping them stay competitive in tough times, while helping shape a new and exciting agenda for the entire Further Education sector.”

The FE Specialisation and Innovation Fund will support the 2 year FE KTT projects for the first 12 months, with a requirement that the second year becomes sustainably funded from other sources.

Malcolm Gillespie, Regional Director for the LSC South West said:

"It is a fantastic endorsement of FE provision in our region that two of the five pathfinder projects are based in the South West.

"In the current economic climate, it is imperative that FE colleges work closely with employers, not just to ensure the design and delivery of quality skills training and learning, but that to ensure provision directly impacts on business performance and innovation capability and allows knowledge transfer.

"The sectors to benefit from this enhanced FE capacity, such as aerospace and defence and marine, are vital to our region in terms of GDP and jobs and we are confident that the pathfinder projects will deliver invaluable support."

Notes to Editors

1. Bristol: the ***South West Composites Gateway***; City of Bristol College leads a specialist network comprising Aerospace Training SW,

University of the West of England, Yeovil College, West of England Aerospace Forum and GWE Business West, to develop FE capacity to provide innovative solutions in composites design, manufacture and repair for the south west aerospace and defence industry. The wider network includes support from the NSA for Manufacturing, the Universities of Bath and Bristol, and Cogent SSC.

2. Cornwall: the ***College-Business Innovation Accelerator***: the South West Business Innovation and Knowledge Exchange College Partnership will build capacity within the FE partner organisations to enhance the quality and range of business innovation services currently being provided to employers in the Land-based and Marine sectors. In addition to the wide range of supporting business organisations, the FE specialist network includes South Devon College, North Devon College, Kingston Maurward College and the University of Plymouth, with Cornwall College as the lead partner.
3. East Midlands: ***Innovation in Sustainable Construction***: West Nottinghamshire College leads an initiative bringing together the East Midlands NTI Construction Network, supported by a wide range of employer associates and a number of University partners. FE colleges within the specialist network include Chesterfield College, Leicester College, Lincoln College, Stephenson College, New College Nottingham, Castle College, SE Derbyshire College and Moulton College. The pathfinder will encourage sustainable development in construction by developing FE capacity to deliver consultancy, advice, support, showcasing and awareness raising to firms within the construction, built environment and civil engineering sector.
4. South East and the North West: ***Knowledge Transfer Leadership***: Barnfield College leads The Corporate College Consortium comprising a number of college hub networks based on the College of NW London, Bridgewater College, and South Cheshire College. The network of college hubs will be supported by a wide range of partners

including SSCs, NSAs, the RDA network, Business Links, the New Engineering Foundation, a number of Universities and Morgan Web Education Ltd. The pathfinder will build FE capacity in the diagnostic, translation and sales skills needed to supply business innovation services, with the aim of developing a coordinated offer across the network to SMEs and micro businesses in the engineering sector.

5. The FE KTT bid prospectus was launched on the LSC website on 28 July. Having estimated that it would receive around 20 bids from specialist FE networks, the LSC received over 130, indicating both the scale and potential reach of FE innovation ambition. The LSC-led Assessment Panel included representatives from, New Engineering Foundation, DIUS, BERR, the Learning and Skills Improvement Agency and the UK Commission for Employment and Skills.
6. The LSC will now negotiate contracts with the pathfinders. This will require each pathfinder to gain the support of any relevant National Skills Academy (NSA), Sector Skills Council (SSC) and Regional Development Agency (RDA) to ensure consistency with wider skills and innovation initiatives, including business support simplification.
7. The *DIUS Annual Innovation Report* will be published on 4 December.
8. On 21 October Mr Denham announced £350 million of training for small firms through the Train to Gain programme. Visit the media centre at www.dius.gov.uk for details.
9. On 24 October Mr Denham announced a £98m package to beat skills shortages in industries including biotech, aerospace, hospitality and energy conservation. Visit the media centre at www.dius.gov.uk for details
10. On 14 November Sion Simon announced that a new flexible qualifications and credit framework will widen access to learning and

help employees to study in 'bite sized chunks' to get the specific skills they need. Visit the media centre at www.dius.gov.uk for details.

- 11.** On 18 November John Denham and Schools Secretary Ed Balls announced that a key priority for the Learning and Skills Council (LSC) will be to empower colleges to work more closely with businesses to meet urgent training needs, and confirmed that the overall budget for the LSC in the next financial year will rise to over £12.1bn. Visit the media centre at www.dius.gov.uk for details.