



Through the Alliance, the 23 licensed Sector Skills Councils are pleased to provide evidence to the Enterprise and Learning Committee for its review meeting on March 10<sup>th</sup> and in preparation for its legacy report to the incoming Assembly.

### Recommendations for the future

- If a sectoral approach to skills is a WAG policy commitment, SSCs must be **adequately resourced** to enable them to deliver their work in Wales. The statement that SSCs are an essential part of the skills system should not be undermined by inappropriate question marks left hanging over either sectors or SSCs who need to be empowered to fulfil their remit.
- **Skills for Economic Renewal** must be expanded and developed to ensure that **all sectors** in Wales are operating within a clear policy context and that narrow economic criteria do not marginalise certain sectors and inadvertently contribute to higher public sector costs e.g. for the NHS. Strategies need to be aligned and WAG departments need to integrate their work on skills.
- Ensure that where a footprint is not covered by a licensed SSC a suitable **Welsh solution is found** e.g. the voluntary sector Standards Setting Body (SSB) Skills for the Third Sector has an England-only remit which leaves Skills for Justice trying to co-ordinate this critical area for Wales. Higher-level teaching assistants still **remain** outwith an SSC/SSB footprint and; we are very concerned about how **LLUK's** critical work will be taken forward in Wales.
- If WAG is to be both 'contract holder and issuer' for organisations including SSCs there need to be mechanisms in place that diminish the risk of compromising the quality of outcomes. Specifically, through the Alliance SSCs must have training on how to access tenders plus there needs to be training for officials and organisations on legal requirements and procedures once contracts are awarded. In addition, awarding very large contracts through Framework Agreements mitigates against the growth of SMEs in Wales. Employers need to be encouraged to invest in skills through procurement practices, not further disadvantaged.
- **Lessen the burden** of performance management on SSCs to enable them to get on with their work more effectively.

- The skills agenda in Wales remains **overly complex** and funding for education and training is not sufficiently flexible to meet employer needs especially in comparison with England. This presents particular problems as many of our employers here also operate across the border and this is compounded where **public sector organisations** are deemed ineligible for funding.
- SSCs **Labour Market Intelligence** (LMI) should inform IAG and be used in planning national and regional agendas. The new Careers Wales structure should facilitate even more effective stakeholder collaborative working, while for some SSCs the current core group of partners may need to be reviewed or extended.
- Matching the supply and demand for vocational skills more effectively by funding the provision of training that is **needed**, as identified through LMI and keeping a pipeline of skills flowing **smoothly** as opposed to switching priorities and cutting off the flow.
- If the National Skills Academy model is not to be pursued in Wales we need an alternative **training provision model** which intergrates all the many and varied initiatives which currently operate discretely and without reference to each other e.g. the Transformation Agenda, 14-19 Networks, Regeneration areas and local authority skills bodies.
- Enhancing the status of **technical skills** in every sector through additional/systemic change could be good for Wales. Skills competitions are part of this picture but it remains fragmented.
- **Apprenticeships** are being heavily promoted by WAG in Wales and of course SSCs are developing new frameworks. We need clarity on how such new work can be carried on without SPFP support in future as well as measures to overcome the lower apprenticeship uptake in some sectors in comparison with Scotland and England. Early indications are that the allocation of WAG Work Based Learning Contracts are unlikely to alleviate this situation.
- **Qualifications** in some sectors in Wales remain a niche market because of low numbers. Where there is no Awarding Organisation to take the qualification forward a solution needs to be found. Additionally, we need the picture of qualifications available to be streamlined to ensure that employers and learners needs are paramount rather than that of the market.
- WAG support to the development of Welsh Baccalaureate Principle Lines of Learning is needed beyond 2012 to encourage 14-19 networks to deliver high quality learning pathways.
- The Alliance plays a critical role as the collective voice for SSCs in Wales but remains unfunded here. The Scottish and Northern Irish governments support Alliance operations and we would like WAG to do the same.

Questions regarding SSC performance in Wales have featured regularly in the work of the Committee, and the level of SSC Employer Engagement has been challenged frequently by people appearing before the Committee. It was felt to be helpful to lay out clearly the level of performance management to which Welsh SSCs are subject and to emphasise that this is more rigorous than in any other part of the UK.

- **UK Commission on Employment and Skills (UKCES)** (itself subject to major changes which will impact on SSCs from April 2011) devised a risk-rating mechanism during relicensing which determines the frequency of visits from its **SSC Performance Management Team** to SSC HQs. SSC staff complete a **self-assessment** against an agreed Action Plan for UKCES.

**SSC scorecards** are maintained by UKCES with input from **DCELLS**.

- **DCELLS** has a Sector Policy and Programme Branch which has been subject to structural and personnel changes for the entire period of relicensing and beyond. Each SSC is supposed to have a **Sector Manager** to whom they **report quarterly** against their Action Plan.

Wales has piloted a successful single stakeholder action planning process (which is now being tried elsewhere in the UK) whereby each SSC has one **Sector Performance Plan** with DCELLS, DE&T, WTUC, HEFCW, Careers Wales, JobCentre Plus (**we await the formal involvement of Colegau Cymru as recommended by the Committee in 2009**) and UKCES.

In addition, for NOS and Qualifications there are **6-monthly meetings** for each SSC Wales manager and their HQ Qualifications lead with DCELLS Head of Sector Qualification Reform.

- There are **annual** ministerial cluster meetings with DMSIS. These are based on groupings devised more than 5 years ago and are in need of review to ensure effectiveness.
- **WESB** has established an SSC sub-group comprising 4 members and during 2010 began a series of group SSC meetings which is also attended by the head of DCELLS Sector Policy and Programme Branch. The status and protocol of these meetings is unclear but we have been given to understand they will continue approximately twice a year for each SSC. This is a requirement **only in Wales** because WESB is a uniquely Welsh body.

## Key achievements since relicensing

Through *Skills that Work for Wales* it is accepted that SSCs will be the strategic interface between employers and the Assembly Government, and employers working with SSCs will have a stronger influence on the policies and programmes supporting skills and employment in Wales. *Skills that Work for Wales* also states that the Assembly Government wants SSCs to focus upon:

1. demonstrably increasing employer engagement, demand for, and investment in skills;
2. undertaking national analyses of sectoral labour market and skills needs and demands,
3. informing the development of new vocational qualifications to ensure that they meet the needs of businesses.

It is impossible in the space available to cover all that SSCs are doing in these regards so we will highlight notable developments.

## Employer Engagement

Success for any SSC is ultimately measured by employer confidence and support: since relicensing all SSCs have endeavoured to forge new ways of working with employers and articulating the need for a sector-led approach. National Boards, Executives or Regional Fora have been established by all SSCs and a new glass cluster is being set up with Swansea Met. Welsh employers also represent Wales on UK-level bodies such as the Playwork Education and Training Council and the Downstream Advisory Council. Online diagnostic tools have been developed e.g. the Business IT Guide, Active Passport, SHEA passport as well as assistance for employers in workforce development planning across a range of footprints.

Leadership and management support is being worked on by all SSCs with a number of successful bids to the Sector Leadership Fund. Strategic discussions to improve business practice in multi-agency working is a challenge for a number of SSCs and the use of detailed case studies is being tested e.g. a persistent re-offender's experience of the Criminal Justice system in Wales. Promotion of the Employer Pledge and Basic Skills work is supported by all SSCs.

## Labour Market Intelligence

All SSCs have to work within the UKCES Common LMI Framework at a UK level and produce an Annual Sector Skills Assessment at both a UK and Wales level. In Wales, the Alliance has piloted a thematic analysis which is Welsh-LMI specific and comparative across the UK without additional funding for work at sub-Wales level it is challenging for SSCs in Wales to work in this area effectively. Some initiatives include: Skillset's primary research for areas not covered by SIC codes; in-depth telephone interviews to produce Sector Skills Assessments; working with National Skills Academy

Nuclear developing bespoke LMI for both Wylfa and Trawsfynydd; Cogent's Skills Oracle: an online sample over time, and occupational forecasting for the Creative and Cultural footprint. SSCs also contributed to the detailed South-West Regional Learning Observatory work.

## Qualifications

All SSCs have a Sector Qualifications Strategy which outlines discrete work around NOS and qualification developments, Welsh language provision, Essential Skills Wales and the development of Pathways including Apprenticeship Frameworks. In addition the Alliance office works closely with the DCELLS Qualifications and Learning Division on CQFW implementation, the Apprenticeship Policy Branch on SASW delivery and with higher education on co-ordinating input on ESF-funded Foundation Degree development and Work-Based Learning programmes, as well as linking to other European Union opportunities. Some specific SSC successes have been; Sustainable Construction qualifications; an IT and a logistics Retail Business qualification in the Welsh Baccalaureate; a principal learning qualification in Public Services; a Foundation degree in Downstream Petroleum, and a new Food Manufacturing Excellence qualification. New apprenticeship frameworks have been developed for sustainable Resource Management (Waste); Wind Turbines Operation and Management; Exercise and Fitness; Creative Apprenticeships; Asset Management, and Creative and Digital Media.

A National Skills Academy for Retail is operating in Wales and qualifications titles on offer in the sector have been reduced from 150 to 10. The situation regarding **funding for Higher-level Apprenticeships** remains unclear.

**Partnership Working** is often the means by which successful activities and developments can be delivered. The Alliance facilitates exchanges with our counterparts in HE, FE and Work-based learning as well as other stakeholder partners asking for SSC-input e.g. to WULF project proposals or 14-19 networks.

Examples of good practice from SSCs in partnership are: leverage of approximately £4.5 million for Skillset Cymru Training Framework; schools' based Print IT competition; Sgiliau Cymru stalls and competitions: Low Carbon/sustainability project; establishment of a Wales Power Forum; creative cross-sectoral CPD delivery with the Atrium; support to Careers Fairs and Schools events; Computer Clubs for Girls; engaging with the Big Society, Anglesey Energy Island and the Shaping the Future Project.

**Collaborative** SPFP Projects on Manufacturing, Low Carbon and Food Chain amongst others are being taken forward throughout 2011. Our hope is that successful outcomes from these pilot activities can be sustained in an inclusive and transparent skills environment.