

Cynulliad Cenedlaethol Cymru	National Assembly for Wales
Pwyllgor yr Economi, Seilwaith a Sgiliau	Economy, Infrastructure and Skills Committee
Blaenoriaethau ar gyfer Pwyllgor yr Economi, Seilwaith a Sgiliau	Priorities for the Economy, Infrastructure and Skills Committee
EIS 40 Sgiliau Creadigol & Diwylliannol	EIS 40 Creative & Cultural Skills

Fifth Assembly inquiry proposal for the 'Economy, Infrastructure and Skills Committee'

Creative & Cultural Skills response

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Priority area for the Committee: The role of co-investment in Apprenticeship training

Creative & Cultural Skills is an independent campaigning charity giving young people opportunities to work and learn in the creative industries, by supporting the industries in achieving their economic potential through the right skills and training.

Creative & Cultural Skills, working alongside Creative Skillset and other sector skills councils in Wales, supports creative employers, particularly SMEs and micro businesses, to voice their training needs into government and education. To date, our work has included the creation of Creative Apprenticeship frameworks in collaboration with industry, the 'National Skills Academy for Creative & Cultural' (a network of education providers and employers), and industry research identifying the economic contribution of the sector and future skills gaps. Working in Northern Ireland, Scotland and Wales, we have been able to support Devolved Administrations to access new funding, training programmes, and research.

The number of SME and micro business employers is growing across Wales, and current funding for training is a challenge for companies that can't broker placements in mass. This proposal, therefore, is not limited to the creative industries. In 2014 there were 231,110 businesses across Wales, of which 229,515 (99%) are SMEs, and across the UK they have taken on around 1.3 million unemployed and disadvantaged people. This is in comparison with larger firms who hire less than 130,000.

The creative industries have shown that public funding can impact on the wider economy, and that the skills base travels out into what is now classed as the 'Creative Economy'. DCMS (2015), Creative Industries Economic Estimates indicate that 2.61 million people are currently employed within the creative economy, with 908,000 people in creative roles working outside the creative industries in the wider economy.

This proposal builds on the work of previous inquiries within the Enterprise and Business Committee, namely the 'Role of Apprenticeships' and 'Welsh Co-investment in Training'. The focus this time on the impact of SME and Sole-trader skills for the growth of the greater economy, and how the proposed Apprenticeship Levy can be utilised to support these employers.

As Wales goes through the process of clarifying how the levy and Apprenticeship frameworks will operate, we call for an examination on how Apprenticeship funding reflects the social and economic makeup of employers. As stated above, SME and sole traders are more socially inclusive with their employment and able to grow with small amounts of investment. This means they can have the greatest impact on employment.

We therefore suggest an inquiry to examine the measures being taken for SMEs and micro-businesses to invest in, and gain support for, training their current and future workforce.

Terms of Reference

- An investigation into the current Apprenticeship training funding model, and how the government are reacting to proposed Levy charges being rolled out across the UK
- Examine if current Apprenticeship framework development allows enough flexibility for small employers to adapt to their emerging needs; with learning from the new Trailblazer standards being developed in England
- With an increased responsibility for employers to broker their own training with the implementation of a Levy system, what are the government doing to support small employers to gain appropriate advice and support?
- To what extent will the policy of co-investment help to meet the Welsh Government's aim of 'ensuring that Wales develops a competitive edge in mobilising a productive and skilled workforce'
- What impact (if any) will increased financial investment from employers have on the quality and relevance of training courses?

Key issues that the Committee may wish to consider as part of these terms of reference include:

- Will employers engage with the principle of co-investment? Are levels of training likely to increase or decrease as a result?
- How effective is employer involvement in the apprenticeship system in Wales?
- Do relationships between employers and training providers work effectively? With future brokerage of training taking place, a challenge for small employers will be the time and expertise to build these relationships.
- Are apprenticeships still limited to certain sectors, which may have scale and geographical reach across their operations?

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