

Evidence from National Training Federation for Wales

Introduction

1. The National Training Federation for Wales (NTfW) welcomes the opportunity to contribute to this hugely important inquiry.
2. The NTfW is a 'not for profit' membership organisation of over 100 organisations involved in the delivery of apprenticeships and employability skills programmes in Wales. We are a pan-Wales representative body for the network of quality assured work-based learning providers, who are contracted by the Welsh Government to deliver their apprenticeship and employability programmes. All providers who are commissioned by the Welsh Government to deliver work-based learning programmes in Wales are members of the NTfW. As such, the NTfW is seen as the authoritative organisation on apprenticeships and employability skills programmes in Wales.

Aim

3. The aim of this Submission Paper is to provide evidence to the Economy, Infrastructure and Skills Committee as part of their review into the Regional Skills Partnerships.

Is the data and evidence being used by the Regional Skills Partnerships timely, valid and reliable? Have there been any issues?

4. The data and evidence being used by the Regional Skills Partnerships (RSPs) is valid and reliable, but there are issues in regards to it timeliness. It is clear that much of the data and evidence used by the RSPs is secondary, but what is needed most is primary data i.e. data obtained directly from employers within the regions.
5. There are concerns shown by our members that some of the data is too high a level, and more detailed Labour Market Information (LMI) is required. However, this will take more physical resource to gather, and/or the use of more

robust data, provided by organisations such as EMSI¹.

How well do the partnerships engage with and take into account the views of those who do not sit on the partnership boards, and how well do they account for the views of the skills providers themselves?

6. It is recognised that all RSPs engage with medium to large employers, and that micro and small employers are engaged with through their representative bodies, most notably the Federation for Small Business (FSB). However, it is clear that there is a lack of engagement directly with micro and small businesses, which is going to be difficult given the level of physical resources at the RSPs disposal.

How do the key City and Growth Deal roles of the Regional Skills Partnerships influence their Welsh Government remit?

7. The emergence of the various City Region and Growth Deals has clearly had an impact on the work of the RSPs. Although, it is good to see that the various bodies have sought to use the existing RSP structures as a vehicle to establish the demand and supply of skills and training. However, what is also clear is that there are emerging tensions between the needs and aspirations of 'regional government' and that of the Welsh Government. This is an area that will need closer monitoring and scrutiny moving forward, if we are to avoid situations of duplication of effort, and/or making the skills system even more complicated for employers and individuals to navigate.

Are the Regional Skills Partnerships able to actually reflect current and future skills demands within their regions? What about very specialised skills for which there may be low volumes of demand?

8. In general, yes. However, some concern is shown by NTfW members that engagement between the RSPs and employers can be too narrow i.e. focused on Welsh Government's priority sectors and to the detriment to 'non-priority sectors' who also have skills needs to be met. In addition, NTfW members would like to

¹ <https://www.economicmodeling.com/>

see more LMI to be generated by the RSPs at a local authority level, as well as a macro-regional level.

9. The NTfW believes that its members are best placed to assist the RSPs in gathering LMI at micro and SME level of employer, as much, if not all, of their provision is delivered directly to employers. This is an area we would be keen to work with each of the three RSPs on moving forward.

Do the Regional Skills Partnerships have sufficient knowledge and understanding of:

a) the foundational economy and the needs of those employed within it?

10. Unfortunately, not. There still remains a persistent lack of understanding of the 'Foundational Economy' and the skills needs within it. This is understandable, if the limited resources of the RSPs are directed towards establishing the needs within the Welsh Government's 'priority sectors'. There needs to be a clear distinction between 'foundational jobs' and 'jobs within the foundational economy'.

b) the demand for skills provision through the medium of Welsh?

11. In terms of skills provision through the medium of Welsh, there is a role that the RSPs can play in establishing what employer demand is, through the various skills surveys undertaken. However, any future work to be undertaken must be in consultation and partnership with the expanded remit of the Coleg Cymraeg Cenedlaethol.

Are the Regional Skills Partnerships adequately resourced to fulfil their growing role?

12. No.

Is there an appropriate balance between the work of the RSPs and wider views on skills demand?

13. As outlined previously, much of the attention of the limited resources within the RSPs are focused on 'priority sectors' and higher-level skills. This is at the detriment of lower-level skills, particularly within the 'non-priority sectors'. It is

recognised by NTfW and its members, that businesses and individuals in these areas also have skills needs, but are often over-looked.

Is the level of operational detail set out by Welsh Government for skills provision in higher / further education and work-based learning providers appropriate?

14. Yes, but the RSPs need to work more closely with the responsible for delivering these programmes i.e. work-based learning providers and colleges to understand the demands of delivering them. There is a good model for this within one of the RSPs, where they have established a provider reference group. It is our view that this should be replicated by the others.

If there are any, how are tensions between learner demand / learner progression reconciled with Regional Skills Partnership conclusions and the Welsh Government preference for funding higher level skills?

15. There are tensions in this regard. The main issue here, being that the RSPs need to produce their Employment and Skills Plans, so that they are cost-neutral i.e. there will be winners and losers. However, what is clear is that demand (from employers) is outstripping supply (from providers) so therefore the actual regional demand cannot be met. This is particularly true at the moment with apprenticeships provision, where the impacts of the apprenticeships levy are being acutely felt, and that apprenticeship providers are not able to service the demand from employers, either because of contract restrictions and/or budgetary constraints. In effect, we are asking employers what they want, but failing to deliver. An example of this is the inability to deliver Level 2 provision within 'priority sectors' identified by the RSPs.

Have the Regional Skills Partnerships and Welsh Government been able to stimulate changes in skills provision 'on the ground' to reflect demand?

16. There is recognition that the RSPs have reinforced the needs of the 'priority sectors' over 'non-priority sectors', but NTfW members report that the activity of the RSPs and the Welsh Government has not been to "stimulate" demand in these areas, but that there was already demand in the regions.

What, in general, is working well and what evidence of success and impact is there?

17. With the demise of the pan-UK infrastructure to establish and evidence LMI, in order to influence skills interventions to best effect, it is clear that there is a role for bodies to undertake the functions that were once undertaken by the UK Commission for Employment and Skills (UKCES) and the component Sector Skills Organisations. With the advent of the three RSPs in Wales, we now have the makings of a good infrastructure to undertake this crucial work. However, and as has been discussed elsewhere, the existing bodies are not sufficiently resourced to fulfil this function. That said, there are examples of good engagement between the RSPs and employer forums, as well as good examples of employer 'cluster groups' to inform development.

Are there any aspects of the policy that are not working well, have there been any unintended consequences, and what improvements can be made?

18. Engagement with micro and SME employers is a concern, but an area which could be improved if the RSPs worked directly with work-based learning providers and colleges to access this hugely important element of the Welsh economy.