Ken Skates AC/AM Gweinidog yr Economi a Thrafnidiaeth Minister for Economy and Transport



Llywodraeth Cymru Welsh Government

Our ref: MA-KS-5363-19

Russell George AM Chair of Economy, Skills & Infrastructure Committee

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Dear Russell,

Thank you for taking time out of your schedule to discuss the work of the Regional Skills Partnerships (RSPs) within Wales. May I also thank you for your ongoing cooperation with regards to this particular Inquiry into RSPs and the continuing work of the Economy, Infrastructure and Skills Committee (EIS) in scrutinising Government and its policies.

During the plenary debate on 4<sup>th</sup> December 2019, I committed to review my response to two of the Committee's recommendations; namely actions 1 and 10. Over the last few weeks my officials have had the opportunity to discuss the Committee's recommendations and my responses with the three RSP Chairs. I have also now reflected on our meeting of 8<sup>th</sup> January 2020, where I agreed to write to you to summarise the current position.

Turning firstly to the undertaking I made in plenary, action 1 is about rebranding the RSPs as Regional Skills Advisory Boards. Having discussed this with the three RSP Chairs, we uphold the position that RSPs retain their existing branding. This is because we think it important that the RSPs remain as voluntary partnerships; and indeed one Chair reminded us that any change of name would incur legal costs. Action 10 is about the level of granularity used in RSP recommendations. We discussed this at some length and whilst we agree that the primary role of RSPs is to guide the Welsh Government on strategic direction, we do need that information to be sufficiently detailed to enable us to have informed discussions with the provider network. That level of detail is open to debate and we will work on this area during 2020. We believe that we are in agreement with the Committee in wanting a system that is effective but without unnecessary bureaucracy.

More generally in our discussion we touched on several other areas:

1) Governance and Accountability – we plan on reviewing this during 2020-21. Any changes would then be implemented with effect from April 2021. In undertaking this work, we are keen to ensure that the voluntary nature of the partnerships is maintained,

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

whilst seeking to ensure that the spread of the membership covers the important industry sectors in each region.

- 2) Finance I fully recognise that the funding commitment from Welsh Government to RSPs is essential. If we are to strengthen employer engagement and obtain realistic market feedback then we will need to look to see whether we can improve the current situation. The finances for RSPs are agreed for the 2020-2021 financial year and will be made through a Grant Award via the Welsh Local Government Association. Officials are in the process however, of reviewing the level of funding support to support the growing role of RSPs for 2021-2022. I also undertook to explore how we could improve public knowledge of the RSP remit. Naturally any suggested funding increases will need to be balanced against other calls on departmental budget availability.
- 3) Data We agree that we cannot be in a position where there is a lack of confidence in the findings of our skills projections and the associated technical and analytical competence associated with RSPs. There is no single way of structuring regional skills assessments, and the end-product needs to draw on a wide range of data sources, including robust, recognised secondary data such as national statistics, as well as qualitative research. However, I think it important that RSPs should retain their autonomy in respect of the data collection systems and analytical services that they commission.
- 4) Large employers We discussed whether such companies should have a single RSP to deal with. Provided such an employer can provide its information at a regional level, we can see the logic on only making a single submission to an RSP, split by region. That RSP would then be able to disseminate the relevant information to the others. We will explore this as soon as practicable.

Yours ever,

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Ken Skates AC/AM Gweinidog yr Economi a Thrafnidiaeth Minister for Economy and Transport