

IMPLEMENTATION AND DELIVERY PLAN

Project Name: Process industries

Name of Organisation submitting: Cogent SSC Ltd

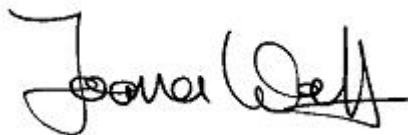
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Declaration:

I confirm that the information given in this plan is correct. I further confirm that all partner organisations mentioned have been consulted and have agreed to take part in our Joint Investment Programme and that they have understood and agreed to their roles, responsibilities and the financial implications for their organisations in taking part. In submitting this plan we commit to leading all aspects of this implementation plan.



Signature:

Name: Joanna Wolf

Position: Chief Executive

Organisation: Cogent

Date: 10th September 2010

This plan has been agreed by Geoff Russell, Chief Executive of Skills Funding Agency for implementation during the academic year 2010/11

17/09/2010.

SECTION 1: VISION AND PROGRAMME SUMMARY

1a. Joint Investment Programme Overview

The Joint Investment Programme (JIP) for Strategic Skills is designed to bring together public and private investment to support training and skills in areas where new skills are required in the workforce to capitalise on business and economic opportunities presented by growth sectors.

Taking part in the JIP will enable Cogent to engage employers in a co-funded agreement with Government. Cogent will work with the Skills Funding Agency, employers and training providers to negotiate, agree, implement, monitor and evaluate relevant skills solutions against specific and identified industry needs.

1b. Joint Investment Programme – Process Industries - Vision

Background: The Process Industries include Chemicals, Pharmaceuticals and Polymers with 11,000 businesses and 600,000 employees. Together they have a turnover £118 billion, delivering GVA of £20 billion. They provide 15% of UK manufacturing GVA and the GVA per employee is more than twice the UK manufacturing average. These traditional industries are increasingly exploiting the emerging process technologies of Industrial Biotechnology and Composite materials to enable them to innovate new products, create new markets, and generate wealth. In order to do this, employers need to be sure that their existing workforce – 70% of whom will still be in the workforce in 2020 – have the fundamentals of full process technology occupational competence and understanding. Therefore the objective of this programme is to ensure that sector employers have access to provider support and infrastructure that will enable them to meet the key skills needs of their businesses, and be able to respond to the emerging challenges within these industries as they adapt to develop and encompass innovative technologies. Evidence of this need has been articulated in recent research studies and strategic skills reports (see Annex A)

Cogent/JIP Vision

It is Cogent's vision that the JIP process will address a skills development demand that:

- Improves the skills base of employees moving to or, taking on new roles
- Enables bite sized learning to trigger investment in full qualifications
- Improves provider capacity and flexibility to respond to employer skills needs
- Encourages Employer investment in skills through adoption of the Gold Standard

Identifying and responding to need. The importance of using resources efficiently and effectively has grown in line increased pressures on margins, due to global economic conditions. Cogent in consultation with the NSA Process Industries and employers has therefore developed a suite of business resource efficiency modules that build into full qualifications to help meet this growing skills demand in the workplace. These modules enable a company to target skills development at a business need and also provide a stepping stone for employee development that can lead to a full level 3 qualification. A pilot programme, to be run with providers, will form a case study of how JIP funding has supported innovation in response to future skills needs and the widening of the provider base able to support skills development in the sector. The Sector Skills Council will monitor the increase in provider capacity in partnership with the National Skills Academy Process Industries.

Establishing a Gold Standard for Competence When competing in a global economy the

technical ability and practical expertise of employees is always at a premium. To support employers in ensuring that their employees can operate at optimum levels Cogent has designed a practical CPD framework (The Gold Standard) for employers to benchmark their staff against. This benchmark consists of four key development areas:

- Technical skills and knowledge
- Process improvement,
- Functional and behavioral (management of people, change and resources)
- Health, safety, compliance (not covered by JIP activity)

Implementing the Vision Such an innovative approach to delivery and assessment will involve a culture change for employers and providers. This also involves striking a balance between the needs of the individual and the needs of the employer, including both full qualifications and awards of credit The JIP programme provides the opportunity to facilitate that change by developing delivery capacity with providers in partnership with employers. This will be explored during the pilot activity mentioned earlier and will enable the effective assessment of units of credit in the workplace leading to 10% of those participating moving on to full qualifications.

Therefore, during the first year of operation the foundations will be laid for a unit and partial qualifications approach¹ that will take advantage of the flexibilities within the Qualifications and Credit Framework. Subject to agreement from the Skills Funding Agency in year 2 we intend to test this approach with identified providers and employers, doubling the numbers of providers delivering in Year 1, and demonstrating a clear mandate from employers. It is expected that from the qualifications identified in the Expression of Interest, employers will select specific units from B-IT and the new sector specific resource efficiency awards launched during Year 1 in response to employer demand for awards and qualifications to encourage Resource Efficiency, Technical Capability and Improved Management Capability all linked to the Cogent Gold Standard.

The JIP enables employers to embark on this process as key sector qualifications underpin this approach thereby providing a route to employee development that at present is only partly accessible through main stream provision particularly the inability to access skills development for modules of training that can quickly provide a return on the employer investment. Similarly the JIP offer provides for closer working arrangement with providers where the employer contribution will act as a lever to enable flexible provision to both employer and employee. The JIP approach will also allow employers to select the most appropriate training for their needs, and avoid duplication of training where employees require only a discrete module of learning enhance their progress towards the 'Gold Standard' and improved business performance.

2. Investment

| Academic Year Split | Skills Funding Agency Contribution | Employer Contribution | Total |
|--------------------------------|------------------------------------|-----------------------|----------|
| 10/11 – Starts and Completions | £347,201 | £496,411 | £991,469 |
| 11/12 – Completions only | £147,857 | | |

The Skills Funding Agency 11/12 contribution detailed in this table will be funded from the year 2

¹ A separate detailed implementation plan will be available for this section of the project.

budget as set out in the original expression of interest. The detail and information in this plan relates to activity starting in the academic year 2010/11 only.

3. Skills to be delivered

a. Specific levels to be covered by the programme, and volumes for each

| Skills | Approximate Volumes |
|--|---------------------|
| Level 3 target-bearing (full) qualifications | 387 |

b. Specific qualifications / units to be funded in the programme

Year 1

| Qualification or Unit Title | Level |
|---|-------|
| Diploma in Operations and Technical Support in the Process Industries | 3 |
| NVQ Diploma in Process Engineering Maintenance | 3 |
| Diploma in Jetty Operations | 3 |
| Diploma in Downstream Control Room Operations | 3 |
| NVQ Diploma in Business Improvement Techniques | 3 |
| Certificate in First Line Management | 3 |
| Certificate in Process Technology (in development) | 3 |
| Diploma in Management | 4 |

Year 2

| Qualification or Unit Title | Level |
|--|-------|
| Diploma in Polymer/Polymer Composite Operations | 3 |
| Leading Effective Teams | 3 |
| Applying Workplace Organisation Techniques | 3 |
| Applying Continuous Improvement Techniques (Kaizen) | 3 |
| Developing Visual Management Systems | 3 |
| Creating Flexible Production and Manpower Systems | 3 |
| Carrying Out Problem Solving Activities | 3 |
| Analysing and Selecting Parts for Improvement | 3 |
| Applying Lead Time Analysis | 3 |
| Carrying Out Value Stream Mapping (VSM) | 3 |
| Applying Set-Up Reduction Techniques | 3 |
| Applying Total Productive Maintenance (TPM) | 3 |
| Applying Flow Process Analysis | 3 |
| Applying Policy Deployment (Hoshin Kanri, quality operating systems, business plan deployment) | 3 |
| Applying Value Management (Value Engineering and Value Analysis) | 3 |
| Creating Standard Operating Procedures (SOP) | 3 |
| Applying Six Sigma Methodology to a Project | 3 |
| Carrying Out Six Sigma Process Mapping | 3 |
| Applying Basic Statistical Analysis | 3 |
| Applying Failure Modes and Effects Analysis | 3 |
| Applying Mistake/Error Proofing (Poka Yoke) | 3 |

| | |
|---|---|
| Carrying Out Statistical Process Control (SPC) Procedures | 3 |
| Applying Six Sigma Metrics to a Project | 3 |
| Producing a Characteristic Selection Matrix | 3 |
| Carrying Out Measurement Systems Analysis (MSA) | 3 |
| Carrying Out Capability Studies | 3 |
| Producing Multi-Variance Charts | 3 |
| Applying Hypothesis Testing | 3 |
| Award in Controlling Resource Efficiency (Energy) | 3 |
| Award in Controlling Resource Efficiency (Waste Minimisation) | 3 |
| Award in Controlling Resource Efficiency (Water) | 3 |
| Award in Controlling Resource Efficiency (Transport) | 3 |
| Award in Managing Resource Efficiency (Energy) | 4 |
| Award in Managing Resource Efficiency (Waste Minimisation) | 4 |
| Award in Managing Resource Efficiency (Water) | 4 |
| Award in Managing Resource Efficiency (Transport) | 4 |
| BTEC HNC Diploma in Mechanical Engineering | 4 |
| BTEC HNC Diploma in Electrical Engineering | 4 |
| Diploma in Management | 4 |
| Diploma in Operations and Technical Support in the Process Industries | 3 |
| NVQ Diploma in Process Engineering Maintenance | 3 |
| Diploma in Jetty Operations | 3 |
| Diploma in Downstream Control Room Operations | 3 |
| NVQ Diploma in Business Improvement Techniques | 3 |
| Certificate in First Line Management | 3 |
| Certificate in Process Technology (in development) | 3 |
| Laboratory and Associated Technical Activities | 3 |
| Certificate in Chemical and Pharmaceutical Based Process Operations | 3 |
| Award in Managing Operations (VRQ) | 3 |
| Award in Business Awareness (VRQ) | 3 |
| Diploma in Downstream Field Operations | 3 |

4. Providers Engaged

Hartlepool College of Further Education
 The TTE Technical Training Group
 Wirral Metropolitan College
 City of Wolverhampton College (PITC)
 Grimsby Institute of Further & Higher Education

5. Employers Engaged

| Type | Volume |
|-------------------------|--------|
| SMEs | 4 |
| Large Employers (1000+) | 9 |

SECTION 2: IMPACT AND SUCCESS

The following measures are those which Cogent will use to assess the JIP's impact and success in the sector against the anticipated outcomes of the programme.

In addition to the measures of success applied by the Government and the Skills Funding Agency, Cogent will seek to measure the impact of the programme in delivering the key expected outputs from the overall vision identified earlier:

| Cogent/JIP Vision | Impact | Measure | Evidence |
|--|---|---|--|
| Improves the skills base of employees moving to or, taking on new roles | Employers report fewer skills gaps | 20% of JIP participants take on new responsibilities within their workplace | Cogent LMI Surveys, JIP Evaluation Reports |
| Improves provider capacity and flexibility to respond to employer skills needs | Providers are able to respond quickly and effectively to employer requests | 30% of JIP providers adopt new working practices to respond to employer demand ahead of year 2 delivery | JIP Evaluation reports from Employers |
| Encourages Employer investment in skills through adoption of the Gold Standard | Increased employer registrations received by Cogent | 15% increase in Employer registrations when compared with 2009/10 | Cogent/NASPI Gold Standard Assessments and Action Plans |
| Increase provider capacity to deliver units of credit in response to employer demand | Providers respond to employer demand to reduce time wasted on unnecessary training. | Existing year 1 provider network and 5 new providers ready to deliver units/awards in Year 2 | Provider Reports JIP evaluation reports JIP year 2 plan |
| Year 2 Only Outcomes | | | |
| Enables bite sized learning to trigger investment in full qualifications | Employees request support to continue their training | 10% of JIP participants progress from modules to full qualifications | Provider Quarterly reports, JIP Evaluation Reports |
| Deliver employer demand for unit-based delivery & increase demand | Employers make informed choices on the most effective training for their workforce | Minimum 500 unit starts ready to begin unit based training by September 2011 and 20% increase in employers identified to undertake unit/award based training. | JIP year 2 plan Quarterly reports Employer Evaluation report |

These impact measures will evaluate the demand for small units of learning and the role of JIP in assisting skills transition into new roles. It will test demand for new qualifications through funded employer support creating a new 'partnership' model between employers and government funded skills development and, will report on the business benefit the employers have experienced through participation in the programme.

SECTION 3: ADDITIONALITY

In addition to the anticipated impact and success set out in Section 2, and as a result of this arrangement with Government, the JIP will enable the following:

The learning that will be funded and supported through the Joint Investment Programme and delivered through our providers will be additional to that which the employer would normally invest in as part of its normal business activities. It is the Sector Skills Council's responsibility to make providers in their delivery network aware of the importance of this element of the Joint Investment Programme.

In addition to the anticipated impact set out in Section 2, and as a result of this arrangement with Government, the JIP will deliver the following added value benefits which are in addition to those that could emerge from successful implementation of main stream provision:

- Commitment 'up front' from employers adding value to the skills development experience of their employees
- New methods of engaging with providers altering provider behaviour to respond in a practical way to the expectations of employers
- Improved employer networks linked to Cogent Industry Groups providing instant feedback on the delivery of solutions to address the strategic skills needs identified by the SSC and employers.
- Broaden provider expertise and networking opportunities driven employer feedback on modular delivery to the National Skills Academy that will inform future provider capacity building activity
- Increased awareness of the Cogent Gold Standard and the underpinning qualifications that can be delivered by the main stream thereby producing a sustainable demand for qualifications potentially under threat.
- Focused employer led approach to identifying training that is supported by sector related qualifications rather than broad generic qualifications
- Each individual that participates in the JIP will have the opportunity to use the Cogent Pathways tool (<http://www.cogent-careers.com/careerpathways>) to encourage future skills development

In addition to the seven benefits identified above the programme will enable promotion of progression routes into other main stream provision, encouraging a learning culture with employers that will spread to other parts of their business. The SSC is particularly interested in this aspect of the programme and intends to gather data from its employer feedback process to monitor whether the programme has encouraged wider staff development opportunities. This will include progression onto non funded programmes where the JIP has acted as a catalyst within an organisation. This will be monitored by our arrangements with providers in gathering their evaluation of their involvement in the JIP.

The JIP opportunity enables the SSC to actively encourage employers to invest in their workforce as the requirement for employer investment gives the employer the opportunity to shape the model of delivery and tailor units of learning to suit their business needs something that is not readily available through mainstream provision. It also allows the individual to build on elements of learning provided by their employer that can be converted to a full qualification at a later stage something that is not currently available within mainstream. The SSC can also have direct access to the approaches that sector employers take to the development of their staff and quickly respond to identified market failure. This will be provided by the sector evaluation on completion of the employer/provider experience to enable the SSC to respond to flaws in the system, something not available in the mainstream.

SECTION 4: MONITORING AND MEASURING THE PROGRAMME

Monitoring and measuring the performance of the programme will require Cogent to meet frequently with the Skills Funding Agency to discuss progress towards the aims and outcomes of the programme. To support this Skills Funding Agency will supply us with information regarding take-up extracted from the ILR at set points in the academic year. This information will be reconciled with information collected by ourselves from our Providers and Employers and will underpin a quarterly narrative report.

Cogent will monitor the delivery of the programme and measure the outputs as detailed in the vision and programme summary (section 1), impact and success (section 2), Additionality (section 3) in the following way:

| <p>Cogent believes that the JIP presents an opportunity to put in place practical monitoring arrangements to ensure the delivery of the programme. To this end all monitoring and evaluation for the Joint Investment Programme will take advantage of the current robust and effective mechanisms in place to monitor the effectiveness of the SSC and its National Skills Academies. This includes;</p> <p>UKCES reporting protocols Evaluation of success through LMI analysis Sector Compact Monitoring systems National Skills Academy performance monitoring at Skills Funding Agency and SSC levels</p> | | | |
|--|---|--|--------------------------------------|
| Measure | Evidence Source | Reporting Methodology | Reporting Timescale |
| 20% of JIP participants take on new responsibilities within their workplace | Cogent LMI Surveys, JIP Evaluation Reports | Summary against percentage plus one employer case study | Quarterly with final report. |
| 30% of JIP providers adopt new working practices to respond to employer demand ahead of year 2 | JIP Evaluation reports from Employers | Summary/final against target percentage | Quarterly progress with final report |
| 15% increase in Employer registrations when compared with 2009/10 | Cogent/NASPI Gold Standard Assessments and Action Plans | Summary/final against target percentage plus one employer case study | Quarterly progress with final report |
| Year 2 Only | | | |
| 20% increase in employers identified to undertake unit/award based training in Year 2 | Quarterly reports Employer Evaluation report | Final against target | Quarterly progress with final report |
| 10% of JIP participants progress from modules/small awards to full | Provider Quarterly reports, JIP Evaluation Reports | Summary/final against target percentage | Quarterly progress with final report |

| | | | |
|--|-------------------------------|---|--------------------------------------|
| qualifications | | | |
| 100% increase in providers identified to deliver unit/awards in Year 2 | Cogent/NSAPI quarterly report | Final against target Employer evaluation report | Quarterly progress with final report |

For the purposes of JIP the SSC will work with the NSAPI to develop the content of Service Level Agreements for providers and employers that provide a robust monitoring element, including processes to ensure that, as a minimum:

Providers will work with the Process Academy and Cogent to:

- Provide a statement of costs for each programme.
- Send confirmation that the employer contribution has been received based on that statement of costs. Evidence must be retained and provided to Cogent, the Academy or the PFA/Skills Funding Agency as required.
- Produce a quarterly return of learner starts and achievers, against the profile agreed at the commencement of activity, to be returned in a timely fashion.
- Highlight any risks affecting the achievement of the contract or conditions therein. (The standard Skills Funding Agency contracting requirements apply e.g. records must be retained for 10yrs). New Funding Guidance is about to be issued to Providers covering the Joint Investment Programme.
- Gather Learner perception evaluation at the conclusion of their training, to be reported to the Academy at the conclusion of the programme.
- Gather Cogent JIP Employer Evaluation at the conclusion of the programme.
- Engage with Case Study activity.
- Consider special circumstances where training is not completed through the candidate (employee) failing to complete the programme. In some cases the employers may be entitled to a refund of contribution less any accrued delivery costs (e.g. serious injury or death of the candidate, resignation or redundancy of the candidate).

Employers will commit to (Cogent JIP Employer SLA):

- Paying the employer contribution element to the provider at the commencement of the programme (following agreement on the statement of costs)
- Ensuring that eligible learners are encouraged and supported to complete the agreed course of training (allowing them time for training and assessment)
- Completing a final Cogent JIP Evaluation Surveys relating to the quality of delivery (contributing to Academy monitoring processes) and the impact on their business objectives.

Whilst the above provides an overarching view of JIP implementation, the uniqueness of the programme will require a degree of scrutiny to ensure that the models of delivery and employer contributions are within the scope of the programme. To this end every provider will be subject to at least one audit during the lifetime of the project to assess the following:

- Appropriate allocation of JIP funds
- Correct level of employer contributions (minimum 50%)
- Level of risk regarding the delivery of JIP targets
- Level of NSA/SSC support/intervention to ensure programme deliverables
- Sanctions to be implemented linked to poor performance

The above measures would need to be agreed with the Skills Funding Agency to ascertain the level of scrutiny that is appropriate and how the Skills Funding Agency would wish this to be reported.

Supplementing the above processes are the existing arrangements that Cogent has with its academies that include monthly highlight reports which would be adapted to include details of the progress made against the Contract, reports good practice and any potential issues regarding the delivery of the programme. In this way any risks affecting the delivery of the contract are highlighted and addressed and the risk of claw back due to insufficient evidence is eliminated.

In addition Cogent will set up a JIP management board consisting of a Cogent senior manager and employer representatives from its industry sectors and NSAPI director. This will meet quarterly to monitor the implementation of the programme and provide critical analysis of programme performance. It will provide both the SSC and Skills Funding Agency with an analysis of the programmes effectiveness from an employer perspective thereby shaping future activities should the programme be extended beyond its current lifespan. All meetings will be minuted

Key activities of the Management Board will be:

- Review of Performance targets and remedial action if required
- Approval of Quarterly Reports by the SSC to the Skills Funding Agency
- Approval of remedial action in terms of potential employer or provider sanctions .
- JIP employer champions able to promote the programme benefits to peers and stakeholders

SECTION 5: SUSTAINABILITY

Cogent intends to sustain this activity in the following way:

The Joint Investment Programme presents an opportunity for employers to take control of the offer currently provided by training providers using Government funds and through a matched contribution shape delivery models to match their needs. This includes access to modules of learning and a feedback loop that can immediately inform the SSC of the effectiveness of both delivery and relevance of sector qualifications to their business. This approach will identify the qualifications that are most relevant to the sector and drive up the quality of their content as the process enables the SSC to have real time feedback. This means that in the long term the cohort of sector qualifications will become relevant and focused ensuring that when funding is under pressure it can be directed to those awards that industry has shown as being relevant to improved business performance.

The SSC also intends to review the impact that the JIP has had on employer investment and the instilling of a skills development ethic within sector companies. Improved registrations for the Cogent Gold standard are one measure within the programme that will see employers making a commitment to ensure that the technical ability and practical competency remain relevant. Analysis of the impact of JIP on improved take up will provide evidence that employers are prepared to commit to ongoing skills development within their organisation thereby sustaining the JIP approach.

Part of the programme includes the launch of new sector qualification which will require the development of a new provider cohort. Employer commitment to the new qualifications will

develop as a result of JIP activity thereby providing assurance for providers that investment in assessment resources are worthwhile as the programme will demonstrate employer buy in.

The programme will also raise awareness of the role of the SSC and NSAPI in determining and directing provision and that through sustained employer support they are able to demonstrate real impact on improving the sector skills base. The focused approach removes the potential for deadweight ensures funding is focused on the development of individuals that will improve the overall business performance of sector companies. This provides evidence that investment in skills pays and encourages future investment by employers leading to longer term skills development plans to aid business competitiveness.

SECTION 6: FUNDING MODEL

The employer contribution will be collected in the following way:

The Providers identified in the Process JIP Part B will be required to sign a Service Level Agreement, which confirms their partnership arrangement with the Academy (See Section 4). Through this agreement they agree to collect the relevant contribution (as identified in Part B) from employers at the commencement of the programme (on invoice). Evidence that the contribution has been paid will be retained by the provider for audit purposes and the Academy informed, via the quarterly report, that the funds have been received.

Where training is not completed through the candidate (employee) failing to complete the programme employers may be entitled to a refund of contribution less any accrued delivery costs. Circumstances where this may occur could include:

- Serious injury or death of the candidate
- Resignation or redundancy of the candidate

SECTION 7: ADDITIONAL INFORMATION

The implementation of this strategy of delivering smaller qualifications or units, rather than full-width qualifications, is in direct response to employer feedback that time and money is wasted on unnecessary training. This requires employer awareness to be raised (that they are able to access this training) and providers to develop the processes and capacity to deliver (in what may also be a change of strategy for them). The significant amount of time required to execute this strategy will realise matched commitments from employers and providers, as per Joint Investment Programme conditions, for Year 2. A formal JIP plan for development and delivery of this preparation work is under development for the delivery of this element in year 1 and the Academy will be working with employers and providers to raise awareness and facilitate and prepare delivery throughout Year 1. Furthermore, the Resource Efficiency Qualifications, being developed by Cogent, will not be available for providers to deliver until November 2010. Early levels of interest have been high and so this is expected to form a major strand of delivery in year two.