



**Isle of Man
Government**

Reiltys Ellan Vannin



Department of Economic Development

Vocational Training Financial Support Scheme

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Vocational Training Financial Support Scheme

What is the Vocational Training Financial Support Scheme?

This is a Department of Economic Development (DED) Scheme that offers financial assistance to organisations or individuals for vocational training, with the specific purpose of raising the skills of the Island's workforce and in turn, the competitiveness of Manx business. It supercedes all previous Training Schemes operated by the DED. The Vocational Training Strategy policy document which underpins this scheme can be found at Appendix 1. The Strategy aims to ensure that employers have the right skills to support the success of their business and individuals have the skills they need to achieve their potential, thus maximising their contribution to the economy. Investing in employee development is no longer a luxury, but a necessity as future economic prosperity cannot be guaranteed.

The purpose of this document is to explain the types of training covered by the scheme, the financial support available and the criteria for eligibility.

What types of training will be covered?

DED will consider requests for funding in connection with a range of courses and initiatives within the framework of the Vocational Training Strategy. The Strategy defines vocational training as including any training which is geared to developing competence in a given job, trade or occupation, whether or not it leads to a professional or academic qualification. It will also encompass more generic skills, such as health and safety, customer service, team leader and management skills as these are regarded as being highly important across the different Isle of Man economic sectors. It is expected that most vocational training activities will fall under the following headings:

- Apprentices/Trainee Programmes
- Short courses for those in employment
- Training/re-training for the unemployed
- Work Experience Placements

What financial support will be available?

The Economy 2014 Think-tank has highlighted the respective value of the different sectors and their importance to the Manx economy, therefore decisions on provision of DED financial assistance will be based ultimately on the value of the training to the economy. Therefore, individuals or organisations applying for financial assistance will need to provide 'business case' information relating to certain criteria. All DED support for vocational training will be based on a model of shared costs, with up to 50% of the costs being provided by DED and the remainder of the cost being payable by the employer. In

some cases, the employee may be asked to make a contribution. It is recognised that sharing costs demonstrates commitment by all parties and shows that the employer values the training.

Only in exceptional circumstances would DED provide in excess of 50% funding.

What are the criteria for financial assistance?

1. Apprentices/Trainee Programmes

These programmes, which are usually for a period of up to 4 years, lead to a recognised vocational qualification. The training usually includes both work-based and 'off-the-job' periods and is covered by a formal agreement between the trainee, the employer and the DED. These schemes have already been well supported in sectors such as construction crafts, engineering and hospitality and DED's policy is to extend them into other sectors.

Provided personal commitment from the individual and employer can be established, DED and the employer may share the costs in the following ways:

- DED may procure and fund off-the-job training
- The employer will fund the wages of the person doing the training
- A bonus may be paid linked to NVQ achievement

Applicants must demonstrate to DED:

- the training programme's relevance to the individual's career development and role in the organisation
- the programme's relevance to the success of the business and anticipated positive impact on areas such as profitability, staff turnover, staff development and skills shortages
- a view on the potential value for money
- the programme's value to the Manx economy

2. Short Courses

This training is focused on those people who are already employed and the course may or may not lead to a qualification. Financial assistance will again be on a shared cost basis, and linked to evidence relating to:

- the training course's relevance to the individual's career development and role in the organisation

- the course's relevance to the success of the business and anticipated positive impact on profitability, staff turnover, staff development, skills shortages
- value for money
- the value of the development of the individual(s) to the Manx economy
- to what extent the training is over and above what a good employer would normally provide

3. Training/re-training for the Unemployed

The DED will also consider applications for financial assistance from those individuals who are currently unemployed. Financial support will be based on evidence relating to:

- possibility of a relevant and suitable job being available within the local economy
- the applicant's own personal commitment
- value for money
- likely benefits to the economy from investment in the training

4. Work Experience Placements

This training encompasses courses consisting of various work activities to help individuals gain skills relating to the work environment. It will enable them to gain a basic skills level suitable for employment in a range of occupational areas.

Financial support will be based on evidence relating to:

- the possibility of a relevant and suitable job being available within the local economy
- relevance to the individual's own future career development
- the applicant's own personal commitment
- value for money
- likely benefits to the economy from investment in the training

How do you apply for financial support?

There is a standard application form for individuals and organisations which can be found on the DED website www.gov.im/ded or alternatively, copies can be obtained from Training Services, Hills Meadow.

Applications should be made before the training takes place, but consideration may be given to applications submitted afterwards. Copies of invoices and appropriate certification achieved should be submitted promptly to DED after the training is completed.

Appendix 1

Vocational Training Strategy

1. Aim

The Isle of Man Government is committed to the development, funding and delivery of vocational training designed to raise the skills of the workforce and in turn, the competitiveness of Manx business. The Vocational Training Strategy will ensure that employers have the right skills to support the success of their businesses and individuals have the skills they need to achieve their potential and maximise their contribution to the economy.

2. Context

Investing in employee development is no longer a luxury, but a necessity. For the Isle of Man to compete effectively in the 21st century economy, businesses need skilled people throughout the workforce. The Island has enjoyed unprecedented and unbroken growth over the past decade with expansion across all sectors, led by the financial services industry and related activities. However, future economic prosperity cannot be guaranteed and needs to be planned for. It will inevitably be influenced by the availability of quality staffing and relevant skills, so if skills gaps and shortages are not addressed, continued growth may be threatened. The need for a highly trained workforce has never been greater, given the increasingly competitive global environment. The Isle of Man Government Economic Strategy 2004 seeks to promote better use of the Island's resources, particularly its human resource, and the central strategy objective is 'to maximise economic growth and prosperity whilst minimising the requirement for additional labour'. Furthermore, the Economy 2014 Think-tank analysis of weaknesses in the economy highlighted availability of staff with specific skills as well as a widening gap in service standard delivery and customer expectations.

3. Definition of 'Vocational Training'

The Department of Economic Development will regard 'vocational training' as including any training which is geared to developing competence in a given job, trade or occupation, whether or not it leads to a professional or academic qualification. It will also encompass more generic skills, such as health and safety, customer service, team leader and management skills as these are regarded as being highly important across the different Isle of Man business sectors.

For the reasons given above, the importance of investing in vocational skills as a key contributor to economic success cannot be over-emphasised.

4. Funding

- 4.1** Each request for vocational training support will be assessed on its own merits with quality, relevance and value for money driving the decision. Applicants for funding will be required to make a 'business case', highlighting the relevance of the proposed training to the business and the individual(s) undertaking the training, as well as its value to the Isle of Man economy.
- 4.2** Where possible, training will be sourced from an Island supplier, but it is accepted that in some cases, especially in technical or specialist areas, expertise will have to be sought from other locations.
- 4.3** Funding will be directed at those training activities which have direct relevance to the Isle of Man economy and which will make most impact first. The Department of Economic Development will act as a 'catalyst', providing funding to particular areas for a limited time, then reducing funding in order to focus on a different area as required.
- 4.4** All support for vocational training will be based on a model of shared costs. In many cases, up to 50% of the costs will be provided by the DED with the remainder of the fee being payable by the employer. In other cases, such as 'advanced skills development', the employee may be asked to make a contribution. This principle of shared costs demonstrates commitment by the parties concerned and shows that the employer values the training. Employers should maintain the key responsibility for developing their workforces but individual employees also have a vested interest in improving their skills.
- 4.5** Funding strategy will be defined by the key sectors identified in the Economy 2014 document and by priority areas as identified via the Sector Skills Groups (see Section 5 below), taking into account current and anticipated skills shortages. Focus will also be directed towards new or emerging sectors. Some of these training needs will be in generic skills areas, relevant across most, if not all, sectors

5. Sector Skills Groups

Sector Skills Groups (SSG's) will be set up to represent the key sectors of the economy, as indicated in the Economy 2014 work. Each SSG will include representation from DED and the main training deliverers, as well as from a range of businesses within that sector. Representation from the relevant professional body/bodies will also be considered. The SSG's will play a significant role in determining current and future needs in each sector, taking into account actual and anticipated skills shortages.

Sector Skills Councils (SSC's) have been set up in the UK to tackle the skills and productivity needs of each sector. Each SSC agrees sector priorities and targets with its employers and partners to address the following goals: reducing skills gaps and shortages; improving productivity, business and public service performance; increasing opportunities to boost the skills and productivity of everyone in the sector's workforce and

improving learning supply. There has been widespread support for the formation of similar groups in the Isle of Man to provide employers with a unique forum to express the skills needs that are pertinent to their sector and therefore, to help drive the Vocational Training Strategy.

6. Apprentice/Trainee Programmes

The Department of Economic Development will seek to support the introduction of 'apprenticeship' type schemes across all sectors. These programmes, which are usually for a period of up to four years, lead to a recognised vocational qualification. The training usually includes both work-based and 'off-the-job' periods and is covered by a formal agreement between the trainee, the employer and the DED.

Whilst apprenticeships have been well-established in the Island's more technical industries, there is support for a similar model to be applied to all sectors. In the UK, apprenticeships are available across a very broad range of sectors. Research has demonstrated that apprenticeships make contributions to competitiveness, profitability, productivity and quality as well as being a means to upskill and diminish skills shortages within a particular industry. These programmes are often regarded by both the 'trainee' and the employer as a basis for progressing to higher level qualifications and more senior jobs. Research has also shown that apprentices more easily adopt organisation values, are more likely to remain with the employer than non-apprentices, and become part of a wider pool of talent that can be drawn upon by all employers in the sector.

7. Short Courses

The Department of Economic Development will also seek to support short courses for those in employment which may or may not lead to a technical or professional qualification.

It is recognised that an individual will have ongoing training and development needs which may need to be addressed to maintain or enhance their performance in the job and assist in their future career development. These courses may include, for example, training in IT, business and management skills, technical skills or health and safety.

8. Graduates

The Department of Economic Development will work closely with employers to help facilitate the development of sponsorship or bursaries for students, linked with a commitment to return to the Isle of Man within a defined period and stay with that organisation for a defined period after graduation. The DED will also encourage wider promotion of employment opportunities available in the Island, in conjunction with the Department of Education

It is felt that the Isle of Man Government needs to encourage more graduates to return to the Island after their studies to ensure that their enhanced knowledge and skills are not lost to the economy.

9. Role of the DED

The Department of Economic Development will:

- work with businesses to identify the need for vocational training
- assess the likely economic benefit to the Island
- help commission, procure and finance the necessary training from best source, via purchaser/provider and service-level agreements
- monitor the quality of the delivery of training
- estimate the actual economic benefit to the Island and thus help to direct future assistance
- administer apprenticeship schemes
- work closely with the Department of Education and Children (see Section 10 below)

10. Liaison with the Department of Education and Children

The Department of Economic Development will work closely with the Department of Education and Children, which continues to play a significant part in the provision of vocational training, in order to facilitate the implementation of the Vocational Training Strategy. This will include focus on areas such as:

- Relevance of the school curriculum to the needs of the Isle of Man economy
- Junior Achievement and potential capacity to extend this programme
- Higher education funding, its impact on choice of subjects chosen and their relevance to the Isle of Man economy
- Careers Service provision and its link to the needs of the Isle of Man economy



This document can be provided in large print or audio tape on request

Department of Economic Development
Hamilton House
Peel Road, Douglas
Isle of Man IM1 5EP