



Senedd Economy, Trade and Rural Affairs Committee Consultation

Priorities for the Sixth Senedd

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Introduction

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 Further Education colleges and FE institutions (FEIs) in Wales. ColegauCymru also undertakes research, policy development and provides practical support to FE colleges in Wales, including on work-based learning (WBL) which is a key part of FE college activity.

Overview

ColegauCymru recognises the importance to the economy of Wales of a strong and resilient labour force. We also accept that the long-term recovery from COVID-19, the ongoing impact of Brexit as well as the now understood impact of climate change, is already placing demands on businesses and public sector employers as well as the self-employed.

ColegauCymru is committed to the principle that the key to addressing the economic challenges facing Wales is linked to the lack of indigenous businesses, especially the so called 'Missing Mittelstand', and the preponderance of business operating in the non-tradable goods and services sector, recognised by the phrase 'the Foundational Economy'. In addressing these twin challenges, we are of the view that the economy can be used as a tool to develop resilient communities as well as viable and sustainable employment opportunities. Challenges to the economy are often place based and reflect deep-rooted structural imbalances as well as longstanding firm-level behaviours. Whilst the provision of better vocational skills cannot overcome these challenges in isolation, there cannot be a successful solution that does not involve improving technical and vocational skills and training.

A detailed analysis of the basis of the ColegauCymru public policy position and its specific recommendations for the priorities of the current government can be found in *Further Education: Enabling Renewal and Helping to Build Better Citizenship, Occupations and Business Communities in Wales*.¹

Priorities for the Senedd Economy, Trade and Rural Affairs Committee

First six months

1. Scrutiny of the proposed Bill to create a Commission for Tertiary Education and Research (CTER)

1.1 Consistent with the Programme for Government, the Executive intends to introduce a bill that will change the funding, oversight and quality assurance of the post-compulsory

¹ John Buchanan et al., *Enabling Renewal: Further Education and Building Better Citizenship, Occupations and Business Communities in Wales*, ColegauCymru, 2021, available at: <https://www.colleges.wales/image/publications/briefings/Policy%20Asks%20Senedd%20Elections%202021/Eng/Theme%204%20brief.pdf>

education sector. It is imperative that the Committee considers the impact of this bill on the provision of vocational skills and training at all levels, including adult learning, as well as the development of progression routes from compulsory education and the associated impact on the economy. The Committee should consider and propose amendments as necessary to ensure that the bill, if passed, achieves the desired outcomes.

1.2 A vital component of this is how the CTER will address the ongoing issue of apprenticeships, including degree apprenticeships (which were the subject of an inquiry by the previous Committee).² Non-degree apprenticeships currently have to go through a protracted and expensive procurement process that impacts on both providers and potentially learners. This is not the same with degree apprenticeships. The process of applying for degree apprenticeships is completely different – there is no procurement, only expressions of interest.

1.3 The Committee could revisit Recommendation 6 from its predecessor Committee's report which stated "Welsh Government should justify retaining two different funding models, including a rationale for continuing with the procurement model for awarding contracts to apprenticeship providers; set out how this is compatible with having coherent learning pathways from Level 2 to Level 6 and how the Degree Apprenticeships procurement of the new apprenticeship provision will address this; and give assurances about the reliability and efficiency of the contractual approach, including that lessons have been learned from the discontinued Job Support Wales procurement".³ The Committee should consider the best way for the full range of apprenticeships to be managed coherently in future and CTER's role in this.

2. Regional Skills Partnerships

2.1 The Committee should urgently revisit the report on Regional Skills Partnerships (RSPs) and the recommendations undertaken by the previous Economy, Infrastructure and Skills Committee in the Fifth Senedd, published in October 2019.⁴ This is especially important given the Programme for Government's commitment to 'Strengthen Regional Skills Partnerships'.⁵ Revisiting RSPs also ties in with Recommendations 8 and 9 from the previous Committee's *Long-term recovery from Covid-19 report* which emphasise the need for clarity around the roles of RSPs.⁶

2.2 As part of this work, the relationship with the Wales Employment and Skills Board (WESB) and the Wales Apprenticeship Advisory Board (WAAB) should be considered. While

² See Economy, Infrastructure and Skills Committee, Degree Apprenticeships, Senedd, November 2020. Available at:

<https://business.senedd.wales/documents/s112193/Committee%20Report%20Degree%20Apprenticeships%20-%20November%202020.pdf>

³ See Recommendation 6 on page 6-7 of *ibid*.

⁴ Economy, Infrastructure and Skills Committee, *Regional Skills Partnerships*, National Assembly for Wales, October 2019. Available at <https://senedd.wales/laid%20documents/cr-ld12798/cr-ld12798%20-e.pdf>

⁵ See Welsh Government, *Programme for Government*, page 11. Available at: <https://gov.wales/sites/default/files/publications/2021-06/programme-for-government-2021-to-2026.pdf>

⁶ Economy, Infrastructure and Skills Committee, *Long-term recovery from COVID-19*, Senedd, March 2021, page 19. Available at: <https://senedd.wales/media/lpzlj3j1d/cr-ld14182-e.pdf>

meetings of these bodies may contain an element of commercial sensitivity, given the role that they play in current Welsh Government policy, there is not sufficient transparency or easily accessible information about these groups and in some cases their remit and membership. This is not to argue that members of such groups are not providing an important function but that the current set up does not allow for sufficient scrutiny or assessments of impact and effectiveness.

2.3 Qualifications Wales also has a role to play in ensuring that qualifications are suitable for learners, employers and the economy more broadly which includes a large number of self-employed people. Following its establishment in August 2015, there does not seem to have been a wholesale review of Qualifications Wales and whether it has the responsibilities and powers it now needs to function effectively. With the imminent changes on the education horizon due to the introduction of the new Curriculum for Wales and the proposed CTER Bill, as well as the challenges that all organisations have had to deal with in the past 18 months, reviewing the role and effectiveness of Qualifications Wales would be a useful exercise. This is especially the case given that other UK countries are reviewing the effectiveness of their own equivalent bodies. For example, Professor Ken Muir CBE will act as an advisor to the Scottish Government on the reform of the Scottish Qualifications Authority and Education Scotland.

2.4 A Committee inquiry could:

- Review the functions of the RSPs, WESB and WAAB, with evidence sought as to whether they are still fit for purpose as Wales exits the Covid-19 pandemic.
- Consider whether the functions undertaken by the groups could be streamlined or done more effectively, potentially within or by other organisations, and also whether these groups have sufficiently clear, publicly available, remits and transparent, effective governance procedures.
- Investigate the need for a review of Qualifications Wales in order to make sure it functions as effectively as possible.

3. Research and innovation

3.1 The Committee could undertake a short follow up inquiry on the previous Committee's *Research and Innovation in Wales* report from April 2019 to understand progress made and whether there are any further or amended recommendations to be made in respect of Welsh Government policy on innovation.

3.2 The Reid Review recommended that subject to the development of appropriate criteria for funding and performance metrics, Further Education colleges should also be made eligible for Innovation & Engagement Funding.⁷ The purpose of Innovation and Engagement funding is to incentivise and reward further increases to collaboration with businesses, public sector, charities and other organisations. The previous Economy, Infrastructure and Skills Committee's *Long-term recovery from Covid-19 report* also called for the Welsh

⁷ Graeme, Reid, Review of Government Funded Research and Innovation in Wales, Welsh Government, 2018, page 5. Available at: <https://gov.wales/sites/default/files/publications/2019-04/review-of-government-funded-research-and-innovation-reid-review.pdf>

Government to provide the funding to fully implement the remaining recommendations of the Reid Review.⁸

3.3 Research and innovation could and should play a key role in Wales's economic recovery post-Covid-19 and the contribution from the Further Education sector, rooted in communities across Wales, should not be undervalued. Research and innovation are not simply reserved to higher education. Much applied research and innovation work with local businesses takes place in the FE sector. Funding both FE and HE to undertake this sort of collaborative work could be more important than ever as Wales looks to recover from the economic and social impact of Covid-19.

3.4 A short Committee inquiry could:

- understand progress made on the previous Committee's *Research and Innovation in Wales* report from April 2019;
- consider whether there are any further or amended recommendations to be made in respect of Welsh Government policy on innovation.

Longer-term objectives

4. Local labour market and skills coordination

4.1 Building on the research in *Enabling Renewal: Further Education and Building Better Citizenship, Occupations and Business Communities in Wales* by Professors John Buchanan, Karel Williams, Julie Froud et al, the Committee should investigate the potential for local businesses to collaborate more closely, consistently and over the long term with Further Education and Higher Education campuses, alongside the potential to reform clusters of vocational occupations.⁹ This has potential to improve skills, economic resilience and job quality.

4.2 FE could use its educational and organisational expertise to assist with reforming labour demand through broadening occupational categories and coordinating local business communities. *Enabling Renewal* makes specific suggestions about how Further Education in Wales could operate as facilitator for occupational coherence and as a key agent nurturing better ways of sharing risks and knowledge in local labour markets to help nurture more and better jobs. This will be more important than ever as Wales seeks to exit Covid-19.

4.3 The role of FE in the recovery from Covid-19 (and beyond) should not be seen as simply to meet the needs of business within local communities, as is often the case. FE should instead be seen as an active player, shaping the supply of labour, prompting the renewal of labour demand, and enabling more and better business activity within communities. FE can also shape how occupations emerge and evolve systemically by working with clusters of jobs (termed 'vocational streams' in the report) and then align the use of micro-credentials with those reforms.

⁸ Economy, Infrastructure and Skills Committee, *Long-term recovery from COVID-19*, Senedd, March 2021, Recommendation 11, page 20. Available at: <https://senedd.wales/media/lpzlj1d/cr-ld14182-e.pdf>

⁹ John Buchanan et al., *Enabling Renewal: Further Education and Building Better Citizenship, Occupations and Business Communities in Wales*, ColegauCymru, 2021, available at: <https://www.colleges.wales/image/publications/briefings/Policy%20Asks%20Senedd%20Elections%202021/Eng/Theme%204%20brief.pdf>

4.4 Likewise, the report evidences examples of how service work in areas that are seen as low skill, low wage in Wales and the UK, are treated and organised very differently in other countries, impacting on both wage levels and associated productivity.

4.5 Such an investigation could be part of addressing Recommendation 3 from the previous Committee's *Long-term recovery from Covid-19* report which noted how economic turbulence will lead to more regular economic shocks and so the Welsh Government must focus on building economically resilient communities.¹⁰ The investigation should also look at the provision of skills for the agricultural and land based sectors and more widely at the balance of the provision of skills locally, regionally and nationally. This includes the role of adult learning and adult community learning.

4.6 A Committee inquiry could focus on:

- building genuine, long-term, deep relationships and collaboration between local business, FE and HE, focusing on labour demand rather than simply labour and skills supply;
- the potential to take a vocational streams approach – recognising the crossover between specific types of occupations such as care, customer service and clerical – and what this might mean for skills development and qualifications;
- approaches taken to the organisation of service work in other countries where such occupations are better quality and better paid.

4.7 Some joint sessions with both the Children, Young People and Education Committee and the Equality and Social Justice Committee could be appropriate.

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¹⁰ Economy, Infrastructure and Skills Committee, *Long-term recovery from COVID-19*, Senedd, March 2021, pages 15-16. Available at: <https://senedd.wales/media/lpzl3j1d/cr-ld14182-e.pdf>
In relation to the issue of resilience and skills, the Committee may also wish to revisit the findings of ColegauCymru's *Building a better Wales – lessons from Europe: Skills and economic resilience*, Cardiff, Spring 2019. Available at: [EQAVET \(English\) Report – Proof 6.indd \(colleges.wales\)](#)