UK Vocational Skills System: The Benefits of an Employer-led Structure

1. UK Skills System - Key Stakeholders
2. Role of Sector Skills Councils & support Internationally
3. Example of a Sector Skills Council – Solutions
4. Skills Planning for the Future
5. Apprenticeships in the UK
6. Key Changes & Solutions
7. Summary
UK Vocational Skills System
Key Stakeholders
UK Government Support for Vocational Skills

Department for Business, Innovation & Skills

Skills Funding Agency

UK Commission for Employment & Skills

Employer-led Partnerships

Department for Education

Department for Work & Pensions

Federation for Industry Sector Skills & Standards
UK Vocational Skills System
The Role of Sector Skills Councils
Federation for Industry Sector Skills & Standards

• Independent, not-for-profit organisation, remit from Dept for Business

• National certification and quality assurance body for Apprenticeships

• Promotes professional practice for employer-led bodies setting skills standards

• Promotes the case for skills development through Apprenticeships and Traineeships to enhance productivity

• **UK Skills Federation** – international collaboration on TVET
Sector Skills Councils

- 21 Sector Skills Councils
- 16 National Skills Academies
- Independent, not-for-profit organisations
- Licensed by Government
- Bid for contracts – LMI, NOS
- Work with international partners
- Innovation around employer engagement and investment
Sector Skills Councils

Skills for Care & Development
Skills for Justice
people1st
e-skills uk
Cogent: Skills for Science Based Industries
LANTRA: Land-based and environmental skills
The Building Futures Group
Creative & Cultural Skills
Skills for Health
Semta: The Sector Skills Council for Science, Engineering and Manufacturing Technologies

Sector Skills Bodies:

CFA: Skills for Security
Engineering Construction Industry Training Board
proskills: Making Skills Work
Federation for Industry Sector Skills & Standards
National Skills Academies

The National Skills Academy
CONSTRUCTION

The National Skills Academy
CREATIVE & CULTURAL

The National Skills Academy
HEALTH

The National Skills Academy
POWER

The National Skills Academy
FINANCIAL SERVICES

The National Skills Academy
NUCLEAR

The National Skills Academy
FOOD & DRINK

The National Skills Academy
RETAIL

The National Skills Academy
SOCIAL CARE

The National Skills Academy
MATERIALS, PRODUCTION & SUPPLY

The National Skills Academy
PROCESS INDUSTRIES

The National Skills Academy
HOSPITALITY

The National Skills Academy
RAILWAY ENGINEERING

The National Skills Academy
IT

The National Skills Academy
SPORT & ACTIVE LEISURE
Help improve skills gaps, training standards, employer investment in skills by:

- Publishing Labour Market Intelligence
- Supporting Workforce Planning
- Developing National Occupational Standards,
- Apprenticeship Frameworks/Standards
- Working with Awarding Organisations on Qualifications
- Collaborating with Training Providers to ensure alignment of Qualifications
- Assessment and Certification
- Establishing National Skills Academies
Workforce of the Future
Skills Education and Training
UK Support for the Philippines
Establishment of:
- TVET Policy Frameworks & Systems
- Sector Skills Councils
- National Skills Academies
- Employer Engagement Programmes

Sector Skills Councils – International Work

- Assessment & Accreditation
- Certification
- Training Programmes
- Qualifications Frameworks
- Apprenticeship Standards
- National Occupational Standards
- Workforce Planning
- Labour Market Intelligence
**Sector Skills Councils** have direct involvement in the UK skills ecosystem at all stages from establishing need, using labour market intelligence, and developing skills standards, through to employer engagement and designing and delivering solutions. Consequently, SSCs have a unique oversight of all aspects of the processes involved in delivering TVET and work with overseas Governments and other stakeholders on:

- Design and development of VET policy frameworks and systems
- Establishment and governance of Sector Skills Councils and National Skills Academies
- Labour Market Intelligence and Workforce Planning
- Development and application of National Occupational Standards
- Qualification frameworks and qualification structures
- Regulation of standards and qualifications, and regulation of provision
- Workplace and classroom-based provision of training
- Assessment and verification of value and processes
- Employer engagement, support for learners and employers
- Incorporation of basic, key and cores skills
UK Vocational Skills System
Skills Planning for the future
The Labour Market Intelligence 'Cycle'

- Data Collection & Collation
- Analysis & Contextualisation
- Strategy/Action
- Communication
NOS are used to:
- Inform the content of qualifications
- Inform the content of training programmes

NOS can also be used for a range of HR tools:
- Workforce planning
- Performance appraisal and development systems
- Workplace coaching
- Continuing Professional Development (CPD)
Qualifications & Accreditation

• Awarding bodies are approved by UK governments to offer qualifications/certifications, through training providers.

• Awarding bodies are regulated by Government authorities, such as Ofqual in England and Scottish Qualification Authority (SQA) in Scotland.

• Provides external guarantee of quality & relevance, through awarding body audits of training provider delivery and assessment process and procedure.

• Must meet quality threshold set by the awarding body, that meets governments' regulatory authority standards.
Qualifications and Accreditation

Sector Skills Councils provide:

- the National Occupational Standards (NOS) on which vocational qualifications are based
- the NVQ qualifications structures and rules of combination that awarding bodies use to build the qualifications
- build the Apprenticeship frameworks that utilise qualifications offered by awarding bodies.
UK Vocational Skills System
Example and Overview of the Apprenticeship Model
About Apprenticeships in the UK

- A job with training – 'earn while you learn'
- Paid work
- For all ages
- Across all sectors
- On- and off-the job training
- Across a range of skills / qualifications level
Apprenticeships in the UK – Key Facts 2014/15

- 2Million+ Apprenticeship starts in England since May 2010
- 25,000 Apprenticeships in Scotland
- 240,000+ Workplaces in England offer Apprenticeships
- 170+ industries offer Apprenticeships
- 27,455 Apprenticeships in Wales
- New Higher Apprenticeships like space engineer and pilot
- 3 x Number of full-time Apprenticeships since 2009/10
- 96,400 Apprenticeships in smaller businesses supported by a £1,500 Grant for Employers
Apprenticeships in the UK – Key Benefits

• **Government** invests £1.5bn p.a – £28 for every £1 invested

• **Employers** see 70% increase in productivity, 95% of employers report business benefits

• **Apprentices** earn £117k more, 90% satisfaction rate

• **Wider economy benefits**
  – More highly skilled workforce
  – Increased productivity
  – Innovation
  – Reduced costs
UK Vocational Skills System
Key Challenges & Solutions
Key Challenges

- Employer engagement; small- and medium-sized enterprises.
- Funding of research, NOS development, and Apprenticeships – Government vs Employer funding.
- Maintaining common standards.
- Parity of esteem – Academic vs Vocational Education at compulsory and post-compulsory education.
- Supply-side or demand-side driven?
New Approaches to Skills Investment

Universal Services Funding
UKCES continues to commission from Sector Skills Councils:
• National Occupational Standards,
• Apprenticeship Frameworks / Standards
• Qualification Requirements

Employer Ownership of Skills
Public investment matched with employer incentives and investment
Key Mechanisms for Employer Engagement

Employers Drive the skills agenda

UK Commission for Employment and Skills
Policy and strategy

Direct involvement
e.g. Work experience, academic route, apprenticeships

Employer-led Partnerships
Sector Skills Councils

Employer Ownership of Skills Programmes
Summary
Summary

• LMI is the starting point for all developments.

• Employer-led system is imperative if the nations skills-needs are going to be met.

• Employer engagement is key, but difficult to get comprehensive coverage.

• Sectors Skills Councils can build and maintain the system and can act as the independent and objective facilitator and enabler for governments and employers.
Thank you

Jane Rexworthy
Executive Director of People 1\textsuperscript{st}
Jane.rexworthy@people1st.o.uk