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Ms Claire Morris
Committee Clerk
Children and Young People's Committee
National Assembly for Wales
Cardiff Bay
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Dear Ms Morris

Inquiry into the implementation of the Learning and Skills (Wales) Measure 2009 - an initial submission from the Federation of Small Business in Wales

The Federation of Small Businesses is grateful to the Children and Young People Committee for the opportunity to submit evidence to the inquiry. The FSB represents the views of 10,000 small businesses and the self employed as well as the interests of all those individuals, partnerships and companies which together make up the largest section of the Welsh economy.

In assessing our response to the inquiry, at present, we can only provide an overview of the experience of our members in relation to the impact of the implementation of the Learning and Skills (Wales) Measure 2009 and whether the measure has in general benefited both the business community and the Welsh economy as a whole. I understand that we will be invited to give oral evidence on the 1 December 2011. We will have by then, been able to collect more empirical evidence on this matter.

Having spoken to a range of our membership on this matter, it is evident that there has not been enough time since the Measure was implemented to accurately assess its full impact on businesses in Wales. In particular, it is difficult to discern whether there has been any marked increase in the skill levels of young people moving into the labour market as a result of the Learning and Skills Measure (Wales) 2009.

In principle, however, the Learning and Skills Measure (Wales) 2009 provides movement in the right direction towards aligning the needs of businesses in Wales with the skill base of the workforce. Increasing the number of courses on offer to students between the ages of 14-19 and in particular the shift in focus towards vocational courses is to be welcomed.

However, The FSB would point out that the Measure is the means by which the framework for the delivery of learning is achieved and recognises that it will not of itself deliver a better skilled workforce. It remains concerned about and welcomes the current review of qualifications for 14 to 19-year-olds. Other improvements in outcomes for learners need to be achieved if the skill requirements of businesses which are constantly evolving are to be met. It is important that the vocational courses provided are relevant to the work place and many businesses report an inability to find young people with the *relevant skills* to form part of their workforce, particularly in specialist and advanced manufacturing.

To achieve this it is imperative that the learning opportunities are delivered by individuals who have knowledge not only of the theory but also of the practical application of the newly acquired knowledge and skills. As one of our respondents stated,

“My main concern is that a number of vocational courses provided are not delivered by vocational experts for instance a geography teacher teaches ‘his own’ subject in the morning and then an engineering subject in the afternoon.”

The development of new courses and modules to achieve the range of outcomes that will make the Measure a success need to be mirrored by the development of a skilled workforce of vocational trainers capable of delivering not only theory but knowledge of the practical application of the skills being learnt. These individuals are more readily to be found in the commercial workforce rather than in colleges or schools. Members have commented that they are willing and prepared to act as mentors and indeed as tutors but that there has to be an effective payment or financial support system to achieve this.

Ultimately, the local supply of jobs is a factor that needs to be considered when taking into account course provision and there is an obvious need for flexibility to cope with the changing nature of local economies. However, a scheme such as the Shared Apprentice Scheme has been welcomed by individual small businesses as employing even one apprentice has proven difficult due to costs.

The need to engage in this key policy area and to provide effective measures for SMEs to provide opportunities for apprenticeships was recently highlighted by the Wales Employment and Skills Board in their report *Skills for Jobs: Priorities July 2011*. In this respect and in others – see below – there seems to be a good deal of consensus as to what is required and indeed as to how it can be delivered, but it remains to be seen, at least on behalf of the employer, the Measure has done this.

Worryingly, and we are that that this is not something that is specific to the consideration of the implementation of the Measure we have anecdotal evidence to suggest that more needs to be done by local education providers to engage with businesses to ascertain their skill requirements and to react to demand from different sectors. New courses need to be founded on accurate Labour Market Intelligence and not on the latest educational fashions or trends. Courses need to be able to offer students engaging and stimulating learning but in the areas identified as required by the needs of businesses. Members do not always feel that the range of courses available reflects their needs as employers and question the degree to which institutions and training providers are aware of the exact need within their business community.

Looking again beyond the specific questions of the implementation of the measure, one of the primary concerns for small businesses in Wales is the level of literacy and numeracy among young people. While widening the course options available to young people could help align their skill sets with the needs of the Welsh economy, it is important not to forget that literacy and numeracy levels are fundamental to the success of any business, and too often levels of literacy and numeracy are below par necessitating retraining in the work place.

One respondent made the following comments:

“There are more people staying on in Full Time Education but Literacy and Numeracy - basic skills - levels are again a concern with employers having to do remedial work to get them to the expected level.”

The FSB is aware that these comments resonate with the findings of numerous reports and surveys not least the analysis National Survey of Adult Skills in Wales, (2010) published by statistics Wales. The observation within the research which stated that improvements in numeracy have not followed those of literacy is of particular concern.

Taking these initial responses into consideration the FSB feels that there is a clear danger that the implementation of the Learning and Skills Measure has not necessarily built on the firm foundation of a clear understanding of the needs of businesses. There is also concern that the fundamental need to deliver on basic skills such as numeracy and literacy – whilst recognised by all concerned – is not being realised. As we have stated we are however keen to endorse the principles within the Measure and also welcome this enquiry.

I look forward to providing further information from our members and our own review of the learning and skills agenda on the 1st December 2011.

Yours sincerely,



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