

Business Plan 2009-2010

independent UK-wide evidence-led creative
productivity-focused responsive authoritative
knowledgeable objective effective passionate
inspirational employer-led collaborative
constructively radical innovative insightful
challenging thought-provoking plain-speaking
assertive results-driven efficient influential
high-performing cutting-edge strong
opinion-leading demand-led
talent-unlocking prosperity-seeking

Foreword

The journey towards our goal of being a 'top eight' country for employment, skills and productivity, with increasing social cohesion, will be an exciting one as we continue to make positive changes to the prospects, opportunities and performance of the UK workforce. Yet it also contains many challenges and there is no 'quick fix'.

The UK Commission's first strategic plan, published at the same time as this document, sets our vision, mission and priorities for the next five years and beyond as we seek to improve the economic competitiveness and social cohesion of the UK through increasing employment and skills of the working age population and balancing the needs of providers, individuals, employers and communities.

This business plan details the actions we intend to take to complete the first steps of our five year strategy. Much of it builds upon the excellent work started in our first year, taking a number of strands of work onto the next stage. But it also presents new work arising from the current challenging economic situation, from consultation with a wide range of stakeholders and from the findings of our own work in the past year.

This work programme is, again, ambitious and challenging. It includes a wide range of work as we seek a new direction for and with our many stakeholders built upon our three strategic priorities of:

- 1: Building a more strategic, agile and demand-led employment and skills system
- 2: Maximising individual opportunity for skills and sustainable employment
- 3: Increasing employer ambition, engagement and investment in skills

Only by moving forwards across all three priorities can we find optimal solutions to meet the needs of all.

Having become established in capacity, capability and in reputation over the past year we need to continue to learn and to develop our staff and our business processes. We also expect to see further developments during this year as we are asked to take strategic ownership of the Investors in People standard and to expand our research activities.

We are acutely aware that our success depends not just upon the input of the UK Commission, but on the support and participation of a huge number of partners and stakeholders. We are fully committed to bringing about beneficial change through providing expert, honest and impartial advice to the UK Government and Devolved Administrations on policy and practice that increase employment and the skills of the UK workforce, leading to greater equality, opportunity and productivity.

We hope this plan engages you, as it does us, as an opportunity to make a real difference to our employment and skills systems to benefit employers, individuals and communities. Please contact us to get engaged and contribute to our work programme. I look forward to working with you.



Chris Humphries CBE
Chief Executive

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1. Our vision, mission and values

Our vision

A world class and successful nation, built on sustainable economic growth, and providing opportunity for all

Within this broad vision, our strategy is based on making a major contribution to the development of a world-class UK workforce by 2020, where 'world-class' is defined by being in the top 8 OECD countries for productivity, employment and skills:

	2020 Goal	2008/09 position
World class productivity levels	in top 8 OECD countries	currently 11th
World class employment levels	in top 8 OECD countries	currently 10th
World class skill levels	in top 8 OECD countries	currently 12th – 18th (varies by level)

Our Strategic Plan identifies milestones for 2014 that would put the UK on track towards the 2020 goals:

- Skill levels of the working age population: 80% at lower secondary; 58% at upper secondary; 36% at tertiary or higher
- 76% overall employment rate; with UK unemployment 20% lower than EU average
- 40% of businesses to have adopted high performance working practices
- 12th in OECD for ratio of top 10% of earnings to bottom 10% of earnings
- A 10% reduction in UK national/regional productivity & employment gaps

In order to achieve this we will focus on developing world-class employment and skills systems that meet the twin needs of economic competitiveness and social development through inclusion and individual opportunity.

Our mission

Maximise UK economic competitiveness and individual opportunity through world-class employment and skills

In pursuing our vision and mission we will work with and through the UK Government, Devolved Administrations and other partners in employment and skills to analyse and challenge existing policies and practices; develop improved or new solutions; and continuously embed and further improve the implementation of employment and skills policy and practice in the UK. In doing this we will display the following values:

Our values

- | | |
|--------------------|--|
| Inspiration | We will be innovative, energetic and brave |
| Integrity | We will earn trust and respect by being ethical, honest and impartial |
| Inclusion | We will be committed to equality, diversity and partnership working |
| Influence | We will be decisive, give expert advice and be agents of beneficial change |

2. Introduction

In its formal charge to the UK Commission, Government set out five broad responsibilities:

- a. assess annually UK progress towards becoming a world-class leader in employment and skills by 2020, consistent with the aims and priorities of the four nations
- b. advise the highest levels of Government on policies and delivery that will contribute to increased jobs, skills and productivity
- c. monitor the contribution and challenge the performance of each part of the UK employment and skills systems in meeting the needs of employers and individuals, and recommend improvements in policy, delivery and innovation
- d. promote greater employer engagement, influence and investment in workforce development
- e. fund and manage the performance of the Sector Skills Councils as key industry leaders in skills and employment.

This is the UK Commission's second annual Business Plan and it builds upon the work completed in 2008 - 2009.

It has been developed in the context of our remit (see opposite); the economic climate at the start of 2009; our first five year Strategic Plan; and the findings of our report *Ambition 2020: World Class Skills and Jobs for the UK*, published in April 2009. Our primary role is advisory, however this plan contains a balance of advisory work and executive functions as directed by our government sponsors through our remit and Grant-in-Aid letters.

Some of the work contained in this plan is a direct continuation of projects started in 2008 - 2009. Other projects represent the next phase of work, following up on the findings and recommendations made in 2008/09, identifying areas where a significant positive impact may be achieved and where the UK Commission can add further value through analysis, challenge, development and/or embedding and improvement of employment and skills policy and practice.

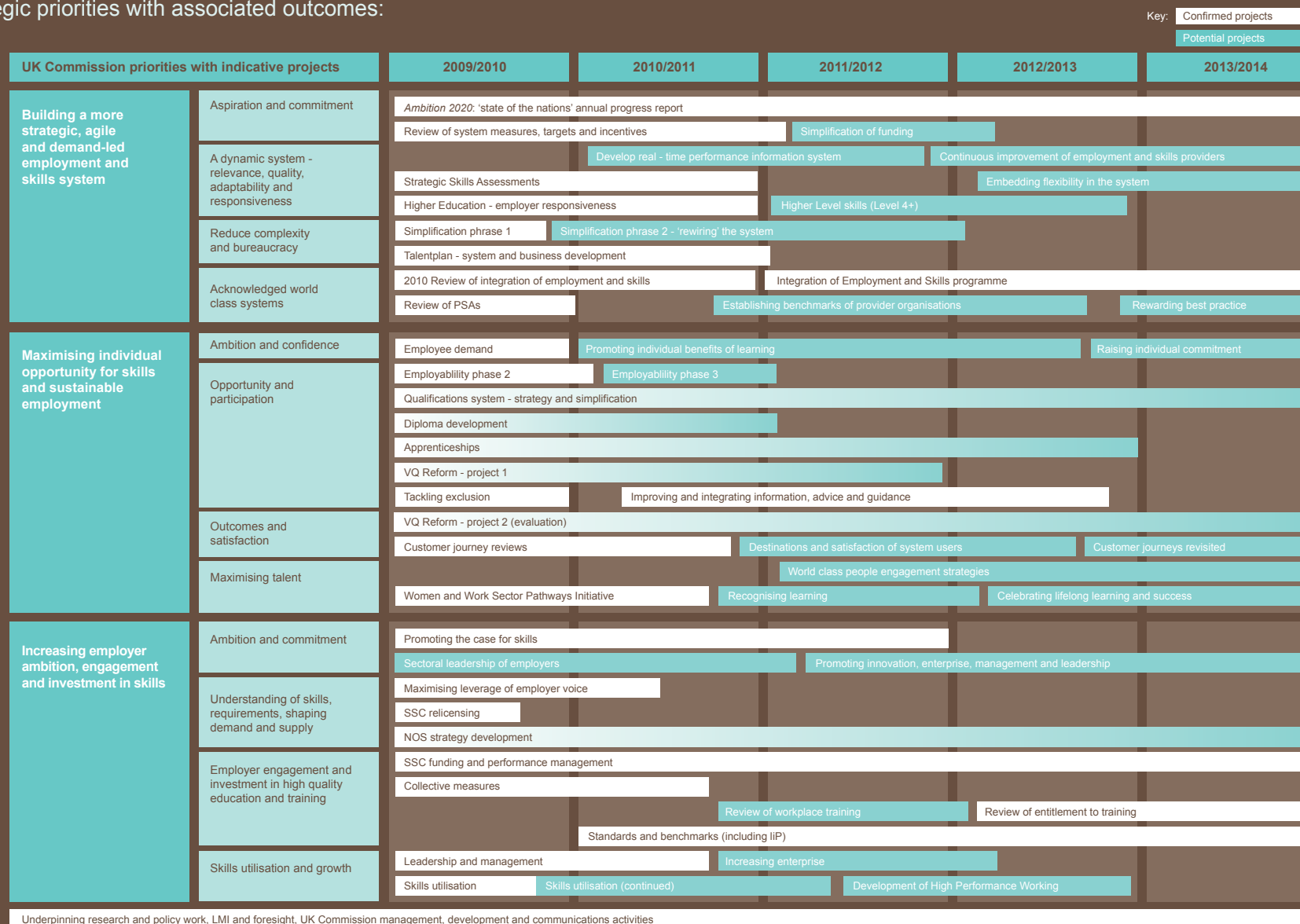
In addition there are some new pieces of work arising from the development of our remit during 2008 - 2009; discussions between Commissioners and our sponsoring government departments; and the need to ensure that employment and skills policy and practice respond to the current economic climate. Our work will seek to ensure that the UK workforce and industries are better placed to not only survive recession but to emerge from it quicker and stronger to thrive in future economic conditions.

No doubt during the year there will be further changes - whether economic, social or political - and the UK Commission will be required to undertake work over and above that in the current plan, providing advice to government on short-term employment and skills issues as they arise. Larger pieces of work (with appropriate funding) may also be added to the work programme during the year by agreement between Sponsors and Commissioners.

3. Work programme 2009 - 2010

The Strategic Plan includes a five year timeline (figure 1) of confirmed and potential projects working towards the delivery of three strategic priorities with associated outcomes:

Figure 1: Strategic five year timeline



This Business Plan (2009 - 2010) supports Year One of the strategy. Although Figure 1 and the rest of this document align projects against priorities and outcomes, in reality the impact of projects is less clear cut with many projects contributing to more than one outcome and/or priority as well as contributing to other current and future projects. Figure 2 highlights some of these key relationships. Details of each project are contained in the following pages.

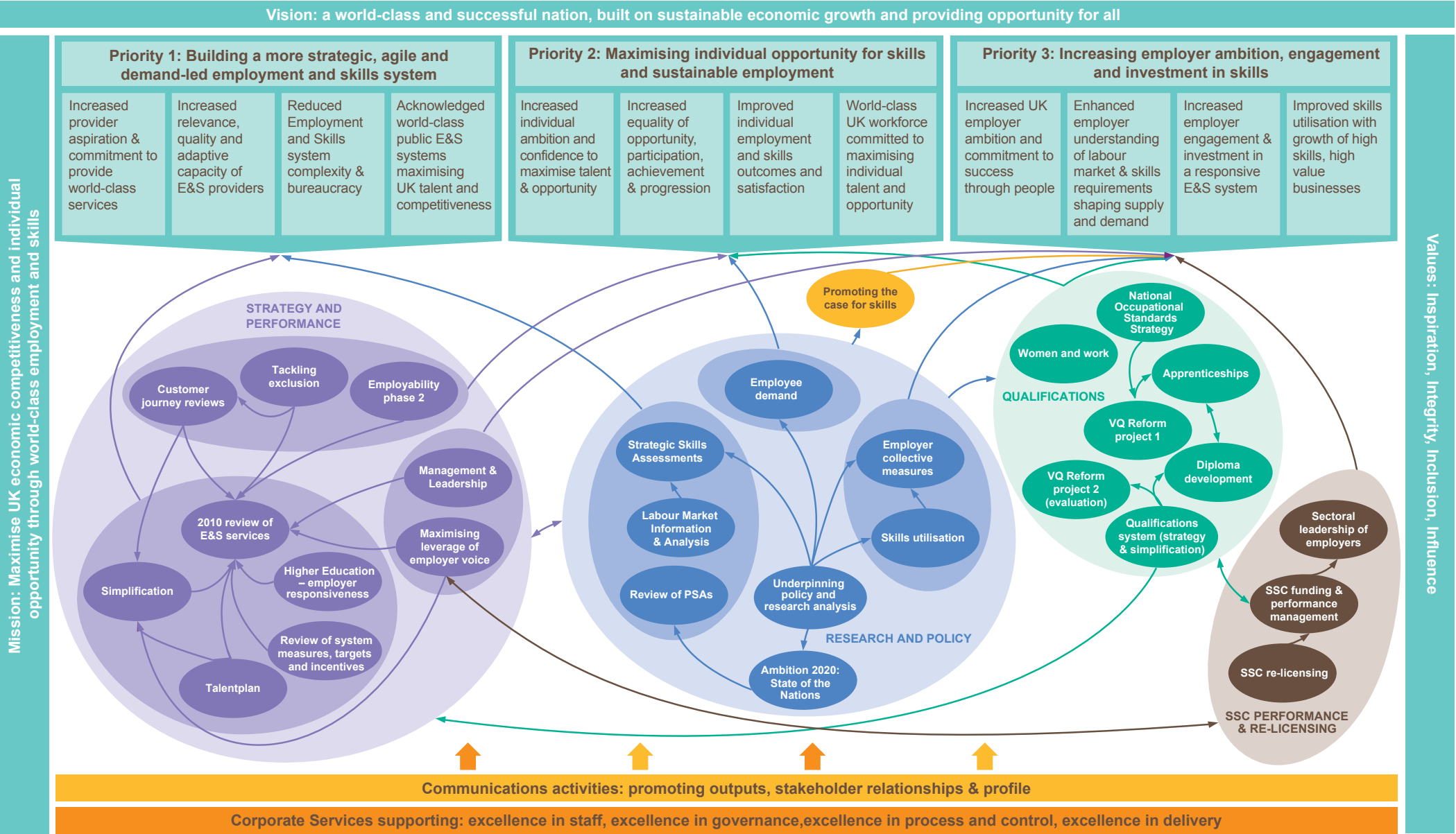


Figure 2: High level strategic map for 2009 - 2010

4. Strategic Priority 1

Building a more strategic, agile and demand-led employment and skills system

As our publication *Ambition 2020* makes clear, the overall outputs of our education and training system – through schools, colleges, private training organisations and universities – are systematically losing ground against our principal international competitors. To retain and improve our position the UK needs more dynamic and adaptive systems to enable greater front line responsiveness to employment and skills needs and to respond to future unknown economic and social opportunities and challenges. Such an approach must be supported by appropriate policies, targets and measures that optimise the behaviour of providers and learners within the system.

In 2009 - 2010, our work under this priority will focus on working with relevant partners and stakeholders to devise and propose policies, measures and incentives that will substantially improve the accessibility, relevance, responsiveness, simplicity and flexibility of the employment and skills systems to sectoral, employer, individual and community (spatial) needs.

Outcome	What and How	Milestones and deliverables	Date	Geographic coverage	Lead Directorate	Advisory/ Executive
Aspiration and commitment	Review of system measures, targets and incentives Undertake review of the impact of targets, measures and incentives on operational performance and organisational behaviour.	Baseline work completed	Spring 2009	UK-wide	Strategy and Performance	Advisory
		Final report and recommendations	Winter 2009			
Relevance, quality, adaptivity, responsiveness	Strategic skills assessments (Skills Activism) Led by the UK Commission with 4 sub-components of analysis and reporting: assess skills implications of existing priority sectors; assessing existing skills needs; anticipating future skills needs; strategic skills overview and audit	Identify priorities as relevant to each part of the UK Final report published	Autumn 2009 Spring 2010	UK-wide	Research and Policy	Advisory
	<i>Proposed - Under discussion at time of publication</i> <ul style="list-style-type: none"> • Advise Ministers on practical steps to ensure UK workers are in a position to compete for jobs in high-level skills-shortage occupations • Set up a national observatory to provide a national strategic perspective/intelligence on developments in the labour market 	<i>to be agreed</i>				
	Higher Education – employer responsiveness Work with employers and the higher education sector to determine what the UK Commission should do to improve the contribution of Higher Education to an industry-responsive employment and skills system policy.	Final report and recommendations	Spring 2010	UK-wide	Strategy and Performance	Advisory

<i>Outcome</i>	<i>What and How</i>	<i>Milestones and deliverables</i>	<i>Date</i>	<i>Geographic coverage</i>	<i>Lead Directorate</i>	<i>Advisory/ Executive</i>
Reduce complexity and bureaucracy	Simplification programme Report on the implementation and impact of the 10 recommendations in our report on <i>Simplification of Skills</i> published in October 2008. Identify opportunities to expand coverage to employment and to regional and sub-regional activities; disseminate lessons across the four nations and develop proposals for the next phase of work, for further systemic change to simplify the system for employers	Published progress report for Ministers	Summer 2009	England	Strategy and Performance	Advisory
		Final report to Ministers setting out findings and recommendations	Winter 2009			
	Talentplan Full scale implementation of the Talent Map (a web-based system for employers to enable them to quickly identify how they may best engage with employment and skills systems)	Version 1 full release with full widget	Spring 2009	UK-wide	Strategy and Performance	Advisory
		Formal Launch	Summer 2009			
	2010 Review of Employment and Skills Services Report on whether more radical change is needed to integrate employment and skills services in England, Wales and Scotland. <ul style="list-style-type: none"> • Publish the success criteria against which the employment and skills services will be measured in the 2010 - 2011 review. • Commence preparatory work towards full review in 2010 - 2011 • To advise Ministers on the performance of the current integrated employment and skills trials. 	Publication of success criteria	Summer 2009	England, Scotland and Wales	Strategy and Performance	Advisory
			Ongoing			
Acknowledged world-class systems	Review of PSAs Contribute recommendations and participate in discussions around skills PSAs. Project in partnership with DIUS in 3 phases: scoping; analysis; reporting.	Final report	Summer 2009	England	Research and Policy	Advisory

Other projects, aligned to priorities 2 and 3, will also contribute to this priority and related outcomes. Most importantly, Customer journey reviews (page 16) will identify opportunities for simplifying access; and Maximising leverage of employer voice (page 19) will seek to ensure that employers' voice gains traction in helping to enhance employment and skills systems to meet their needs.

5. Strategic Priority 2

Maximising individual opportunity for skills and sustainable employment

In many part of the UK, levels of unemployment and worklessness are far too high with unacceptably high levels of low skilled adults, many of whom lack the basic literacy and numeracy skills necessary to obtain meaningful work or succeed in further training and development. Perceived barriers to learning and skills act as a disincentive for low skilled individuals to seek and retain sustainable employment opportunities; and employer training focuses mostly on delivering further training and development to those who already have higher levels of skills.

As the current recession deepens, priority will need to be given to both the long-term unemployed, for whom the potential for prolonged worklessness will increase, as well as to seeking to maximise the opportunities for up-skilling and rapidly re-engaging in productive work-related activity those who become redundant or whose working time is reduced.

In 2009/10, our work under this priority will focus on identifying and removing barriers to individuals' engagement with providers and employment and skills development; and on supporting employers, providers and government policy in the development of qualifications that lead to employability and sustainable employment opportunities for individuals.

Outcome	What and How	Milestones and deliverables	Date	Geographic coverage	Lead Directorate	Advisory/ Executive
Ambition and confidence	Employee Demand Complete an empirical and policy review and investigate what is known about the existing barriers and challenges facing low-skilled (in particular) and other workers in accessing career-enhancing training	Recommendations to government published	Spring 2009	UK-wide	Research and Policy	Advisory
Opportunity & participation	Employability – phase 2 Building on the work of phase 1 (completed in 2008/09), undertake Phase 2 of the <i>Employability Challenge</i> focusing on assessment, funding and system-wide implementation	Research and consultation completed Report published	Autumn 2009 Spring 2010	UK-wide	Strategy and Performance	Advisory
	Tackling exclusion Undertake initial scoping work to identify the most promising models for integrating employment and skills for people in, or at risk of, social exclusion, enabling them to come out of recession with employment opportunities (to include flexibility and links to other services)	Scoping report issued	Spring 2010	UK-wide	Strategy and Performance	Advisory
	Qualifications system (strategy and simplification) Provide strategic advice to the UK Commission through the Qualifications Advisory Group and key partners about standards and qualifications policy, funding and delivery and its impact on learners and employers in the skills system, including specific work on 14-19 curricula in the four home nations, and the European Qualifications Framework (in consultation with and with the agreement of Ministers in each of the nations).	Commissioning and producing high quality, timely advice to the UK Commission, through the Qualifications Advisory Group; Contributing to/chairing EQF committees; Contribution to funding committees.	Ongoing	UK-wide	Qualifications	Advisory
	Diploma Development Manage a major programme of work on Diploma development in England (Phases 2-4) with the aim of increasing participation and relevance of the 14-19 curriculum for learners and employers. The programme includes: qualifications development, employer and HE engagement, being part of assessment panels judging the suitability of consortia for delivery, and making contributions to evaluation, information advice and guidance (IAG) and marketing and communications.	Satisfactory completion of criteria and qualifications development Contribution to Additional and Specialist Learning (ASL) catalogue Contribution to evaluation, IAG, marketing and communications, and consortia assessment.	Autumn 2009 Spring 2010	England	Qualifications	Executive
	<i>Awaiting approval of funding at time of publication</i> Apprenticeships Provide strategic advice about apprenticeships and how successfully they support learners and employers in addressing the skills needs of individuals and employers, with suggestions for improvements in consultation with and with the agreement of Ministers in each of the nations. Provide strategic guidance on how to assess Sectors Skills Councils (SSC) performance in apprenticeships and work-based learning.	Timely advice to four nations in response to 'bureaucracy busting' project. Production of guidance for performance managers.	On-going Autumn 2009	UK-wide	Qualifications	Executive

<i>Outcome</i>	<i>What and How</i>	<i>Milestones and deliverables</i>	<i>Date</i>	<i>Geographic coverage</i>	<i>Lead Directorate</i>	<i>Advisory/ Executive</i>
Opportunity & participation (contd.)	VQ reform – Project 1 (including NOS delivery) Work with SSCs and key partners to ensure that reformed qualifications designed to meet skills needs of learners and employers are delivered in line with agreed timescales to support framework population (SCQF, QCF) Ensure these qualifications are informed by high quality, up to date National Occupational Standards (NOS) Agree an approach to qualifications approval and support the Alliance of SSCs in its implementation Monitor the use of public funds to ensure the speedy development of units for the QCF whilst ensuring deadweight is minimised	Define 'Key Qualifications' in consultation with PLG leads	Spring 2009	UK-wide	Qualifications	Executive
		Complete SQS/AP refresh incl. identifying key qualifications, funding priority qualifications and required areas for NOS updates	Summer 2009			
		Report on SQS/AP delivery timelines for all SSCs to inform %'s for future milestones	Summer 2009			
		Phase 1 of key qualifications: Agreed % on QCF	Winter 2009			
		Phase 2 of key qualifications: Agreed % on QCF	Spring 2010			
Outcomes & satisfaction	VQ Reform – Project 2 (Evaluation and Research) Design, agree and deliver a programme of work to research and evaluate whether the UK VQRP is addressing the skills needs of employers and learners	Evidence based reports to inform the UK VQRP Board about the impact of the UK Vocational Qualifications Reform Programme.	Spring 2010 (tbc)	UK-wide	Qualifications	Executive
	Customer journey reviews Work at local level to assess the quality and effectiveness of the 'customer journeys' for clients through the whole employment-skills system. The project will focus on the role of the personal advisor and assess the factors that either impede or accelerate individual's progress in the system.	Report of findings and recommendations	Summer 2010	England, Scotland and Wales	Strategy and Performance	Advisory
Maximising Talent	Women and Work Sector Pathways Initiative Work with key partners and SSCs to ensure that Phase 3 of the Women and Work Sector Pathways Initiative is delivered to a quality standard. Role out recommendations of the evaluation of Phase 1 and complete evaluation of Phase 2 of the programme. Implement new extranet solution for the capture of all Women and Work data Explore the future strategy for the Women and Work Sector Pathways Initiative with key stakeholders	New Extranet solution for data capture rolled out Strategy for W&W programme agreed with key stakeholders Extranet solution enhanced in controlled roll out Minimum 5,000 individuals aided by programme	Spring 2009 Winter 2009 Spring 2010 Spring 2010	England	Qualifications	Executive

Other projects, aligned to priorities 1 and 3, will also contribute to this priority and related outcomes. Most importantly, Simplification and the 2010 Review of Employment and Skills Services (page 12) will consider the experience of individuals in engaging with the employment and skills systems.

Jargon Buster

ASL - Additional and Specialist Learning

BERR - The Department for Business, Enterprise and Regulatory Reform

DIUS - The Department for Innovation, Universities and Skills

EQF - European Qualifications Framework

LMI - Labour Market Information

LSC - Learning and Skills Council

NOS - National Occupational Standards

PLG - Project Leaders Group

QCF - Qualifications and Credit Framework

SCQF - Scottish Credit and Qualifications Framework

SQS/AP - Sector Qualifications Strategy Action Plan

SSC - Sector Skills Council

VQRP - Vocational Qualifications Reform Programme

W&W - Women and Work

6. Strategic Priority 3

Increasing employer ambition, engagement and investment in skills

Success for the UK will depend on creating an economy for which employers fundamentally see their long term survival and prosperity as inextricably linked to how skills are developed and utilised in their workplace; in turn providing wider economic benefits of increased productivity and the creation of a world class workforce.

In 2009 - 2010, our work under this priority will focus on promoting policies to enhance the actions employers can take, both individually and collectively, to engage with the skills of their employees; and with the employment and skills systems at national and local levels. In conducting this work we will consider the needs of all employers: private, public and voluntary; large, medium and small.

Outcome	What and How	Milestones and deliverables	Date	Geographic coverage	Lead Directorate	Advisory/ Executive
Ambition and commitment	Promoting the case for skills Work with employer bodies and trades unions at national and sectoral level to support them in promoting uptake/investment in skills (including the use of research evidence).	Leadership and facilitation of continuing activities arising from the ' <i>Now is the time...</i> ' initiative, encouraging the partner bodies to communicate positive messages about skills development to their memberships	Ongoing	UK-wide	Communications	Advisory
	<i>Proposed - Under discussion at time of publication</i> Sectoral leadership of employers The Executive function's contribution to the advisory work of the UK Commission to increase employer engagement, investment and skills utilisation, by: <ul style="list-style-type: none"> Assessing the extent to which the network of SSCs and SSBs are collectively able to impact on investment in skills and utilisation Supporting the SSCs' role in helping the recovery from recession (including policy development in relation to industrial strategies and sectoral/strategic skills priorities) and the funding implications of any changes Intervening where necessary to build the capacity and capability of the system to support employer skills. Including unblocking barriers to the delivery of employer-led skills solutions. 	Specialist support and contribution regarding the collective employer perspective. Advice to Government on what else needs to be done to ensure that the employment and skills systems are responsive and that each industry is taking the steps necessary at the pace and scale required to protect skills during the downturn and to build jobs and talent for the future.	Ongoing	UK-wide	SSC Performance & Re-licensing	Advisory
Understanding skills requirements shaping supply and demand	Maximising leverage of employer voice <ul style="list-style-type: none"> To determine the system design principles which maximise employer voice and leverage in employment and skills services To make recommendations to UK Government and Devolved Administrations on maximising the opportunities for employer leverage through sectoral and sub-regional approaches 	Undertake consultation on scope and content of review Commission research Publish report	Spring 2009 Summer 2009 Spring 2010	UK-wide	Strategy and Performance	Advisory
	SSC Re-licensing Support the work of the SSC Committee, including completion of: <ul style="list-style-type: none"> A programme of 25 NAO high quality assessments delivered to time and budget Managing the programme of 25 Commissioner visits to meet SSC Boards 5 SSC Panel meetings to score each SSC and make recommendations to Government Work with UK Governments to communicate re-licensing decisions in a clear and timely way. 	Complete the programme of SSC Re-licensing Publish a final report on the process, strengths of the network, areas to develop and issues arising	Winter 2009	UK-wide	SSC Performance & Re-licensing	Executive

<i>Outcome</i>	<i>What and How</i>	<i>Milestones and deliverables</i>	<i>Date</i>	<i>Geographic coverage</i>	<i>Lead Directorate</i>	<i>Advisory/ Executive</i>
Understanding skills requirements shaping supply and demand	NOS strategy development In collaboration with the Project 1 VQRP Board and as accounting officer: <ul style="list-style-type: none"> Consult on, agree and begin the implementation of a reformed approach to NOS Implement changes to quality assurance systems for NOS and contract management as the NOS levy is phased out Consult on, agree and implement changes to the NOS directory Consult on, agree and implement an approach to addressing standards and qualifications work in sectors and occupations without SSCs. 	Reformed approach to NOS agreed	Summer 2009	UK-wide	Qualifications	Executive
		New quality assurance arrangements for NOS implemented				
		Changes to NOS Directory agreed	Summer 2009			
		Revised strategic funding formula for the distribution of Grant in Aid funds for NOS and SQRP work	Autumn 2009			
		SSB Project strands defined and agreed				
		Quality assured pan-sector Standard Setting Bodies in place	Winter 2009			
		Standards and qualifications coverage maintained/developed in sectors and occupations in line with skills needs.	Spring 2010			
Employer engagement and investment	SSC funding and performance management Implement a transparent, risk-based performance management system from April 09 including: <ul style="list-style-type: none"> Translation of the SSCs' new core remit into a clear contract; A new funding allocation model based on "equal shares" of core/strategic funding. Agree an efficiency element to be implemented from 2010 - 2011 Alignment of operational qualifications work with SSC performance assessment based on Performance Consultant portfolios from April 2009 and fully integrate by April 2010 Support to individual sectors of the economy to establish new arrangements /mergers where SSCs fail to be re-licensed. 	Issue revised contracts to re-licensed SSCs, based on an agreed set of strategic and operational objectives including common and sector specific measures	Spring 2010	UK-wide	SSC Performance & Re-licensing	Executive
		Commence quarterly reviews of performance using a new "scorecard"-based approach	Spring 2009			
		Publish an annual review of SSC performance against contracted performance measures	Spring 2010			
	Collective Measures Engage with employers and provide a view to the UK Government and Devolved Administrations on the levers available to stimulate employer investment in skills and the cost/benefit of the options Complete prioritisation exercise and appraisals.	Series of project reports	Summer 2009	UK-wide	Research and Policy	Advisory
		Provide policy recommendations to Government – Report	Autumn 2009			

<i>Outcome</i>	<i>What and How</i>	<i>Milestones and deliverables</i>	<i>Date</i>	<i>Geographic coverage</i>	<i>Lead Directorate</i>	<i>Advisory/ Executive</i>
Skills utilisation and growth	Leadership and Management Working in partnership with DIUS and BERR to identify how leadership and management development can be improved to increase global competitiveness and employment opportunities. Undertake a series of deliberative workshops with key stakeholders in order to determine and agree the priority area that needs to be focused on. Identify which organisations are best placed to own the actions arising.	Consultation completed	Winter 2009	UK-wide	Strategy and Performance	Advisory
		Recommendations	Spring 2010			
	Skills utilisation (UK-wide in collaboration with Scotland). Assess the evidence on the role of skills utilisation and high performance working in business success and identify successful techniques for encouraging and supporting employers to make better use of skills to improve their competitiveness and increase added value. Further, to develop proposals for their implementation and draw out implications for policy. Complete case studies, survey tool, High Performance Working synthesis and policy review and provide recommendations to the UK Government and Devolved Administrations	Series of project reports	Spring-Summer 2009	UK-wide	Research and Policy	Advisory
		Final Report	Autumn 2009			

Other projects, aligned to priorities 1 and 2, will also contribute to this priority and related outcomes by reviewing employment and skills services from the employer perspective; facilitating their access to employment and skills systems; and through engaging employers in improving qualifications. For further details please see:

- 2010 Review of Employment and Skills Services (page 12)
- Talentplan (page 12)
- Qualifications system (page 15)
- Diploma Development (page 15)
- Apprenticeships (page 15)
- VQ reform – project 1 (page 16) and
- VQ reform – project 2 evaluation (page 16).

The UK Commission will take strategic ownership of the Investors in People standard during 2009 - 2010. The exact form this will take is to be agreed following a joint options appraisal being undertaken with DIUS. Detail on the work will then be added to this work programme.

7. Evidence-based policy

The evidence that underpins our work will be fundamental to our ability to challenge, develop, embed and improve employment and skills in the UK. Although each project will be responsible for ensuring that it is based on firm evidence, there are underpinning pieces of work led by the Research and Policy Directorate that will report on and contribute to our understanding of policy and practice across the UK, including international comparisons and experience. In conducting this work we will draw on major international research programmes and collaborate with UK Research Councils; other research organisations in each nation; and specialists in employment, skills, economic development and growth.

This work will help inform and contribute to the continuing development of the UK Commission's strategy; to projects across all aspects of our remit; and will inform the design, development and promotion of new workstreams or programmes for successive Business Plans.

<i>What and How</i>	<i>Milestones and deliverables</i>	<i>Date</i>	<i>Geographic coverage</i>	<i>Lead Directorate</i>	<i>Advisory/ Executive</i>
Ambition 2020 Monitor UK progress across all levels of employment and skills, against a range of metrics of employment, skills and business performance. It will also assess policies and targets and make recommendations on improvements as appropriate.	Launch 2008/09 report Scope 2009/10 report Complete 2009/10 report	Spring 2009 Summer 2009 Spring 2010	UK-wide	Research and Policy	Advisory
Underpinning research and policy analysis Specific research and policy studies and evidence reviews (including Migration Advisory Committee projects) UK Expert panel Establish international policy analysis group	Publish and promote a series of reports Expert panel re-appointed Policy analysis group appointed	Spring 2010 Spring 2009 Summer 2009	UK-wide tba	Research and Policy	Advisory
<i>Proposed - Under discussion at time of publication</i> LSC/FE skills research strategic role: establish research institute and associated programme of work					
Labour Market Information and analysis Continue to build the labour market analyses function including developing a range of LMI products for UK Commission use as well as wider partners: <ul style="list-style-type: none"> • Common LMI framework/SSC standard • The LMI almanac, a web-based and hard copy resource of spatial and sectoral LMI • An LMI portal, an 'information gateway', helping internal and external users access up to date and consistent LMI from reliable sources across the UK • LMI forum established to work and share information with partners and stakeholders in collecting and using LMI to ensure rigour, consistency and reliability of that data and intelligence drawn from it. 	LMI framework for SSCs published LMI Almanac published LMI portal revised and updated Series of forum events organised	Spring 2009 Autumn 2009 Winter 2010 Summer 2009 – Spring 2010	UK-wide	Research and Policy	Advisory
<i>Proposed - Under discussion at time of publication</i> Enhance strategic co-ordination and development of LMI evidence base (e.g. take key LMI products such as NESS, build national observatory; broaden LMI framework).					

8. Working with partners and stakeholders

As a strategic advisory body, we will principally achieve our goals through our effectiveness in informing, inspiring and influencing the goals, ambitions and actions of others. This includes government itself, research organisations and other advisory and executive agencies in the employment and skills fields as well as the principle constituencies of employment and skills providers, individuals, employers and communities (geographically-based stakeholders).

To reach this level of influence will require effective stakeholder management by all UK Commission staff, supported by staff in the Communications Directorate. The table below details the work of the Communications Directorate to put the UK Commission in a position to deliver against all three strategic priorities, as well as the support they will provide to colleagues. In addition, the Communications Directorate may take on specific projects relating to a priority (such as 'Promoting the case for skills' on page 19).

<i>What and How</i>	<i>Milestones and deliverables</i>	<i>Date</i>	<i>Lead Directorate</i>
Strengthen UK Commission presence and reputation Continue building a strong and positive corporate reputation with key audiences, especially employer and employment interests; and with the UK Government and Devolved Administrations; and with others who have significant influence in the employment and skills world.	<ul style="list-style-type: none"> • Launches of reports and other announcements of activities in this Business Plan. • A number of events across the UK, including receptions/ meetings for influential stakeholders and audiences. 	Various	Communications
Maximising UK Commission profile Seize on positive aspects over and above immediate Work Programme project content in order to establish and positively reinforce the UK Commission's corporate reputation as contributing to a higher level of national debate on skills and employment issues; and affording higher priority for employer leadership, thereby helping fulfil the UK Commission's vision and the achievement of our mission.	Both pre-planned and opportunistic exploitation of the Work Programme, so as to provide joined-up campaign planning and delivery in the course of the year as reported in our Communications Grid.	Various	Communications
Support to UK Commission colleagues Establish the core communications processes, mechanisms and collateral to help UK Commission colleagues execute and promote successful projects and so as also to give a robust foundation for an ambitious yet deliverable level of Communications Directorate strategic advice and appropriate practical support to those colleagues, including effective stakeholder relationships. The establishment of sound e-communications, including a website and intranet, building in ambitions towards appropriate use of web technologies such as moderated online discussion forums serving relevant communities of interest.	<ul style="list-style-type: none"> • Effective high profile communications support for UK Commission projects. • A high profile and positive welcome for the annual <i>Ambition 2020</i> report. • The implementation of good internal and external, technology-enabled communication and engagement tools for staff, Commissioners and external stakeholders. 	Ongoing Spring 2009, each spring thereafter Ongoing	Communications

9. Excellent organisation performance

We will strive at all times to use best practice in our operations, in particular with regard to enabling our employees to deliver high performance. We aim to be an organisation with the capabilities, structures, systems, processes and attitude to deliver our commitments efficiently and effectively, with mechanisms in place to continually improve on performance.

The following table details work designed to support excellent organisational performance in delivering the rest of the work outlined in this plan. Although this work is led by staff in the Corporate Services Directorate, all staff will be engaged and have responsibility for ensuring that the organisation continues to deliver the highest level of performance.

<i>What and How</i>	<i>Milestones and deliverables</i>	<i>Date</i>	<i>Lead Directorate</i>
People <ul style="list-style-type: none"> Transition and integration of liP UK staff Develop our Management/Leadership Community, HR briefing sessions for Managers Learning and development - review how we identify training needs, develop our Corporate Training Plan, work towards liP accreditation Performance Management - Review performance management system, skills workshops re: High Performance Working Practices HR Systems and Processes - Launch self service facility, introduce, communicate, embed appropriate HR policies, Review HR suppliers Staff Engagement - Continue to grow and strengthen the Employee Representative Group, Support staff identification of appropriate consultation mechanism Embedding values 	<ul style="list-style-type: none"> Transition and integration of liP UK staff Leadership & Management needs analysis Design and deliver Leadership & Management development solutions liP accreditation assessment Completed IPaDs with personal development plans Staff survey and action plan 	<ul style="list-style-type: none"> Summer 2009 Spring 2009 Spring 2009 Spring 2010 Spring 2009 Autumn 2009 	Corporate Services
Processes and Controls <ul style="list-style-type: none"> Support to UK Commission and committees Maintenance of FoI, DPA, Monitoring, T&Cs etc Improve project planning and risk management processes Improve budgeting tools to support managers Improve organisational performance reporting to include outcomes and impact indicators (project) Upgrade finance system (project) 	<ul style="list-style-type: none"> Schedule of UK Commission and committee meetings Respond to FoI or DPA enquiries in accordance with policies Internal audit programme Monthly and quarterly performance reporting First report incorporating outcome and impact indicators New, fit-for-purpose finance system implemented 	<ul style="list-style-type: none"> Ongoing Ongoing Ongoing Ongoing Autumn 2009 Winter 2009 	Corporate Services
Tools for Delivery <ul style="list-style-type: none"> Professional, proactive IT & facilities service to support UK Commission business operation including: reception service; technical management; application management; operational (security and maintenance) management; incident and disaster management. Projects to improve UK Commission use of IT & facilities – carried out in collaboration with colleagues across the UK Commission to meet their needs for improved ways of working, including effective use of up-to-date technology and a safe, productive working environment. 	<ul style="list-style-type: none"> Service to standard agreed in SLA IT/tech refresh including telepresence; Enterprise Resource Management System; Sharepoint - collaborative working system; System upgrades or replacement (Snowdrop, Matrix, infoline, NOS system); UK Commission website/intranet; Wath office reorganisation & refurbishments 	<ul style="list-style-type: none"> Ongoing 2011 	Corporate Services
Business Development <ul style="list-style-type: none"> liP UK - transition and integration of finance and systems Review of organisation design 	<ul style="list-style-type: none"> liP UK Integration complete 	<ul style="list-style-type: none"> Summer 2009 	Corporate Services

10. Governance and resources

Delivery of the UK Commission's work is organised through six Directorates, overseen by our Commissioners through a number of committees. A list of Commissioners and senior staff can be found in the Annex (page 36).

Figure 3: Committee Structure

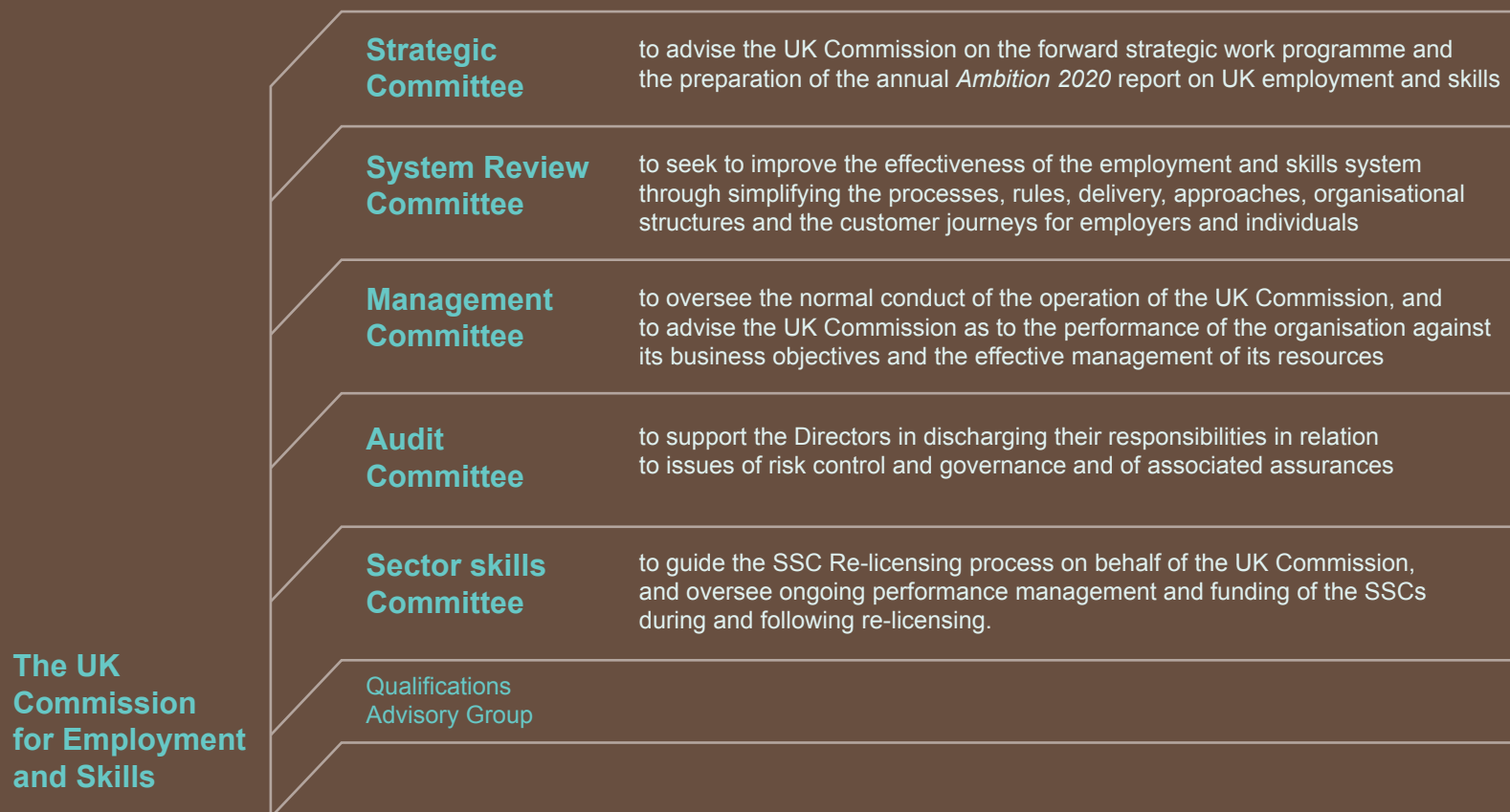


Figure 4: Directorate Structure





11. Directorate and project teams

Project teams are selected to make best use of the individual skills and expertise of our staff. However, to deliver projects successfully may also require assistance from staff with specialist expertise in other Directorates – either on an *ad hoc* or on a more formally planned basis. In addition, external sources of expertise will be sought (e.g. via secondees or contract staff) when necessary.

The chart opposite identifies the lead Directorate and which other Directorates will be making a significant, planned contribution to each project.

Directorate	Project	Priority 1	Priority 2	Priority 3	Evidence	Comms	Organisation
	Strategic skills assessments						
	System measures, targets and incentives						
	Higher education employer responsiveness						
	Simplification						
	Talentplan						
	2010 Review of Employment and Skills services						
	DIUS-led review of PSAs						
	Employee demand						
	Employability phase 2						
	Tackling exclusion						
	Qualifications system						
	Diploma development						
	Apprenticeships						
	VQ reform – project 1						
	VQ reform – project 2 (evaluation and research)						
	Customer journey reviews						
	Women and work						
	Promoting the case for skills						
	Sectoral leadership of employers						
	Maximising leverage of employer voice						
	SSC Re-licensing						
	NOS strategy development						
	SSC funding and performance management						
	Collective measures						
	Leadership and management						
	Skills utilisation						
	Ambition 2020 (annual state of the nations report)						
	Research and policy analysis						
	LMI and analysis						
	Presence and reputation						
	Maximising profile						
	Support to colleagues						
	People						
	Processes and controls						
	Tools for delivery						
	Business development						

Key:
 Lead Directorate
 Contributing Directorate

12. Finance

The resources agreed with Sponsors to deliver the UK Commission's 2009 - 2010 activities are set out here. The figures shown exclude resources for those areas of activity that are still subject to agreement with our Sponsors as noted previously and represents the budget approved by the Management Committee on 23 March 2009.

Our Programme budget noted above will be allocated across the Strategic priorities as follows:

2009 - 2010 Budget (£000's)			
	Ongoing funding	Non-recurrent project funding	Total
Organisation Cost	7,191	1,772	8,963
UKCES Programme*	4,889	1,899	6,788
SSC Programme*	52,854	23,153	76,007
Depreciation/Cost of Capital	400	0	400
Total Resources Excluding Capital Expenditure	65,334	26,823	92,157
Capital Expenditure	250	0	250

**These figures are shown before budget reduction for NAO re-licencing work paid for by DIUS and includes £2,970k funding for Apprenticeships that has yet to be formally confirmed as at publication.*

	£000's
Priority 1 - Building a more strategic, agile and demand-led employment and skills system	1,671
Priority 2 - Maximising individual opportunity for skills and sustainable employment	1,272
Priority 3 - Increasing employer ambition, engagement and investment in skills	1,231
Evidence and communication activities	2,614
Total	6,788

13. Governance framework

Probity and effective management are ensured through a governance framework setting out essential policies and procedures.

Why were we set up?	Leitch Review	Introductory Presentation	What are we here to do?	Remit Letter from Sponsors	5 year Strategic Plan
How have we been set up?	Mem and Arts for Business		Certificate of Incorporation	Framework Document	
Who governs us and how are they held accountable?	Commission Committee structure	Committee ToR and membership	Accounting Officer letter	Delegated authorities	
	Model appointment letter and terms of office	Commissioners code of conduct	Commissioners Conflict of Interest policy & expense policy	Register of members interests	
What are we doing this year?	Annual Business Plan		Grant-in-aid letter from Sponsors	Directorate Plans and budgets	
Who do we report to?	UK Government and Devolved Administrations reporting on strategic impact, operational delivery and resource utilisation	UK Commission's Management Committee organisational planning, performance and resource management and utilisation	UK Commission's Audit Committee providing assurance to the UK Commission on the effectiveness of internal controls and reporting (utilising internal and external audit functions)	UK Commission's Senior Leadership Team and budget holders utilisation and allocation of budgets	
How do we operate?					
Finance & Performance			People		Governance & Programme Management
Organisational Performance Framework	Procurement Strategy	SSC Funding Strategy	People Strategy	Pay & Reward strategy	Risk Management policy
Fraud policy & response plan			Values & Behaviours	Terms & Conditions of employment	Whistle Blowing policy
Staff expenses	Financial Control Staff Instructions	Audit schedule and reports	Staff HR Policies & code of conduct	Organisation chart	Risk Management process
	Procurement instructions	Funding contract instructions	Equality and diversity policy		Complaints handling process
		SSC Performance Management Handbook	Health and safety policy		Corporate Risk Register/ Risk logs
					Project Management approach
					Directorate plans
					Project plans
					Information, IT & assets
					Information Strategy
					Data Protection Policy
					Information security policy
					Freedom of Information guidelines
					Information retention/ destruction policy
					Acceptable usage policy
					Environmental policy
					Disaster Recovery Plan
					External Communications & Branding
					Stakeholder strategy engagement
					Branding guidelines
Relevant legislation/ govt rules					
Government procurement requirements and EU legislation on public sector procurement		Employment law		Data Protection and Freedom of Information Acts	
HM Treasury 'Managing Public Money'		Cabinet Office & Treasury guidance on risk management & pay			
Key:					
Approved /defined by Commissioners					
Approved /defined by Government					
Approved /defined by Management					

14. Risk management

The UK Commission for Employment and Skills is fully committed to achieving influence and impact in pursuit of its goals and meeting its legal, financial and other obligations by managing risk efficiently and effectively. In doing this we have adopted best practice (based on OGC guidance) for the identification, assessment and proportionate control of risk in implementing the strategic and business plans and for supporting decision-making.

The Senior Leadership Team maintains, and keeps under review, a Corporate Risk Register containing all significant identified risks affecting the UK Commission, the achievement of its objectives and delivery of this work programme. Lower level risks are managed within teams.

At the beginning of 2009 - 2010 the UK Commission's top corporate risks are identified and assessed as:

Risk description

Conflicting UK Government and/or Devolved Administration priorities, targets or policies lead to **organisations within the employment and skills system working at cross-purposes** to each other and to the UK Commission making it impossible to achieve progress

Additions or changes to the UK Commission's work programme create a **mismatch between staff capacity and/or capability and the requirements of the work** leading to distractions from core work and people management, impacting on delivery and the achievement of objectives.

Failure to effectively join up across Directorates and locations to **work as one organisation** with shared culture leads to poor use of staff expertise, miscommunication, duplication of effort or missed work or interdependencies impacting on delivery, efficiency, reputation and staff frustration levels

External events (e.g. status of economy) lead to **short-termism and shifts in government priorities** and/or making our remit/ strategy and performance measures inappropriate resulting in not achieving the 2020 vision

The balance of executive functions increases leading to increased association with external bodies/ brands and a **conflict of interest** (real or perceived) with the UK Commission's objective, independent advisory role - resulting in damage to the reputation and performance of the UK Commission

Mitigating management actions

- Engaged at high level to develop working relationships and through national Commissioners
- Project reviewing measures of success and advice to UK Government and Devolved Administrations on system priorities, measures, targets and incentives
- Contributing to project with DIUS on PSAs
- Horizon-scanning and on-going dialogue with sponsors to anticipate and effectively plan for and minimise disruption caused by any additions or changes
- Policy/ process for accepting new work including review of human and financial resource capacity and fit to remit, strategy and Business Plan
- Action plan for People Strategy including: training needs analysis and development/ retraining where appropriate; improved recruitment and induction to attract the best talent
- Use of secondees and fellowships where necessary (this poses additional risks to budget and capability)
- Prioritisation of work programme
- Involvement of staff representatives from across the organisation in employee forum and values champions group
- Action Plan for People Strategy
- Encouraging further involvement of staff representatives from both sites in projects and cross-organisation working groups as appropriate
- Monitor external events
- Regular review of strategy, remit and performance measures by Commissioners
- Build relationships with politicians across parties and across the UK
- Continued liaison and representation to Sponsors in order for the Advisory work to remain a dominant feature of the UK Commission's work
- Ongoing review of situation by Senior Leadership Team

15. Key performance indicators

The performance of the UK Commission is assessed using a framework of measures and key performance indicators. Monthly Directors' meetings focus on an operational scorecard of internal indicators.

Operational scorecard

Stakeholder management

- Opinion of top political stakeholders (from feedback)
- Opinion of top business stakeholders (from feedback)
- Opinion of sponsors, interest groups and key partners (from feedback)
- Evidence of agenda setting by the UK Commission
- Level of stakeholder management related corporate risks

People management

- Vacancies
- Progress against people strategy (using staff survey results)
- Level of people management related corporate risks

Delivery of the Business Plan

- Progress of projects against milestones in Business Plan
- Number/ level of escalated project risks
- Level of delivery related corporate risks

Business systems and controls

- Financial performance
- Overall corporate risk profile
- Internal audit (findings and progress against recommendations)
- Progress against business systems and controls projects/ services
- Level of business control related corporate risks

Organisational performance scorecard

Strategic impact

- Convergence of employment, skills, wealth and productivity across the UK
- Employer implementation of skills utilisation
- Individuals, employers and communities finding employment and skills systems fit-for-purpose

Reputation, Profile and Influence

- Quality and extent of implementation of recommendations
- Acceptance and funding for recommendations
- Credibility, favourability and recognition
- Responses to reports and campaigns

Strategic outcomes

- Provider performance against benchmarks
- Employer investment in learning and development
- Individual participation in learning and development

Organisational performance

- Progress against annual Business Plan
- Staff satisfaction
- High Performance Working Practices
- Financial performance

Work has started on the development/ confirmation of appropriate indicators for the organisational performance scorecard and will continue during 2009 - 2010 (see our Strategic Plan for further details on the performance framework and page 27 for outcome and impact indicator development and reporting milestones).

The operational performance scorecard feeds into the organisational performance section of a strategic organisational performance scorecard which is being developed using a number of performance measures to evidence the UK Commission's influence, strategic outcomes and strategic impact as identified from the strategic plan:

16. Senior staff



Sir Michael Rake
Chairman



Chris Humphries CBE
Chief Executive



Cay Stratton
Special Adviser
to The Chairman



Michael Davis
Director of Strategy
and Performance



Jerry Lloyd
Director of
Communications



Kay Dickinson
Director of Corporate Services



Geoff Fieldsend
Director of
Qualifications Reform



Professor Mike Campbell
Director of Research
and Policy



Simon Perryman
Director of SSC
Performance and Relicensing

17. Our Commissioners



Lord Victor Adebawale
Chief Executive
of Turning Point



Jeremy Anderson CBE
Head of Financial Services
for KPMG Europe LLP



Sarah Anderson CBE
Director of Simple Solutions



Brendan Barber
General Secretary
of the TUC



David Brennan
Chief Executive Officer
of AstraZeneca



Professor Alan Gilbert
President and Vice-Chancellor,
The University of Manchester



Philip N Green
Chief Executive
of United Utilities PLC



Larry Hirst CBE
Chairman of IBM Europe,
Middle East and Africa (EMEA)



Chris Hyman
Chief Executive,
Serco Group PLC



Julie A Kenny CBE DL
Managing Director, Pyronix
Limited of Rotherham,
South Yorkshire

Our Commissioners (continued)



Sir Robert Kerslake
Chief Executive, Homes
& Communities Agency



Richard Lambert
Director-General,
Confederation of
British Industry (CBI)



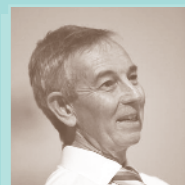
Charlie Mayfield
Chairman,
John Lewis Partnership



Dr Bill McGinnis CBE
Northern Ireland Adviser
on Employment and Skills



Ioan Morgan CBE
Principal,
Warwickshire College



Willy Roe
Chair, Highlands
and Islands Enterprise



Liz Sayce
Chief Executive, Radar



Grahame Smith
General Secretary,
Scottish Trades
Union Congress



Valerie Todd
Director of Talent and
Resources at Crossrail



Sir Adrian Webb
Chair of the Wales
Employment & Skills Board



James Wates
Deputy Chairman,
Wates Group



Nigel Whitehead
Group Managing Director
Programmes & Support,
BAE Systems

Murray Coleman
CEO, Bovis Lend Lease UK
Resigned 2008

The UK Commission aims to raise UK prosperity and opportunity by improving employment and skills.

Our ambition is to benefit employers, individuals and government by advising how improved employment and skills systems can help the UK become a world-class leader in productivity, in employment and in having a fair and inclusive society: all this in the context of a fast-changing global economy.

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