

Medr – Skills Federation Response to the Strategic Plan

About the Skills Federation

The Skills Federation brings together the shared perspective of different industries on how the UK can build a workforce able to meet our skills needs. Our members are 18 employer led, sector skills bodies who work across more than 20 sectors of the economy and represent over 150,000 employers, both large and small, across the UK. They are funded by their industries to provide sectoral voices and vital support on skills issues.

Our vision is for a skills system that supports industrial investment and growth by providing a pipeline of talent into each sector of the economy, giving the opportunity for everyone to get in and get on at work through pathways that turn jobs into great careers. This includes workforce planning and intelligence, professional standards, tailor made skills solutions, qualifications, kitemarking, accreditation and quality assurance.

We also offer a wide range of apprenticeship support solutions including the industry-standard End Point Assessment tool, ACE360, to support delivery of Apprenticeship Standards in England. We are the designated Certifying Authority for Apprenticeship Frameworks in England and Wales and provide both an apprentice registration and certification function for Modern Apprenticeships in Scotland.

Response to the consultation

Overarching Comments

We welcome the opportunity to respond to Medr's first strategic plan. We look forward to supporting the organisation to develop and understanding the impact of creating one organisation which has responsibility for further education, higher education, adult education, apprenticeships, and training.

We agree that addressing skills challenges is essential including reducing the number of employers with existing skills issues from 14%, supporting individual to develop the right mix of technical and employability skills, and responding at pace to the emerging skills needs created by digital enhancement, automation and the move to net zero. Focussing on these areas can help to improve productivity and support Wales to compete effectively in a global economy.

Our response is mainly focussed on strategic aim 2 as this is where the expertise of the Skills Federation and our members lies. In addition to providing comments on the strategy, our response also sets out where we can provide support.

Overall we believe that the strategic aims and commitments set out in the strategic plan create an opportunity to make a positive impact towards to meeting the strategic duty to contribute to a sustainable and innovative economy. The strategic plan could, however, be more ambitious about engaging with industry to meet employer demand. This will be essential to achieve inclusive economic growth and we hope that our response provides some useful ideas to support this.

The intention to meet employer needs is clear in the strategy which recognises that taking an employer led approach to defining skills needs and setting standards is necessary to create an effective skills system which is sufficiently responsive. It will be important that

implementation of the strategic plan focusses on achieving this and does it well. Our work indicates that this can be best done with social partners, including employers, in the room from the beginning to design solutions with government. The nature of the ask matters too. Many individual employers are keen to offer support but aren't in a position to synthesise the views of their entire sector, or to provide technical input about skills interventions.

There is an important role for intermediaries, including Skills Federation members, to play. Sector Skills Bodies are better placed and resourced to offer timely perspectives on strategic and operational issues than individual employers. They can offer a view across the sectors they represent and ensure that the needs of smaller employers and supply chains are considered. Our members work across the UK and can help by providing both intelligence and practical support.

Strategic Aim 2

We welcome the founding commitment to develop strong links with business and industry and the Skills Federation and our members can play a key role in supporting this. The Skills Federation has wide-ranging experience in policy and implementation across the UK, and our members also have sector specific intelligence, extensive links with employers across their sectors, and experience of standard setting.

The commitment to using labour market information to plan provision and create clear progression routes is welcome. There may be intelligence from the analysis that underpins the recently published UK Industrial Strategy Green Paper and the sector plans that will be created, which can also be helpfully utilised. The essential contribution that devolved administrations will make to the achievement of the aims is clearly stated in the Green Paper. This also provides an opportunity for better join-up across the UK. Whilst skills is a devolved matter, the divergence in policy and implementation causes challenges for employers, particularly those who work across borders, who would like to see a more coherent and coordinated system across the UK.

Employer investment in skills has declined across the UK, albeit less in Wales. This has not been a blanket reduction and there are many examples of employers that invest significant amounts of time and money. However, implementation of the strategy could usefully consider how this encourages employers to invest more. The investment by employers in the UK is around half of EU countries which could indicate that this is a cultural issue where employers don't see the value in investing in skills. Solutions which tackle this and support, particularly smaller employers, to develop workforce development plans, are perhaps more likely to be successful than one off pots of funding.

We welcome the founding commitment to define Welsh apprenticeships provision and the emphasis on ensuring rigorous standards of occupational competence. Our members are heavily involved in defining standards for competence in their sectors and have experience in development of apprenticeship policy and individual apprenticeship frameworks. Involving Skills Federation members, building on their knowledge and understanding, could help ensure that learning from across the UK can be effectively utilised.

Creating clear pathways into and through work via an easily navigable skills system is important. The strategic plan rightly recognises the key role that effective accessible careers guidance can play in raising aspirations and supporting people to secure jobs where they can progress and thrive. The Career Development Institute is a Skills Federation member, and they have a wealth of intelligence and expertise from across the UK which could support the growth commitment to promote high quality careers advice and guidance.

Strategic Aim 3

We welcome the growth commitment to analyse learner outcomes as this will help to assess the impact of learning on the economy. It will be important to set performance indicators that are outcomes-focussed, and which allow progress to be monitored. In addition to consulting with providers on relevant performance indicators, as the founding commitment states, our members could also contribute. Many Skills Federation members are involved in creating and refining national occupational standards and developing detailed occupational maps. They can provide insights into how to set performance indicators which support greater alignment of knowledge, skills and understanding with the economy.