

ColegauCymru Annual Conference

21 May 2015

Deputy Minister Speech

Introduction

Good morning, and may I start by thanking you for inviting me to speak at your conference this year. *Bore da. Mae'n braf iawn bod yma heddiw. Diolch am y gwahoddiad.*

“Creating opportunities in hard times” is a very fitting theme for this year’s conference.

It reflects your sector’s resilience and resourcefulness to adapt and create opportunities for learners in Wales.

The challenge for every single one of us here today is to identify what needs to happen to ensure we continue to have a post-16 education sector that is fit for the future and serves our economy.

We have the shared aim of developing a well educated workforce that achieves levels of employment and productivity, combined with well being, that compares favourably with other countries - not just here in the UK but right across Europe.

Standing still is not an option.

We have to take a long term view of the skills system in Wales and make the right policy changes to ensure we develop a sustainable system for the future.

We need to develop high skills to compete for future jobs whilst still supporting a strong foundation in Essential Skills linked to literacy, numeracy and Digital Literacy.

We have, in Welsh Government , published the **policy statement on skills**, a **skills implementation plan** and more recently the **skills performance measures** which set out how we will know whether we have been successful.

The performance measures in particular are focused on ensuring Wales remains competitive.

They also recognise that taking action to improve skills in Wales is not just the responsibility of Government.

It is a shared responsibility.

A responsibility for everyone involved in skills development and education in Wales.

The measures focus on four key goals:

- Jobs and Growth;
- Equality and Equity;
- Financial Sustainability; and
- International Skills Benchmarking.

I'd like to talk about each of these measures and what they mean for you.

Colleges have a key role in **Jobs and Growth**.

It is important that there is a clear line of sight to work, employment and business growth in all we do.

It is all about equipping individuals with the level of skills they need, not only to get a job, but to develop a career and to do the best they can in life.

It means working with employers - whether they are large or small; public, private or voluntary. Through identifying the skills and education needs of their workforce, and in understanding their plans for growth we can help to ensure that they are in the best place to take advantage of future opportunities.

Wales is currently seeing the development of some major infrastructure projects which offer significant opportunities for the FE sector.

The co-ordination of economic development, transport planning and skills policy is overseen by the three Regional Skills Partnerships and the seven enterprise zone committees.

I'm sure you already know the major infrastructure projects being planned but let me list them for you:

Airbus - Advance manufacturing

Wylfa Newydd Nuclear Power Station

Wrexham Super Prison

The M4 extension

Rail electrification

Swansea Tidal Lagoon; and

The A494 and A55 improvements

Anglesey Tidal Lagoon

You are already well placed to take advantage of these developments.

I urge you to engage with the Regional Skills Partnerships to make the most of regional labour market opportunities.

This is the way in which you can maximise the resources that are available.

Our *Policy Statement on Skills* makes a strong case for establishing a competitive college and work-based learning system which can stimulate the demand for a more highly-skilled society.

By promoting the development of higher-level skills we can raise the value of vocational education and training as a route into higher learning, putting it on an equal footing with its academic counterpart. Which, as you know, is the holy grail for Vocational Education.

The drive to expand routes into higher level skills training, including the development of the higher apprenticeships offer, requires colleges and universities to work closer together to deliver programmes. This is a time for consolidating provision, strengthening collaboration and building joint-partnerships with industry.

The post-compulsory education sector provides a vital platform for creating the right conditions for employers

in Wales to be able to recruit the best applicants for their businesses to grow and flourish.

FE has a crucial role to play in ensuring more local access to higher education, as well as being part of a progression pathway to higher level skills, including apprenticeships.

Last week we published our review of Higher Education delivered by FE colleges in Wales. The recommendations within the review push for stronger collaborative relationships between HE and FE, and an increase in the delivery of higher level qualifications within the FE sector.

I urge colleges and universities to work together to develop sustainable models for expanding part-time higher education courses.

We already have some successful examples. Dual-sector universities, such as the one developed by Trinity Saint David in South West Wales and the University of South Wales' Strategic Alliance with colleges, are leading the way with these developments.

There is also a role for the Open University in expanding HE in FE as the largest provider of part-time higher education in Wales. I encourage colleges to explore with the Open University how cross-sector collaboration can best benefit Welsh businesses, widen participation and build a sustainable offer.

I would like to see such approaches expanded and deepened across Wales.

Pause

The second performance measure is **Equality and Equity**.

Reductions in UK Government spending and increased expenditure on health and social care has meant the overall amount of money available to the Government here in Wales has reduced. As a consequence, we have focused what we do on younger learners under the age of 25 and unemployed adults. We now expect employers to help meet the costs of training and developing their current and future workforce by

meeting more of the costs of training, developing and helping to educate adults in employment.

Improvements in individual skills and education provide a route to work and employment and a path to financial security, but this route does not mean much if it is narrowly focused on a few. It is important that educational opportunity is available for as many people as possible and that there is fairness at the heart of what we do.

In March the Welsh Government published its Revised Child Poverty Strategy for Wales.

The Strategy reaffirms our commitment to the ambition of eradicating child poverty by 2020, through three strategic objectives:

- reducing the number of children in workless households;
- increasing the skills of young people and parents to enable them to secure well paid employment; and
- and reducing the inequalities which exist in the health, education and economic outcomes of low income households.

In response to a public consultation we have also set two new objectives for tackling child poverty and these are:

- to use all available levers to create a strong economy and labour market which supports the tackling poverty agenda and reduces in-work poverty in Wales; and

- to support families living in poverty to increase their household income.

It is important we work together to ensure an ongoing focus on supporting those living in low income households in Wales.

The Welsh Government's Youth Engagement & Progression Framework was developed to support those at risk of not making a positive transition when they leave school.

I believe the Framework's success is down to partners working collaboratively to ensure young people are getting the support they need, when they need it.

This collaborative approach is helping to resolve practical issues such as information sharing, making systems talk to each other, and seamlessly referring people between organisations without them feeling like they have been passed from pillar to post.

And it is having a positive impact.

Recent data showed 8.1 per cent of 16-18 year olds were estimated to be NEET, compared with 11.9 per cent over the same quarter in the previous year.

Your colleges are delivering for people from disadvantaged backgrounds to increase their skills by providing routes into learning and training opportunities. In particular, by linking with our key

tackling poverty programmes you hold the key to change.

A lot of progress has been made recently, but there is still more to do. Over the past 12 months protocols have been developed for sharing information about young people so that we can strengthen the tracking and monitoring of our 16-18 year olds. We now need to make sure that these protocols are working in practice for all young people in all parts of Wales.

There is similar work to be done in considering the courses and opportunities available to learners from disadvantaged backgrounds. The Estyn Annual Report in 2013/14 highlighted that learners from more deprived areas are far more likely to be enrolled on Entry Level and Level 1 courses. It was also noted that

there were not enough vocational taster courses for learners at these levels.

This makes it all the more important that you, as providers, consider how to offer learning which will motivate and enthuse them and open up their opportunities to progress onto higher level learning. So if I ask one thing of you today, it's to consider what better opportunities can you create for these learners to give them a better chance in life.

Pause

The third performance measure focuses on the **financial sustainability** of providers, whether colleges, work based learning providers or universities.

It is no secret that public sector finances are very tight at the moment, nor that some colleges are somewhat less than healthy from the financial perspective. To safeguard the Government's investment in the sector, my officials will be introducing a system of institutional review. This will look at finance, together with other areas such as leadership, quality, estates, governance and curriculum planning.

In England, the FE Commissioner has written to all colleges, listing the type of thing that Principals and Governors should be looking for in their colleges. The FE Commissioner groups issues around four themes and I would urge you to take a look at the document as it is a useful summary of issues to consider and to use

as a prompt for asking ourselves whether we are doing the best we can with the existing resource.

For example:

- are staff costs too high?
- how much revenue does each college generate from working with business, voluntary organisations and public services?
- how great is your reliance on the public purse?
- are you mindful of minimum class sizes?
- how effective is your management of space?
- are there savings to be made through shared services or a common data collection system?

I could go on. I would ask each of you to consider your college's current position and look for opportunities for improvement. If you think that the Government can

help, then let us know – as I believe that our ambition is the same as yours – to have an efficient, effective and viable FE network that we can all be proud of.

Good examples of diverse income streams do exist in the sector. For example, Grŵp NPTC generates a healthy profit from language schools in England that helps to support delivery here in Wales.

Here in the North, Coleg Cambria works successfully with Airbus and Kelloggs, while Grwp Llandrillo Menai is working with Horizon in preparation for the development of the Wylfa Newydd power station.

Meanwhile, Cardiff and Vale College's business development team has generated privately funded income through engagement with local businesses,

that has helped to ensure courses continue to meet employer and student need.

I know other FE colleges are making similar efforts to build links with the business community and look to them as an additional source of income.

Being responsive to employers' needs and building on the good practice we already have out there is more important than ever.

Whilst engagement with employers is anecdotally good, there are still opportunities for the sector to be the 'supplier of choice' for business.

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In spite of all these difficulties that we face, I am pleased that quality and excellence are still watch words for the sector.

Estyn reported that for the academic years 2013 and 14, colleges are still delivering consistently high quality learning, and senior managers are providing clear strategic leadership.

I was pleased to see that learner success rates continue to show improvements in the standards of achievement, with Apprenticeship success rates keeping pace.

Every college took part in the Learner Voice survey and I'm delighted with the results which are even better

than last year, with over 80 per cent of learners rating their overall experience in FE as 'very good' or 'good'.

The survey gives us some fascinating insights into what learners really think and what's most important to them. Learners value their college experience especially the support they get from staff and the fact that they are treated as adults. Confidence and independence are some of the most important skills that students get from FE and our survey really does bear this out.

I am also really thrilled that the first regional hubs in the Seren Network are now in place, and getting ready to support the incoming class of our brightest sixth formers. By next summer every high achieving sixth former in Wales will have access to a consistent level

of information, advice and support so that they can fulfil their academic potential.

These hubs demonstrate the benefit of partnership working; sharing resources and gaining economies of scale.

Pause

As I'm talking about potential, now is probably a good time to talk about the fourth measure which is **International skills benchmarking.**

Skills Competitions are very close to my heart and the young people who take part in them have the opportunity to showcase their skills in competitive environments. These competitions help build

confidence and further enhance life chances by encouraging competitors to be ambitious in their pursuit of skills at the highest level.

It was with some pride that I noted 12 per cent of this year's UK competition entries have come from Wales, battling it out in competitions ranging from forensic science to floristry. This number far exceeded our expectations. I have been hugely impressed when I have seen the skills of these young competitors in action..... they are really impressive and very inspirational!

Therefore, I encourage you all to engage with local skills competitions. Let's increase the number of competitors which will give Wales the potential for more successes in national and international

competitions. Some will hopefully be recognised by being selected to represent Team UK at World Skills in Sao Paulo, this August.

Pause

As a sector you have proven your willingness to respond to change but there will continue to be challenging times. More than ever, strong leadership will be vital in steering the sector forward.

It is essential that we have individuals in the sector who have the leadership skills to plan and build a strategy in a rapidly-changing external environment. Individuals who are able to lead major change, and who can engage with employers so that colleges are able to meet skills gaps. My challenge to you is to ask

yourselves whether you are ready for that. If not, how can you be helped? For example, how many of you have an individual mentor or coach to help you?

To ensure continuity we need to support the next generation of FE leaders and so I am pleased to see the development of a new programme for senior managers within the sector in Wales.

The programme, which is being delivered by the Association of Colleges and ColegauCymru, has been specifically designed to support leaders in both their individual and institutional development. The pilot programme is being delivered over this coming year and I look forward to hearing how it progresses.

Now is as good a place as any to mention how pleased I am that a grant has been awarded to ColegauCymru to lead on the development of a new Code for Governors in FE. I, like many of you in this room, look forward to the new code being published in the Autumn to support and assist the army of individuals that devote a substantial amount of their time, to stewarding and guiding their local college to meet local needs.

Pause

We are living through difficult economic times, the learning and skills we provide are more crucial now than ever before, but the resources we have at our disposal remain tight.

If we are to truly create opportunities for our learners, and get more of our population into the workplace, then we have to make use of every avenue open to us to give our learners the best chance to play an active role in our society and in our economy. We need innovative programmes of learning that will respond to changing labour markets, and to demand. Above all we must ensure that our learners are leaving education well equipped for employment.

Looking to the future, and to recognise the importance of the partnership that exists between your colleges and the Government, I plan on inviting all Principals and Chairs of Governors to a meeting in Cardiff this summer. We have to reach a mutual understanding of where the sector is headed.

Before I close, I would really like to leave you with two inspirational stories. I could refer to any number of similar examples from any of our colleges, but as Judith is chairing I have chosen two examples from Coleg y Cymoedd.

Firstly, an A level learner from Ynyshir – a Communities First ward in the Rhondda. He is the first in his family to study A-levels and will also be the first to attend university – and not just any university.

He holds an offer from St. Hilda's College, Oxford to read Physics, starting in October 2015. His longer term aspirations are to complete a Ph.D, and I wish him well and hope that he will return to Wales to work when he has completed.

A wonderful feature of FE in Wales is that our people go over and above that expected of them - in this case it included accompanying him to his interview as this was something his family was unable to do. The College also helped him find the funding for travelling expenses and supported an application to the Livery Guild for additional support to help his transition to higher education. No wonder we are so proud of our people in the sector.

The second example is a vocational learner from the Cynon Valley who had been looked after in several different foster homes. At school she was never considered an outstanding student due to lack of motivation; partly due to changing schools, being unable to establish a stable group of friends and the

frequent changes in foster carers. The sort of life we unfortunately hear of too often.

She enrolled at the Aberdare campus to do a range of GCSEs, which enabled her to progress to a full time National Diploma in Performing Arts. Her ambition was to be a drama teacher and in addition to travelling two hours each way to the Rhondda campus, she also studied GCSE Maths in an evening class.

She passed everything and achieved a triple distinction in her main qualification. She is currently undertaking a joint honours degree in TV & Film Performance at Aberystwyth University and plans to complete a teaching qualification. These are the real life stories are really showing the differences you are making to

young lives. To my mind, and despite all the problems and difficulties, it is what makes your jobs worthwhile.

Pause

I am sorry that I am unable to stay for the rest of the conference.

I trust you will all enjoy your day and I hope that you have the opportunity with your colleagues to discuss the measures I have focused on today - jobs and growth, equality and equity, financial sustainability and international standards – and what they mean to you.

We must work together to achieve and give the learners in Wales the future they deserve.

Thank you / Diolch.yn fawr

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