



Evaluation Report

1. This paper reports on the Executive's monitoring and evaluation of strategic investments.
2. The SFC has a large portfolio of live strategic awards, representing a significant financial commitment. We have a long-standing aim of learning from the achievements of these awards.
3. Each award is monitored by policy staff through the collection of periodic reports during its lifetime. End of award reports summarise activity and progress at that stage towards agreed outcomes. Evaluations of selected awards may be undertaken (subject to resources) to explore the impact of SFC investments.
4. Given the current constraint on resources our ability to learn from our investments will be dependent upon securing further improvements in our processes.

Recommendations

5. Council is asked to:
 - Note the framework for evaluation activity proposed
 - Note the monitoring and evaluation activity undertaken in 2014-15 (Annex)
 - Agree that the proposed approach.

Financial implications

6. Council's discussion and direction on priority of activity may have implications for running costs.

Background

7. The Executive has recently been seeking to establish a more efficient and effective means of managing, monitoring and, therefore, evaluating the achievements of strategic investments. During this period, the established procedures have been maintained, although becoming less fit for purpose.

8. This paper is being brought before Council to:

- Ensure Council are apprised of the balance being struck by the Executive between simply monitoring the use of resources and the learning opportunities offered by full evaluation of major investments. Provide the annual report to Council on monitoring and evaluation activity
- Seek approval of proposed revisions to the SFC Evaluation Framework and the prioritisation of awards for evaluation

Risk assessment

9. Failure to maintain a practicable system of monitoring and evaluation of strategic investments would mean a risk of failure to demonstrate that strategic plan commitments are being met and that the resources and effort committed by the Council are adding value.

Equality and diversity assessment

10. Operational policy on monitoring and evaluation is applied to strategic awards which should already have been subject to equality impact assessment as part of the SFC funding decision-making process. The specific element of prioritising awards as candidates for evaluation, however, offers potential for differential treatment. Equalities considerations should therefore form part of the management of this prioritisation process.

Publication

11. This paper will be published on the Council website.

Further information

12. Contact: Paul Hagan, Director of Research, Innovation and Outcome Agreements (0131 313 6632, phagan@sfc.ac.uk).

Decisions on role of monitoring and evaluation

Context

1. Council has a current portfolio of 119 (HE) and 54(FE) live strategic investments worth £261.5M (HE, AY) and £28.1M (FE, FY) in total. In 2015-16 spend on these commitments represents £62.9m (HE, AY) and£20.9M (FE, FY)or 6.1% (HE) and 3.8% (FE)of the budget. Some of these commitments will continue until 2021.
2. TablesA and B show the value of strategic investments *commencing* in years 2011-15.

Table A

HE (Academic year)	No.	Value	Time line
Projects commencing 11/12	28	£73.9m	AY 11/12 - 17/18
Projects commencing 12/13	40	£52.9m	AY 12/13 - 19/20
Projects commencing 13/14	53	£99.0m	AY 13/14 - 20/21
Projects commencing 14/15	29	£5.8m	AY 14/15 - 19/20

Table B

FE (Financial year)	No.	Value	Time line
Projects commencing 11/12*	6	£2,910,865	FY 11/12 – 16/17
Projects commencing 12/13	32	£44,738,826	FY 12/13 – 16/17
Projects commencing 13/14	29	£13,068,567	FY 13/14 – 15/16
Projects commencing 14/15	16	£4,344,062	FY 14/15 – 16/17

*Figures for 11/12 (FE) may be understated due to coding changes in that year

3. The value of strategic investment *spend* in years 2005-15 (AY for HE and FY for FE) totals£1.27bn over the *last* 10 years.
4. Tables C and D show the currently committed and planned level of strategic investment in *future* years.

Table C: FE*,£M

Number of projects	FY2015-16	FY2016-17	FY2017-18	FY2018-19	FY2019-20	Total
54	20.91	3.83	1.34	1.03	0.99	28.10

* Annually managed budgets for 2016-17 on are not yet fully entered in Finance system. Awaiting SFG approval in December.

Table D: HE,£M

Either/Or	Number of Projects	AY 15/16	AY 16/17	AY 17/18	AY 18/19	AY 19/20	AY 20/21	Totals
<i>Live projects plus all known future projects yet to be finalised e.g. ESF</i>	119	62.90	70.73	55.08	26.48	23.66	22.68	261.53

Proposed way forward

5. The key stages are:

- Stage 1. During the lifetime-of-award stage, which involves regular monitoring and reviewing investments’ performance
- Stage 2. End of award stage, which include reviews to ensure that expected outcomes are delivered and to capture learning for future policy and investment decisions
- Stage 3. Following end of award stage, which involves outcome and impact evaluation activity to assess longer-term and wider impact of SFC investments.

6. A prioritised sample of investments will be reviewed in stage 3. The Audit and Compliance Committee considered and agreed the criteria for this prioritisation at its meeting on 17 September 2015.

7. It should be noted that flagship programmes such as the Innovation Centres are subject to very detailed and ongoing monitoring being conducted jointly between SFC and our partners, Highlands and Islands Enterprise and Scottish Enterprise, their success is crucial to our strategy thus they warrant this activity.

Highlights and lessons learned

8. The annex reports on our evaluation activity in 2014-15

9. Examples of recent evaluation activity include:

- Evaluation of our strategic investments in Access show they are delivering but **there is more scope to integrate with outcome agreement processes**. This work is also being considered by the CoWA as a bedrock of good practice on which the commission can build.
- Winning Students continues to be a very effective programme helping student athletes win medals and study at the same time. After a very difficult start the initiative has supported **a really powerful collaboration** between colleges, universities and the governing bodies of the sports.
- Most of our Research Pools have been successful in achieving their objectives and enhancing the Scottish Research base and therefore justifying further

investment. **The collaborative ethos pooling has created continues to reap benefits for Scotland.**

- Our programme of investments to extend and improve work placement opportunities were successful, but the Third Sector Internship Scotland was unsustainable despite excellent work and great enthusiasm from the third sector. With hindsight we should have pushed more to ensure that there was **a realistic prospect of sustainability from the start**, knowing that this sector was unlikely to be able to pay for internships and the support programme.

10. There are many lessons to learn from the details of our evaluation activity, but at the highest, most strategic level, two very strong themes emerge:

- We are most successful where we and our partners create strong collaborations and partnerships
- There is little point in supporting projects with very little prospect of ever being sustained or mainstreamed.

Evaluation Programme: report

Monitoring and evaluation activity 2014-15

Planned evaluations

1. The following group of evaluations was included in the plan presented to Council in August 2014 (SFC/14/43).
 - The **Schools for Higher Education Programme (SHEP)** was reviewed and the final report was considered by the Access and Inclusion Committee on Thursday 19 February 2015. The main finding was that SHEP is a successful programme that can be seen to contribute to increasing the progression to HE at schools with historically low levels of progression into HE (at college or universities). The main recommendation was that funding be continued for 2015-16 initially and then at least for a further four years (2016-17 – 2019-20). SFC and SHEP regional managers have been working together to create operational plans for the period of 2016-20 that best fit the findings and recommendations of the review. The work involved in the evaluation process was extensive and covered a national programme. The SHEP work is widely recognised as a programme that works in raising awareness of and aspiration to higher education, however it was felt that more direction could be given in terms of how the programme fits with the wider Outcome Agreement process.
 - An impact study of the **Winning Students** programme was commissioned from Alan Jones Associates in autumn 2014. This is a sports scholarship programme which supports talented student athletes to progress in their chosen sport and study at the same time. As a result of the positive impact study, SFC have agreed to fund Winning Students for a further four years at least until 2018-19 at an annual budget of £600,000. The programme will continue to be led by the University of Stirling on behalf and for the benefit of the further and higher education sector in Scotland
 - The in-house evaluation of the transferred **SEEKIT** programme on-going. This had to be put on hold in the latter half of 2014 due to other priorities – in particular the review of the Research Excellence Grant. Additional information/final reports will need to be requested for some projects. We expect the evaluation to be completed during 2015.
 - All the **research pooling** reports due in October 2014 were received. As Council has made available further future funding for 'successful' pools, RKEC has chosen to concentrate on reviewing those which have reached or were approaching their end dates -to date: SAGES, SIRE, SICSA, SINAPSE, SRPe,

ETP, SULSA, ScotCHEM. A Working Group has taken this forward, providing feedback to RKEC and the Board and informing future funding decisions. SIRE will not receive additional funding.

- The mid-term review of **Soillse** is planned for late 2015.

Other completed work

2. **ICT Shared Services Catalyst** (ISSC) (£566,000 2014 – 2017). As a condition of this funding the project was to be reviewed at 12 and 24 months. The first year review was undertaken between March and May 2015) against the objectives and deliverables set out in the proposal. This was co-ordinated within the executive with advice from two members of the ICT Sector Oversight Board (SOB). The SOB considered the main points from the review in May 2015 and agreed that the project should continue, but wished to see a clear prioritisation of projects (based on the ICT Enhancement Roadmap report due to be produced by the ISSC in June), and ideally one project progressed by the end of 2015.
3. The **Access** team has undertaken a broad programme of reviews and evaluations of access funding, in addition to the SHEP programme already mentioned (see above and paper AIC/15/07) including:
 - Review of additional student places allocated to institutions:
 - **Widening Access places**(paper AIC/15/18 outlines challenges and good practice)
 - **PGT** places(paper AIC/15/20 reviews the Impact of these places on widening access)
 - Trend analysis on use of **Extended Learning Support** in college core funding(see paper ACC/15/15)
 - Review of **regional coherence funding**(see paper AIC/15/21)
4. **Scottish Institute for Enterprise** commissioned its own evaluation from Ekosgen. This has been shared with SFC and judged to make our planned internal evaluation unnecessary (see paragraph 71 below).

Monitoring activity 2014-15

5. Staff continue to interact with the awards for which they are responsible, including (as appropriate) conversations, monitoring meetings and returns within Outcome Agreements. Annual and end-of-award reports provide a formal record of progress but are part of wider on-going communication with awards.
6. Large-scale awards are subject to more intensive on-going monitoring by staff and policy committees with periodic review during the lifetime of the award. Innovation Centres for example, as significant investments representing a novel

approach to addressing the contribution of Scottish higher education to economic growth, each produce quarterly monitoring reports, including extensive KPIs, and regular meetings with SFC liaison staff. SFC staff also sit on IC Boards as observers. ICs are subject to annual review by a Panel (SFC, SE and HIE) and in November 2015 this will include reviewing revised operating plans for the next two AYs. Sector baseline reports have been commissioned by Scottish Enterprise (funding partners) to assist with the quantification of impact..

7. Review of reports due on investments at the end of August suggests that 63 final reports on awards were due during AY 2014-15, of which 54 had been received. Staff are in discussion with awards where the final reports are outstanding. On-going communication between awards teams and SFC staff means that no significant concerns have been raised by the absence of the formal reports.

Evaluation of some key projects

8. **Third Sector InternshipsScotland.** This was set up under the Learning to Work 2 strategy and involved placements in charities/voluntary organisations for students at Scotland's universities. Applications per placement hugely outstripped placements available. The only challenge was getting employers to fully cover salary costs. Placement targets were exceeded and a wealth of research papers on good practice in placements has been produced. Due to the high costs involved, the Strategic Funding Group has decided not to continue funding TSIS. They are currently carrying out dissemination activities.
9. **E-Placement:** also set up under the Learning to Work 2 strategy, providing paid placements for ICT students. The project is on course with targets and are now differentiating between placements *created* (an indicator of employer engagement) and placements *filled* by students (as some graduates have taken on the placements when unable to find a permanent job). We are funding the project for a further 5 years with a view to us phasing out our funding and employers eventually covering the costs. There is a 'break clause,' in the offer of grant to ensure they do this. Sustainability has been a challenge so far but the project is showing promising signs of buy-in with placements being delivered through the DataLab innovation centre.
10. **Making Most of Masters:** also set up under Learning to Work 2 strategy, providing placements for Masters students to use as the basis for their dissertation (so credit bearing rather than paid). The project has been very successful with some placements being adapted to suit undergraduates and PhD students. Targets have been met and the 3 original partners (Edinburgh, Stirling and Aberdeen universities) now pay for the MMM staff themselves. Four new partners (Abertay and Dundee Universities, UWS and UHI) are now partners of the project so there is a good geographical spread. Placements have also been delivered through Energy Technology Partnership and the research pool SULSA.

11. **Scottish Institute for Enterprise** was set up to deliver entrepreneurial activities e.g. workshops, competitions. SIE has broadly met targets although we're keen to see impact of the funding awarded to deliver activities in the colleges. An external evaluation by Ekosgen (commissioned by SIE themselves) showed that SIE had a 'scatter gun,' approach. SFC is an holding conversations with SIE and their Chair on their strategy e.g. potential work with innovation centres, the Scotland Can Do SCALE programme and Enterprise Campuses. The project is using an underspend to hire more staff and develop on-line learning. Part of the challenge has been that SIE were awarded ring-fenced funding from Scottish Government to deliver the Young Innovators Challenge (see below) and a lot of staff time is spent on this.
12. **Young Innovators' Challenge** – ring-fenced funding from Scottish Government awarded to SIE for an innovation competition aimed at all students in training. YIC has been very successful in launching students' business ideas with winners going on to receive Converge and EDGE funding as well as investment from other businesses. SIE have developed the competition so that it now attracts a huge number of entries (the first year was very ambitious with huge amounts of prize money which actually put students off). Future funding depends on the spending review and outcome of an evaluation which the Office of Chief Economic Advisors at Scottish Government are currently carrying out.
13. **CREATE** – a CPD programme run by the Enterprise Centre at Inverness College so lecturers can deliver enterprise education. This project has been very successful with high demand for places. CREATE commissioned Ekosgen to carry out an impact review. This was extremely positive although some felt it was ambitious squeezing so much into just a few days. Lecturers were able to reflect on their teaching practices. The funding has ended and we had hoped colleges might buy into the programme. Its value is recognised but it is not yet clear if it will be acted on.
14. **ScotGrad** – a training programme in business skills for unemployed graduates taking up placements with an SME (overall running of the project lies with Scottish Enterprise and HIE). Uptake of placements has been low and the project hasn't been meeting its targets – possibly because it was set-up in response to the recession which we're gradually over-coming. As a result, the project has adjusted its targets so there will be fewer but longer training days. At the last steering group meeting, it looked like things were slowly picking up. There is a higher uptake of the training in the Highlands and Islands. We are asking for a sustainability plan from the project.
15. **HE Carbon Management Plan Review** We are satisfied that the work was completed as planned and the project has:

- Provided an analysis report which contains an overall assessment of whether the HE sector is likely to meet the legislative requirements under the Climate Change (Scotland) 2009 Act.
- Established the size of the carbon footprint and identified the individual and collective components which contribute to the scale of the carbon footprint between now and 2020.
- Outlined the targets individual HEIs set to reduce their individual carbon footprint by 2020 and compared and contrasted approaches across the sector, considering context.
- Assessed and reported the efficacy of individually proposed approaches with a view to clarifying the picture across Scotland, as well as making specific recommendations to individual institutions.
- Reviewed the progress of individual HEIs in terms of their own Carbon Management Plans and considered whether targets set are stretching and achievable and whether identified areas of work / improvement are likely to achieve desired outcomes.

The report suggests Scottish universities are not on track to meet the legislative carbon reduction target for Scotland as a whole. A review of the available data shows that a modest decrease in carbon reduction has occurred and that this is part of a general reduction trend. Indications are that institutions will need to explore larger scale, more stretching projects if they are to meet their targets.

OA managers now have information for more detailed negotiations with institutions about Carbon Management. It is likely that a similar review will be undertaken in future in order to measure progress.

Planned evaluation activity 2015-16

Policy groups' evaluation activity

16. **Articulation:** This work is underway and will link in with the work of the Commission for Widening Access so is unlikely to be completed before April 2016.
17. There will also be a statutory triennial review of **all access activity** (see paper AIC/15/12). SFC, SE and HIE are planning to commission an independent review/evaluation of the **Innovation Centre** programme in 2016, although this may not start until 2016-17. The purpose of the review will be to consider the likely economic impact the ICs can, or could, be expected to make.

Corporate evaluation activity

18. Further plans for evaluation will be informed by Council's decisions on this paper and an appropriate evaluation plan will be agreed by SFG.