

Evidence from Colegau Cymru

Introduction

ColegauCymru welcomes the opportunity to respond to the National Assembly for Wales Economy, Infrastructure and Skills Committee's inquiry into Regional Skills Partnerships. ColegauCymru is a post-compulsory education charity; we promote the public benefit of post compulsory education and learning. We also convene the further education (FE) Principals' Forum, which represents the thirteen further education colleges and FE institutions (FEIs) in Wales.

Response to the Consultation

Introductory Remarks

Skills planning and provision has always been vitally important but Wales currently faces an unprecedented challenge in terms of trying to prepare for the UK's departure from the European Union. The imminent challenge, particularly of a 'No Deal' exit, alongside the historic and long established problems of deindustrialisation means that the Welsh Government is right to consider the local economic and skills priorities of Wales.

However, the current geographical split of the three regions does not appear to have a sufficiently strong evidence base. The particular challenges of addressing the divergent needs of urban South West and rural Mid Wales is a clear point in case. The designation of the three regions seems to owe more to convenience rather than congruence. In particular, it is important to note that rural communities share specific skills challenges and that mobile labour markets transcend both the southern regions, as well as the border between England and Wales.

Regional Skills Partnerships (RSPs) currently form a key part of the Welsh Government's approach to skills planning and the role of RSPs has expanded in recent years. Given the observations made in this response it is important to note that ColegauCymru, whilst recognising the vital importance of skills planning, can only give a guarded and cautious welcome to the extension of their role in determining actual course provision. This is particularly the case since recent Welsh Government policy has seen RSPs take on a more direct role in influencing further education provision whereby FE planning now takes the annual employment and skills plans of the RSPs into account. Likewise, RSPs now play a

role in resource allocation. For the 2018/19 academic year, the Welsh Government announced an additional £10m Skills Development Fund to support the upskilling of adult learners in areas that employers have indicated are priorities for the region, via RSPs. Clearly any inadequacies and deficiencies in the model of RSP-led planning could have negative and long lasting impact on the currently high level of learner outcomes achieved for individuals and employers.

In 2018, the “Public Good and a Prosperous Wales – the next steps” consultation document proposed that the new Commission should maintain a strong relationship with the RSPs or any similar regional body. In response to this, ColegauCymru raised concerns that RSPs are in danger of being seen and treated as statutory bodies when they do not hold this status. Similarly, annual skills plans are not statutory. The future role of RSPs and their activity needs to be clarified and agreed.

There is also a lack of consistent transparency over the governance and membership of RSPs. While some publish minutes and meeting dates, this is not consistently across all three RSPs. Likewise, it is not always clear who is a member of each RSP, how they were chosen or appointed, or whether a skills audit has been undertaken to identify gaps in the RSP Board. The make-up of each RSP board is different and while this is understandable in order to reflect local priorities, there should be a more consistent approach to the levels of representation from the public sector (including local authorities), further and higher education, and large and small business. The lack of clear governance mechanisms for the RSPs was recognised in the independent report commissioned by the Welsh Government, but has yet to be adequately addressed.

Assessments of the RSPs from vary, depending on the questions asked or the topics under review. While regional priorities can and will be different, a degree of consistency over role and expectations would not hinder this.

These issues, in addition to those outlined below, need to be addressed if RSPs are to play an effective role in providing meaningful intelligence for skills planning in Wales. This is very much a role ColegauCymru would welcome, provided that the key weaknesses are addressed.

ColegauCymru’s responses to the questions put forward by the Committee is informed by information from across the FE sector.

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

- 1.1 Issues were raised by FEIs over the data used by RSPs not always being current or suitable for the purpose to which it is put. For example, data that is intended to inform long-term outlooks is not necessarily suitable for use in short/medium term curriculum planning. Some colleges also noted that the intelligence from RSPs contradicts or is not supported by that from their own employer engagement channels.
- 1.2 There are essential considerations beyond data and evidence of existing demand. Future skills needs, changes in employment and the impact of automation are all important issues that need consideration in any discussion of skills but the extent to which these are taken into account by RSPs is unclear. The proposals which arise from the data must also prove to be beneficial to all employers and not only those represented at the RSP.

2. 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?

- 2.1 Responses varied depending on the particular RSP but the significant amount of public sector and often education representatives in comparison to those from the business sector, especially SMEs, was noted as a concern by some.
- 2.2 Larger companies often have the resources to allow staff to play a role in RSPs and meetings. Nevertheless, some very large regional employers are not actively involved in RSPs, such as the NHS. More creative ways to engage a range of SMEs need to be explored. Employer engagement generally needs to be improved and cannot be seen as just the responsibility of representative bodies such as FSB Wales.
- 2.3 Involvement of the FE sector in RSPs is not consistent, with greater representation of FE in the North and South West RSPs. This is problematic, given the significantly greater size of the South-East region and the larger number of colleges operating in it.

2.4 There is also a need to acknowledge that training, especially in SMEs, is often through companies providing on and offline courses to existing employees and not in formal further or higher education settings. The extent to which these types of providers are included within the membership of discussions of RSPs is uncertain.

2.5 Administrative arrangements and organisation across the RSPs are not clear. There is not a specific statement of the governance arrangements, rights of representation or the organisational structure below Board level set out for each RSP. Where some of this information does exist, it is not always kept up to date.

2.6 FEIs often question the lack of consistent input from schools and local authorities, particularly as they seek to develop vocational provision. Clearly the provision of A Level learning can also have an impact on the take up of vocational learning and the longer term development of higher level vocational pathways. It is important that the voice of schools is heard therefore around the RSP table.

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

3.1 Again, this varies depending on the specific RSP. The South West RSP has the lead role for delivering one of the 11 City Deal projects, the Skills and Talent initiative, and in doing so, supporting the other 10 projects.

3.2 In North Wales, there are concerns to ensure that the RSP maintains independence from the Economic Ambition Board who are driving the Growth Deal.

The RSP receives Growth Deal updates from various Local Authority representatives, members of the Ambition Board and the Chair of the RSP. There is now also a Business Leaders Forum to provide “challenge” to the development of the Growth Deal, due to a lack of employer representation on the RSP. There is a genuine risk that as a result of this, and other requests for input from business, employers of all sizes are overwhelmed with demands on their time, making them unsure of where best to exert their influence.

3.3 More generally, there is a need to acknowledge the competing priorities and influence of Growth Deals, City Deals, Welsh Government policy and UK Government policy which are not always well-aligned.

4. 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?

4.1 There is an inherent challenge in any asking any organisation to actually reflect current and future skills demands that needs to be recognised. As a result of this, any analysis of skills needs is at least partially selective and heavily dependent on factors such as attendance at meetings, (limited) responses to surveys, as well as employers who argue their case the 'loudest'.

4.2 The North Wales RSP tends to focus on high level demand projects e.g. Wylfa Newydd, Advanced Manufacturing/Airbus as opposed to discussions around low volume/high value areas of niche demand. RSPs need to have more direct conversations with smaller, local employers to genuinely gauge demand. Their limited resources currently restrict this and therefore the risk is that their steer for skills provision comes from large employers.

4.3 There is a tension in South East Wales between RSP discussion and dialogue around skills demand, shaped by the aspiration of most stakeholders to support and grow 'high value' jobs. There is an understandable desire to try to support and promote economic growth in the region by focusing on higher level skills and sectors where technology is driving significant change. However, the LMI data continues to show that a significant number of employment opportunities across the region in coming years will continue to be in lower skill areas (including occupations in care, hospitality, retail and food preparation).

4.4 There is a gap in understanding that for some employers, the very highest level of skills (above level 6) will inevitably be only required in a minority of jobs across the region. The most significant demands will continue to be around addressing the Basic Skills deficit for many adults and for upskilling and reskilling the current workforce, particularly around Level 3 and 4.

4.5 The impact of leaving the EU and the resulting impact that this will have on future skills needs has not been considered in detail by each RSP. Through their own engagement with employers, FEIs are aware that there are certain sectors who anticipate major skills related impacts. These sectors include farming and food production, hospitality, health and care and tourism.

4.6 Lastly, the idea of annual skills plans needs to be revisited. Two, three or even five year plans, properly monitored, would allow for flexible provision to meet ongoing need rather than reflecting annual short-term priorities.

5. Do the Regional Skills partnerships have sufficient knowledge and understanding of:

- a. The foundational economy and the needs of those employed within it; and
- b. The demand for skills provision through the medium of Welsh?

- Foundational economy

5.1 The levels of understanding and knowledge of the foundational economy varies across the three RSPs. For example, it is identified as a priority area in the Regional Skills Plan for North Wales but is poorly represented on the partnership. In South East Wales, the RSP has recognised the importance of the foundational economy in its various skills plans and assessments. The RSP recognises the sector, and in particular health and social care, as a priority skills sector for the region.

5.2 There is a need to raise awareness and understanding of the foundational economy with those involved in RSPs and Wales more broadly. The recent Welsh Government activity on this via a workshop in February 2019 is welcome.

5.3 ColegauCymru believes that all too often, the misplaced priority of Foreign Direct Investment still continues to dominate the thinking around economic planning and consequently the demands placed on FEIs.

- Welsh language

5.4 The North Wales RSP produced a document reviewing the use of and requirements of the Welsh language in the area. FE colleges in North

Wales are the largest providers of post 16 Welsh language provision in Wales and yet had minimal involvement with the RSP in aligning delivery to demand. Conversely, the same colleges have a far greater involvement with the Coleg Cymraeg Cenedlaethol and Welsh Government in planning Welsh Language provision. In South East Wales, there does not appear to have been any significant consideration of the demand for skills provision through the medium of Welsh.

5.5 The role of the Coleg Cymraeg Cenedlaethol in relation to the RSPs should be clarified in order to ensure the most effective partnerships around Welsh medium skills provision, and to avoid duplication across the further and higher education sectors.

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

6.1 One of the major problems is that while the role of RSPs is growing, their remit is not clear. For this reason, it is difficult to assess whether resources are adequate to needs. The role of RSPs needs to be clarified and agreed, with resources then set as necessary, if RSPs are the right vehicle to undertake the responsibilities identified.

6.2 However, in a climate of reduced public sector funding, we should be wary of creating a costly, bureaucratic body. Nonetheless, if RSPs are to be tasked with critical roles like wide-ranging regular employer engagement which FE can use to develop provision, they need sufficient resources to do so and that is not the case at present. Currently, RSPs do not appear to have resources to interact with employers outside of the partnership, but seem able to co-ordinate meetings and prepare the annual Employment and Skills Plan.

6.3 RSPs have tended to develop around a number of participant groups who have volunteered time, supplemented by a very small staff team. This has not been sufficient to address the growing role of the RSP. At the same time, the future resourcing level of the RSP should require and assume the support and commitment of the various stakeholder groups, while ensuring that any unnecessary duplication of work/effort is avoided.

6.4 Importantly, the issue is not just about the amount of resources but also the need to ensure that those employed by the RSPs have the right skills, knowledge and experience to undertake the role, and that they have adequate support and development.

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

There is a need for improvement in this area. There is a sense that in some instances, the findings of the RSPs to date, which are necessarily limited, have been given more weight than other tried and tested ways of gathering LMI to inform priorities. Detailed intelligence on “niche” skill gaps that new employers require or the impact of new working practices is needed. Likewise, future skills needs, changes in employment and the impact of automation are all important issues that need consideration in any discussion of skills but the extent to which these are taken into account consistently by RSPs is unclear.

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

8.1 For further education and work based learning, the detail is generally appropriate. There is significant detail provided to the RSP around further education and work based learning provision. The RSPs express an opinion on the sectors and provision that should be grown and those areas where there should be a reduction.

8.2 However, the level of changes required by Welsh Government in terms of increases/decreases in required enrolment numbers is often very small, leading to challenges. Reducing enrolment numbers by, for example, six students, means running smaller classes without generating any savings to offset the reduction in income. The value of this extremely close scrutiny exercise is questionable. Likewise, it is difficult in the short term to reduce numbers in one curriculum area and to increase another area by the same number.

8.3 Too often, it appears that RSPs and indeed some elements of Welsh Government are ignorant of the reality of maintaining viable and

accessible FE provision. For instance, a viable class size can often be much smaller within vocational provision than for academic teaching but only at a higher cost. Increasing learner numbers might give rise to increased costs and not simply economies of scale. Likewise, concentrating specific vocational provision in a specific campus as opposed to at a number of sites, might appear to make reduction in numbers a viable proposition. This however, does not address the need to maintain local provision as a means of reducing the barriers to participation such as distance to travel, caring responsibilities or indeed the disincentive to participate in vocational training posed by poor access to public transport.

- 8.4 Rather than focusing too rigidly on operational detail, a medium term strategic direction for the region should be agreed. Within this, FEIs should be allowed to manage their offer at the micro level within that overall direction.
- 8.5 The further education sector works closely with the RSPs on skills demand but there is no consistent approach with schools and higher education. The arrangements for reviewing recruitment versus planning are significantly more detailed and operational in FE and work based learning compared to the arrangements in HE and schools. This needs to be addressed with similar, proportionate and reasonable levels of monitoring applied to post-compulsory education. The new body proposed as a result of the Hazelkorn Review is an opportunity to assist this.
- 8.6 The current 'higher skills' narrative particularly with an emphasis towards level 5 and 6 qualifications, whilst relevant to a small number of key employers and sectors, does not necessarily reflect the need for wider transferrable skills and general occupational capability. FEIs will also be engaged in a range of remedial work on essential skills which is not necessarily reflected and understood by the other members of the RSP. They will also be engaged in a wide range of activities to address work readiness and learner motivation within their learning programmes.
- 8.7 These are all part of the social mission of further education and their role as anchor institutions within their communities. These aspects of foundational services are in danger of being overlooked by a narrow sighted view of colleges simply as 'skills factories'. International research shows that flexibility is not only key in the labour market but also in the ability of colleges to respond to individuals' circumstances as well as emerging needs of the market. As the future direction of the economy looks increasingly uncertain, it would be foolish to believe and plan on the

basis that linear projections of need always prove to be accurate and reliable.

9. 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?

- 9.1 On the whole, there are few tensions between RSP and WG priorities. Where these do arise, they tend to concern misunderstandings of progression and higher level skills. For example, it is not possible to always deliver Level 3 skills to young people straight from school when they often need additional skills development at Level 1 or 2 before they can progress to Level 3. In many vocational courses, it is necessary to achieve Level 1 and Level 2 before progressing to Level 3, even if the learner already holds a qualification at one of the lower levels. Reducing funding for lower level courses impacts on the pool of people able to progress to the higher levels and is ultimately detrimental. It is also important to note that HE does not seem to be involved in conversations about learner demand/progression into HE on a regional basis
- 9.2 Predominantly focusing on higher level skills risks reducing the number of lower level courses. In effect, it cuts off the 'progression pipeline' and reduces the opportunities for learners with negative experiences of school to identify an entry point into vocational learning. This has potential unintended consequences such as increasing the numbers of young people who are not in education, employment or training.
- 9.3 The role of adult learning, upskilling and reskilling needs to be an important part of this discussion. Many adults require access to support their development of literacy, digital literacy and numeracy skills. These requirements are an essential precursor to gaining higher level technical and vocational skills for many people.

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

- 10.1 The skills offer is constantly changing within FEIs but this is often more influenced by direct dialogue with employers. There have been managed

increases in, and reductions in, particular areas of the FE and work based learning provision in response to RSP identified sector priorities. However, a significant and sustained growth of provision generally in the STEM area at a regional level will require more young people to be encouraged to pursue this throughout their education – and this falls outside of the influence of the RSP.

10.2 It is debatable as to whether RSPs or Welsh Government have significantly influenced the provision of higher education programmes at first degree level.

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

RSPs can provide a valuable forum for bringing key stakeholders together to hear updates on developments from Welsh Government. Regional Skills plan can also provide a clear direction for skills development. Some good use has been made of the funding available through RSPs – the Skills Priorities Programme and the Skills Development Fund – to develop and then “pilot” initial delivery of new programmes that respond to the needs identified by the RSP. However, it is not certain that this is the most effective channel for distributing such funds.

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

12.1 One of the unintended consequences seems to be an almost exclusive focus on skills provision and delivery in FEIs. There is frequently very little information on other education delivery in the regions and more could be done to gain a joined up picture of the situation in schools and HE. This is necessary if planning is to be coherent and effective. This would also take account of the progression involved in the education system. FE is just one piece of the jigsaw as planning structures evolve and develop.

12.2 As RSPs are given increasing influence over the prioritisation and spending of increasing amounts of public money, it is essential that robust and transparent governance arrangements are in place which is not the case at present. FEIs welcome the opportunity to contribute to the development of such arrangements and look forward to continuing to play a central part

in the development of RSPs.

Conclusion:

ColegauCymru offers the following key points in conclusion:

- The role and activities of RSPs need to be clarified and agreed. This includes whether RSPs are the right body to undertake the activities identified.
- Governance arrangements need to be strengthened across all RSPs and this should be a transparent process.
- Annual skills plans should be replaced by skills plans covering two, three or five years, with suitable monitoring. Longer-term skills needs, changes to the employment landscape and analysis of the impact of automation should form part of these.
- A more joined-up approach to skills planning and provision should be taken that focuses less on just further education institutions and more on the postcompulsory education sector as a whole.
- Understanding of the foundational economy should be improved among those involved in RSPs and the wider regions.
- ColegauCymru welcomes the opportunity to contribute verbal evidence to the Committee review and would also be happy to supply further information on the extent and range of current provision.

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