

Written Response to the Enterprise and Learning Committee's Report on the Welsh Assembly Government's draft Skills and Employment Strategy *Skills that Work for Wales*

May 2008

Executive Summary

I am grateful for the Committee's consideration of our draft *Skills that Work for Wales* Strategy. This is still to be finalised and I have considered the Report alongside the review of the consultation responses. At this stage, therefore, we are still considering the final Strategy and I plan to make a Plenary Statement on the 18th June.

Detailed Responses to the report's recommendations are set out below:

The Committee recommends that:

1. Should the consultation responses indicate a general desire to raise the level of intermediate skills to level 3, the Deputy Minister incorporates this ambition into his new skills action plan and gives clear indication of the timescale for achieving it.

Response:

I have noted this recommendation. The Welsh Assembly Government will consider this recommendation in reviewing the consultation responses and finalising the Skills that Work for Wales strategy. The approach we have taken in the consultation document is that the supply of learning should be driven by demand and that a multi-level strategy informed by employer needs will best meet needs in Wales.

The Committee recommends that:

2. The Welsh Assembly Government makes representations to the UK Government to increase Wales's representation on the UK Commission for Skills.

Response:

I cannot accept this recommendation. The Commission is a UK-wide body. Governments in the UK have agreed that each country should have one country Commissioner so that the Commission is fully informed of particular issues in each of the four home nations. We have established the Wales Employment and Skills Board and part of its remit is to advise the Wales Commissioner of those issues.

The Committee recommends that:

3. The Welsh Assembly Government publishes a clear and full response to the Webb review as soon as possible, setting out where its own skills and employment strategy differs from the review's recommendations.

Response:

I do not accept this recommendation. The proposals contained in the Webb Review are being considered as part of the *Skills that Work for Wales* consultations and discussions. The resultant *Skills that Work for Wales* strategy will contain those proposals which are being carried forward from Sir Adrian Webb's report. In instances where proposals made in Promise and Performance are being amended or not being carried forward the rationale for this will be incorporated in the Skills that Work for Wales strategy. In the specific case of the proposals surrounding schools (Recommendations 76-77, 78) and Departmental and National Governance (Recommendations 111-117 and 133) separate reports will be compiled after the publication of the Skills that Work for Wales strategy. The recommendations referring to the work of the National Assembly for Wales (Recommendations 134, 135 and 136) fall outside the responsibilities of the Welsh Assembly Government.

The Committee recommends that:

4. The Welsh Assembly Government reconsiders its position on not publishing a definite timescale on its long-term goal of full employment and publishes a definite timescale in its action plan.

Response:

I have noted this recommendation. The Welsh Assembly Government will consider this recommendation in reviewing the consultation responses and finalising the Skills that Work for Wales Strategy.

The Committee recommends that:

5. In the Welsh Assembly Government's strategy to decrease the number of those classed as NEET, it urgently addresses the need to reform the seven to 14 curriculum.

Response:

I will review this recommendation alongside the review of consultation responses to the '*Delivering Skills that Work for Wales: Reducing the proportion of young people not in education, employment or training in Wales*' consultation launched on the 12th May 2008. The school curriculum has been revised and is to be implemented from September 2008. The revised curriculum supports the Welsh Assembly Government's aims to ensure that the school curriculum, assessment and qualifications arrangements will promote an approach that is more learner-centred and skills-focussed, builds

on the Foundation Phase and links effectively, via Key Stages 2 and 3 (7-14 year olds) with the 14-19 Learning Pathways programme.

The Committee will already be aware of the Non Statutory Framework which underpins the revised school curriculum. The Framework describes progression from 3 to 19 in developing thinking, communication, ICT and numeracy skills – skills that are fundamental if learners are to become successful, whether in school, the workplace, at home or elsewhere.

The focus on skills is a key element in the revised school curriculum which makes it so distinctive and appropriate for Wales in the 21st century.

The Skills Framework was used by every working group involved in revising the National Curriculum orders and the frameworks for Personal and Social Education (PSE), Careers and World of Work and Religious Education. As a result of this approach, the skills are embedded throughout the revised curriculum which will be implemented in schools from September 2008. The Skills Framework was distributed to all schools in January 2008 and has been warmly welcomed by the profession.

The NEET consultation document is the first in a series of themed papers making proposals to address the issues identified in Skills that Work for Wales and will be published on the 12th May 2008.

The document recognises that young people at risk of becoming NEET often disengage from learning before the age of 16. It has a focus on prevention acknowledging that as most young people do not arrive at extreme need overnight, early identification and preventative work can lead to a reduction in vulnerability and the necessity for future support. It makes a series of proposals around early identification, data-sharing, assessment and referral but does not make recommendations regarding the seven to fourteen curriculums.

The document's focus is primarily on young people post-16 ensuring that as many young people as possible choose to stay in learning post-16, including those with multiple barriers to participation.

The document is framed around three strands of activity:

- efficient processes for identifying and re-engaging young people who become NEET;
- a full range of learning options to meet demand ; and
- learning support and careers advice and guidance so that young people are given the skills to access education, training or employment, and perhaps most importantly for many young people NEET, targeted and intensive personal support to enable young people to overcome significant and sometimes multiple barriers to participation.

The Committee recommends that:

6. the proposals for Careers Ladders Wales are reconfigured so that the concept is implemented as an in-work advancement programme.

Response:

I have noted this recommendation. The Welsh Assembly Government will consider this recommendation in reviewing the consultation responses and finalising the Skills that Work for Wales Strategy.

The Committee recommends that:

7. Since further education colleges in England already have the power to award foundation degrees, and since we see their obvious contribution to vocational learning, diversity and flexibility of provision, and upskilling the workforce, we recommend that the Welsh Assembly Government seeks these powers as soon as possible.

Response:

The Welsh Assembly Government fully accepts the value of the further education sector in its contribution to the delivery of vocational higher level skills. The Webb Review highlighted both the importance of the role of the further education sector and importance of Foundation Degrees in meeting the skills needs of the workforce.

The policy on Foundation Degrees and how they are delivered in Wales is being considered as part of the development of the Skills that Work for Wales action plan and review of consultation responses.

To allow further education institutions in Wales Foundation Degree Awarding powers (FDAPs) would require a Legislative Competence Order and a subsequent Assembly Measure. Should the recommendation of the Webb review be accepted, I will consider whether to pursue an LCO for FDAPs within the context of the wider Assembly Government proposals for legislation for the coming year. The First Minister will announce the legislative programme in June.

The Committee recommends that:

8. The Welsh Assembly Government clarifies its position on reconfiguration, to enable fuller scrutiny of future policy direction.

Response:

I accept the recommendation. A key priority for the Welsh Assembly Government is to secure a workforce that is sufficiently skilled to access future high level employment opportunities. The Promise and Performance report (Webb Review) raises concerns about the readiness of the post-16

learning provider network to meet the challenges Wales faces in improving its skill levels. This echoes the conclusions reached in the Leitch review; is articulated in *Skills that Work for Wales*; and is evidenced by Welsh Assembly Government research, all of which concludes that reshaping of post-16 provision will contribute towards the imperative of improving the skills of the nation.

In addition, we are considering consultation responses to *Skills that Work for Wales*, which provide an external stakeholder view on how providers might be guided and supported in reshaping learning delivery.

We will respond to these considerations in the final *Skills that Work for Wales Strategy*.

The Committee recommends that:

9. The Welsh Assembly Government unit responsible for supporting and advising sector skills councils, works with the new Wales Board of the UK Commission on skills, and uses the re-licensing process to ensure that the SSCs are able to deliver the role set out for them in the consultation strategy.

Response:

The Welsh Assembly Government fully supports the direction of this recommendation. A key recommendation of the Leitch review was that SSCs should be reformed and re-licensed with a clearer, enhanced but more focused role. The purpose of re-licensing which is directly related to this new role, is (a) to ensure that each SSC is able to meet the demands of this revised remit in each of the four Nations and (b) to re-state the relationship between the SSCs and the Government.

DCELLS officials have been involved in significant discussions with the Department for Innovation, Universities and Skills (DIUS), BERR, Department for Work and Pensions (DWP), the other Devolved Administrations, the Sector Skills Development Agency (SSDA) and SSCs concerning the principles of re-licensing. The Welsh Assembly Government has been fully engaged with the development of a UK re-licensing process. A prospectus has been produced which provides SSCs with the guidance required to submit a re-licensing proposition to the UKCES. The prospectus will:

- provide a strategic and policy context of re-licensing from a four nations perspective
- provide a clear and concise outline of the SSC core remit which firmly links with the current SSC Standard and the ongoing performance measurement and monitoring of SSCs
- provide a framework for the re-licensing process to include the timeline, the key stages of re-licensing process including third party assessment, the re-licensing scorecard and communication of results and action following re-licensing

The re-licensing process may be used to ensure that SSCs focus their role to deliver the sector focus outlined in the consultation document. The Sector Skills Branch will ensure a co-ordinated approach to sector activity across the Department. The Branch will also ensure there is a close and co-ordinated relationship between the work of the Wales Employment and Skills Board and UKCES on matters relating to SSC re-licensing and reform.

Financial Implications – None. Any additional costs will be drawn from existing running cost budgets.

The Committee recommends that:

10. The Welsh Assembly Government includes robust targets and a detailed timescale in its new skills action plan so that progress may be quantified and monitored.

Response:

I note this recommendation. The Assembly Government remains committed to achieving the short-term targets for lifelong learning announced in *The Learning Country: Vision Into Action* and restated in *Skills That Work for Wales*:

- The percentage of working-age adults with level 1 or above basic skills in literacy to be 80% by 2010.
- The percentage of working-age adults with level 1 or above basic skills in numeracy to be 55% by 2010.
- The percentage of adults of working age with a qualification equivalent to level 2 or above to be 70% by 2010.
- The percentage of adults of working age with a qualification equivalent to level 3 or above to be 50% by 2010.
- The percentage of adults of working age with a qualification equivalent to level 4 to be 30% by 2010.

Looking further ahead, we are determined to ensure that our targets are evidence-based and realistic. We will therefore take advice from the Wales Employment and Skills Board on a new generation of longer-term targets to shape our ambitions for a substantial improvement in Wales' skills base.

The Committee recommends that:

11. The Welsh Assembly Government requests that the DWP looks at international examples of good practice and reconsiders how it can support lone parents more appropriately, given that childcare is less affordable in the UK than elsewhere; and

12. The Welsh Assembly Government makes representation to the DWP so that it seriously considers not sanctioning training course providers that do not provide crèche facilities.

Response:

I accept recommendations 11 and 12. The Welsh Assembly Government has contacted DWP asking them to consider recommendations 11 and 12 and discuss with relevant Welsh Assembly Government Divisions. DWP will undertake to respond direct to the Committee in due course.

**John Griffiths AM,
Deputy Minister for Skills**

May 2008