

Business plan 2010/11

Foreword

Over the first two years of our existence, the UK Commission for Employment and Skills has sought to make a real contribution to policy and practice in the UK. We believe we have established credibility and recognition as an independent hub for skills policy formation and as an effective transmitter of strategic advice, compelling analysis and potential solutions to the governments of the UK.

Our most significant outputs have included:

- Ambition 2020 – a review of the UK’s global position on productivity, employment and skills;
- 2009-14 Strategic Plan – a five-year work programme for the UK Commission based around three strategic priorities;
- A relicensing review of the 25 Sector Skills Councils and resulting recommendations to Ministers of the four UK governments;
- Simplification of Skills in England – recommendations to government on making the post-compulsory skills system easier for employers to engage with, leading to much debate with a number of actions being taken forward, including further work for the UK Commission;
- Towards Ambition 2020: Skills, Jobs, Growth – proposals to lay the foundations for transforming the skills system in England, which contributed to the UK government’s thinking on their new strategy ‘Skills for Growth’. A similar advisory report has been commissioned and completed for the Scottish Government;
- circa 5000 women completing Women and Work Sector Pathways training plans;
- Fourteen Diplomas, with content led by employers, either being delivered or ready for delivery;

- Research and policy projects providing recommendations on key areas, including: policy measures to ensure employers invest in the skills of their workforce; a review of the value of, and means to, achieve high performance working within firms; and a review of the means to encourage employee demand for learning and enhancing their skills; and
- Our development of a resource of comprehensive labour market intelligence, disseminated through key outputs such as the Almanac and Working Futures, supported by national, UK-wide and international research findings and platforms for debate and new thinking on employment and skills.

Our Business Plan 2010-11 builds on the outputs of our first two years. It describes the activities to be undertaken by the UK Commission in this, our third year, which will take us further on our journey towards the 2020 goals.

In framing our work programme we recognise the considerable pressure on public expenditure and the need to provide more responsive, value-for-money frontline services – by strengthening, not diminishing, their quality; and by finding innovative ways to achieve more with less. We recognise also the challenges we face as the UK emerges from recession – not least in terms of the action that needs to be taken to tackle youth unemployment.

This 2010-11 work plan aims, therefore, to take us further towards “real world” outcomes which empower customers (employers and individuals), place greater trust in colleges and providers, and radically simplify the skills landscape.



Chris Humphries CBE
Chief Executive

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Our vision, mission and strategic priorities

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	2009-10 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 European Union 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 and 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 this mission we will seek to set an example as a high performance workplace that makes best use of our skills and maximises the benefits of collaborative working supported by enabling technology and streamlined processes, and guided by our shared values of Inspiration, Integrity, Inclusion and Influence.

We want the UK to be one of the best places to live. More jobs and better jobs are a key way of making that happen and the right skills are an essential factor in this. But, on their own, skills are not enough. We also need to raise the aspirations of both individuals and employers to create workplace environments that enable skills to be used to maximum effect, increasing performance and improving job satisfaction.

As implied by the statement above, success requires the transformation of the UK's employment and skills systems, coordinated with changes in individual and employer behaviour. To this end the UK Commission's work is organised across three strategic priorities.

Our vision, mission and strategic priorities

Our strategic priorities

Strategic Priority 1:

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

Strategic Priority 2:

Maximising individual opportunity for skills and sustainable employment

Strategic Priority 3:

Increasing employer ambition, engagement and investment in skills

As a primarily strategic advisory organisation, our unique role in this is to advise the UK government on jobs and skills by:

- assessing and charting progress towards world class employment and skills;
- identifying and recommending policy changes to increase progress;
- influencing partners and acting as a catalyst for change; and
- taking a UK-wide view of employment and skills activities.

In pursuing our vision, mission and priorities we will work with and through the UK government, devolved administrations and other partners in employment and skills development to address both UK-wide and nation specific employment and skills challenges.

Our approach maximises the use of objective evidence combined with the expert analysis and experience of our staff in collaboration with stakeholder organisations, and is based on a five stage cyclical model: analyse, challenge, develop, embed, improve. This working model emphasises the end-to-end nature of UK Commission work, starting from a firm evidence-base to challenge the status quo and to develop advice on policy changes and effective implementation that bring real and continual improvement.

Introduction

As we recover from recession, we need more people in work and more people in productive work. We need more businesses, and more successful businesses, offering more and better jobs. And we need more and better skilled people to get us there and keep us there. There is little that is more important than equipping ourselves with the skills we need, for the jobs we need, for the successful businesses of tomorrow. As we recover from recession it also provides an unparalleled opportunity to focus more than ever on our ambitions for skills, jobs and the reform of our employment and skills systems.

In *Ambition 2020*, the UK Commission for Employment and Skills set out a compelling analysis of the evidence relating to the UK's international position on productivity, employment and skills. Despite significant progress in skills over the last decade, the UK is not world class in skills, and not yet on a trajectory to be so by 2020. We identified three root causes of this:

- Relative to other industrialised nations, we have too few businesses in high skill, high value added industries, too few high performance workplaces and we are creating too few high skilled jobs. Comparative to our ambition, we don't have enough employer demand for skills;
- Too many young people in the UK fail to gain the basic, employability and lower level skills needed to progress in work. As a result, too few adults possess the skills to succeed in tomorrow's labour market, or the motivation, confidence and opportunity to gain them;
- Current employment and skills systems in the UK are neither fully integrated, nor sufficiently aligned to labour market needs. They are also excessively complex because they do not empower customers to drive demand, performance or quality improvement.

In *Skills, Jobs, Growth* we identified three principle route ways for the transformation of the employment and skills system to address these root cause issues. Firstly, we must **empower customers** to be more ambitious and trust them to drive performance, quality and shape service delivery. Secondly, we must measure success in terms of **real world outcomes** and continually strive for alignment between the needs of the labour market and the outputs of the learning market. Thirdly, we must place greater **trust in providers** to have the responsibility and authority to understand and better serve the labour market needs of their communities, cities and regions directly, with less government intervention, oversight and bureaucracy.

In so doing we can radically simplify employment and skills systems to provide greater effectiveness for public investment, greater transparency and accountability of public services and, most importantly, improved outcomes for individuals, employers and the wider economy. It is also adherence to these principles that will allow us to ensure more public funding supports frontline delivery and over the medium term leverages greater investment in workforce skills from employers and individuals.

By focusing on empowering customers to be more ambitious and raising the aspirations of employers, individuals and communities, we can also address the need to raise the UK employment and skills 'game' so that the whole UK economy rises to world class through the competitive advantage of higher value-added jobs and skills, making the UK a world leader for emerging and future high value industries.

However, this transformation cannot occur overnight. This work plan for 2010-11 describes the activities to be undertaken by the UK Commission as we build on our achievements of the past two years during this third year on our journey, part of our longer term strategy towards the 2020 goals. In particular we will:

Introduction

- Report on the progress made towards the 2020 goals across the UK through our key output, the annual Ambition 2020 report, and draw on our underpinning programme of labour market information, research and policy analysis and international best practice to provide advice on where improvements might be made in policy and practice to increase progress.
- Advise on driving further simplification, integration and improved effectiveness of the employment and skills system through the 2010 Review of Employment and Skills Services; and through a review of the priority areas of employment and skills spend that support progression towards the 2020 goals.
- Develop an Information, Advice and Guidance strategy to make proposals for the coordination of the many sources available to individuals of all ages and employers; empowering them to make informed choices about their careers and employment and about the investment of time and money in skills development, skills use and future direction.
- Launch and disseminate the results from the National Strategic Skills Audit for 2010 to provide greater insight and foresight into current and future skills needs (initially in England) that are critical to emerge from recession and achieve longer-term economic growth. We will also conduct much of the research and labour market analysis to update the National Audit for 2011.
- Continue to develop advice on strategies which empower customers, measure success in real world outcomes and place greater trust in providers.
- Develop an Employer Ambition Strategy that will make proposals on how employers can be supported to raise their own ambition and investment in skills and to have a greater influence over the employment and skills system. This strategy will be informed by work from across the UK Commission, including issues such as the development of employer networks, High Performance Working, skills utilisation and improved employer contribution to careers advice. The strategy will also encompass how the UK Commission's own executive functions related to Investors in People and Sector Skills Councils can make a strong contribution towards the stated aims of the strategy.

In the past year, much has been said and written about the social and economic costs of long term unemployment for young people. To develop evidence-based recommendations for policy and practice to address youth unemployment the UK Commission will:

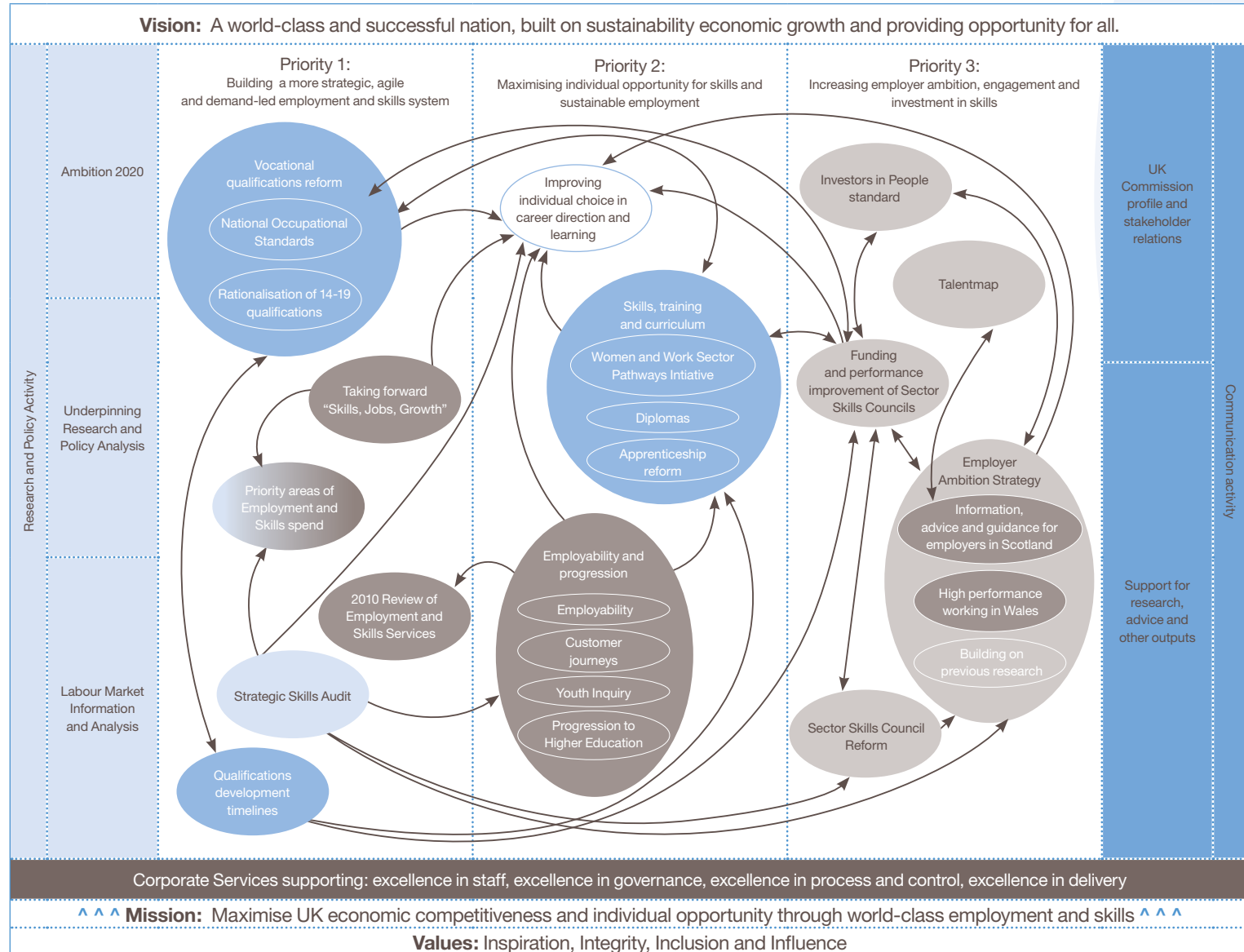
- Establish a Youth Inquiry, examining the evidence to answer: Who and where are the young unemployed? What works to increase youth employment? How well are current initiatives working? Recommendations will be drawn from the inquiry findings.

The UK Commission is a UK-wide body, but individual projects may be single nation, multi-nation, Great Britain or UK-wide in scope according to the needs and wishes of each nation (the tables in the following sections will highlight the geographic coverage of each workstream). In carrying out our work we will seek to understand the needs of all employers, large, medium and small, private, public and voluntary, and our recommendations to government will differentiate on size or type of employer wherever such differentiation is appropriate. We will also take into account wider economic and social factors including the impact of changing global economic conditions, impact of migrant labour and the challenges and opportunities of recovery from recession.

Work plan for 2010/11

This document aligns areas of work against our strategic priorities. In reality the impact of our work is less easily defined with many areas contributing to more than one priority as well as contributing to other current and future work. Figure 1 highlights some of these key relationships.

Figure 1: High level strategic map for 2010-11



Strategic priority 1:

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

To achieve world class employment and skills the UK needs to build a system that is capable of greater foresight and agility to:

- (i) respond to future unknown economic and social opportunities and challenges;
- (ii) respond to changing demands from employers and individuals to meet current and near-future needs; and
- (iii) retain and improve the UK's position against our principal international competitors for employment rates and workforce skills levels.

Previous UK Commission work has delivered proposals for simplifying and transforming the employment and skills system to become more strategic, agile and demand-led as a way of improving the UK skills base and to make the system easier to navigate. Other work has focussed on improving the quality and relevance of qualifications; and has started to identify the industries, jobs and skills that will give the UK an advantage over our international competitors.

Building on this, in 2010-11 our work under this priority will focus on:

- raising the UK's employment and skills 'game' by improving the strategic nature of, and investment in, employment and skills;
- increasing responsiveness to demand through advice on integration of employment and skills services and informed and empowered customers; and
- ensuring that qualifications delivered by the system become more agile and demand-led, including assessing their suitability for young people.

The National Strategic Skills Audit will provide a comprehensive, solid and informative evidence base for policy makers by giving government and wider stakeholders, in England in the first instance, greater insight and foresight into current and future skills needs. Meeting these needs is critical as we emerge from recession and seek to take action around skills-demand as well as skills-supply to build stronger longer-term economic growth. The Audit will also feed into work with the Higher Education Funding Council for England (HEFCE) and the Skills Funding Agency to ensure that identified high level skill needs and strategic priority areas are being addressed. Related to this, the UK Commission will explore whether there is value in extending the work to other parts of the UK. We will also start to investigate the priority areas of employment and skills, where public spending can add greatest value towards the 2020 goals, and the opportunities for encouraging additional private investment.

Ways of increasing responsiveness and reducing system complexity through further integration of services will be identified in the 2010 Review which will look at the whole of the publicly funded employment and skills systems in England, Scotland and Wales (subject to agreement with the devolved administrations) and assess progress towards integrating employment and skills and what more needs to be done in each nation. In Wales, the 2010 Review will be conducted with the support of the Wales Employment and Skills Board (WESB).

Strategic priority 1:

Meanwhile, follow-up to the UK Commission publications “Towards Ambition 2020: Skills, Jobs, Growth” and “Towards Ambition 2020: Skills, Jobs, Growth for Scotland” will encompass a range of work to provide advice to government on the implementation of the proposals that were made, particularly around empowering customers, both individuals and employers, through funding (including Personal Learning Accounts) and through better information, advice and guidance (including customer information through course labelling, community scorecards and e-enabled information, advice and guidance services) as agreed in each nation. This will include work with the Higher Education Funding Council for England (HEFCE) on the supply and demand of higher skills, graduate destinations/ outcomes and customer information systems in Higher Education; and will contribute significantly to our work on information, advice and guidance for individuals (strategic priority 2). Finally, this work will extend the thinking on further improvements necessary to create an agile employment and skills system.

There is also on-going work to complete qualifications reform. In addition, a new project will look at how to improve the speed and agility of qualifications and apprenticeship development by proposing a new quality assurance process which challenges Sector Skills Councils, awarding organisations and providers to reduce the development time for new qualifications and apprenticeship frameworks that meet the changing employer and learner needs more effectively. Alongside this, we are developing the 2020 National Occupational Standards Strategy which will be tested during the year to identify which shorter term goals can be achieved more quickly to support the long term vision. We will also ensure our work in qualifications, where appropriate, aligns to any existing or emerging policy developments across Europe. Further work will simplify, through Sector Skills Councils, the qualifications on offer to 14-19 year olds, ensuring approval and funding for only those qualifications that meet the needs of employers, Higher Education and learners.

Title	Workstreams	Outputs	Date	Geographic coverage	Lead Directorate
Priority areas of employment and skills spend	Defining the scope and remit of an investigation into the priority areas for public spending, and the opportunities for additional private investment.	Scope and remit agreed with Sponsors in each nation	June 2010	UK wide (under discussion)	Research and Policy and Strategy and Performance
	Defining the work programme Taking the work programme forward	Outputs delivered from August 2010 onwards, to be agreed for each nation both in terms of content and timing	From August 2010		

Strategic priority 1:

Title	Workstreams	Outputs	Date	Geographic coverage	Lead Directorate
Strategic Skills Audit	Launch and disseminate 2010 audit report on meeting future strategic skills needs in England	2010 National Strategic Skills Audit report	March/ April 2010	England	Research and Policy
	Take forward new research and additional labour market analysis to tackle key strategic skills issues including work with the Higher Education Funding Council for England (HEFCE) and wider stakeholders	Scope, set up and take forward new research	May 2010 to March 2011	England	
	Conduct 2011 audit	2011 Strategic Skills Audit report	June 2011	UK wide (under discussion)	
2010 Review of Employment and Skills Services	2010 Review of the integration of publicly funded employment and skills services, comprising: <ul style="list-style-type: none"> • regional/sub-regional fieldwork • national engagement • online consultation 	Publication of guidance document to support stakeholders' self-assessment of progress towards integration	April 2010	England, Scotland and Wales (to be confirmed)	Strategy and Performance
		Two progress reports published	September & December 2010		
		Final reports and recommendations – separate reports for England (March), Scotland (tbd) and Wales (tbd)	From March 2011		
Taking forward the systems perspectives of "Towards Ambition 2020: Skills, Jobs, Growth" and "Towards Ambition 2020: Skills, Jobs Growth for Scotland"	Empowering customers (labelling, scorecards, personal learning accounts, e-enabled Information, Advice and Guidance)	Each work stream will produce a range of reports covering expert policy advice and practical proposals for implementation	Various to March 2011	As agreed in each nation	Strategy and Performance
	Establishing further improvements required to create an agile employment and skills system			UK wide	

Strategic priority 1:

Title	Workstreams	Outputs	Date	Geographic coverage	Lead Directorate
Qualification development timelines	Refined qualification development process for England and Scotland, and resultant quality assurance process for England, with reduced development time (max 12 months) which includes benchmarking against European models	New processes agreed and trialled Evaluation Report	June 2010 March 2011	England and Scotland (to be confirmed)	Qualifications
Vocational Qualifications Reform	Commission organisations to take forward standards and qualifications work in areas where there are no relicensed Sector Skills Councils	Agreed organisations in place to provide full coverage of standards and qualifications and quarterly monitoring of delivery	May 2011 and quarterly	UK wide	Qualifications
	Reformed vocational qualifications populated to the Qualifications and Credit Framework (QCF)	Quarterly reports summarising progress being made on qualifications reform and population of the Qualifications and Credit Framework (QCF)	Quarterly	England, Wales and Northern Ireland	
	Reform of national occupational standards (NOS) linking to current European developments, and new user-friendly database for National Occupational Standards	Testing and refining the National Occupational Standards strategy for introduction from April 2011	March 2011	UK wide	
	On-going evaluation of the success of vocational qualifications reform	Vocational qualifications evaluation reports 2009-10 and 2010-11	March 2011	UK wide	
	Contribute to the rationalisation of qualifications for 14-19 year olds	Guidance to inform quarterly and biennial qualifications reviews	Quarterly and biennial	England	
	Ensuring that when Sector Skills Councils refresh their Sector Qualification Strategies that the 14-19 reforms are effectively reflected and addressed.	Sector qualifications strategies that explicitly reflect the 14-19 perspective and support the Joint Advisory Committee for Qualifications Approval (JACQA) in England	Ongoing	England	

Strategic priority 2:

Maximising individual opportunity for skills and sustainable employment

To achieve world class employment and skills the UK needs individuals of all ages that:

- (i) have improved access to high quality employment services, jobs and skills development that result in sustainable employment and career progression; and
- (ii) are empowered and assisted to make informed choices.

Previous UK Commission work has started to identify and develop proposals for reducing barriers to individuals' engagement with employment and skills services, and to improve their 'journeys' into and through the system. We have also identified and promoted approaches to improving individual employability and worked to increase the work-relevance of qualifications.

Building on this, in 2010-11, our work under this priority will focus on:

- reducing the systemic, cultural and informational barriers to employment and progression; and
- improving the content and implementation of qualifications, skills and training opportunities provided by the system to ensure better outcomes and greater satisfaction for individuals.

The work will be achieved through three areas, each of which has a strong link to both the employment and skills system reform and the Vocational Qualifications Reform work under strategic priority 1.

Employability and progression is central to enabling individuals to achieve and continually build skills to secure jobs and progress throughout their lives. Our employability and progression programme embraces a number of related work strands to reduce barriers to employment and skills development, particularly for young people. We will keep up our campaign to ensure employability is at the heart of the publicly funded learning system; and investigate, through an inquiry approach, what works in increasing youth employment and how well current initiatives are working. Additional work will follow up lines of enquiry from the 2009-10 Customer Journey project, particularly with regard

to its relevance to the 2010 Review of Employment and Skills Services (strategic priority 1) and the role of the personal advisor in assisting individuals into work; and follow up recommendations from our 2009-10 project on progression into Higher Education.

To support employability and progression, individuals need clearer information, sounder advice and, where appropriate, more helpful guidance in making decisions on qualifications and training courses as well as jobs and career choices. This is vitally important for young people but increasingly important for adults too. Using government information as the basis for online data means that this is now within our grasp and can help reduce overall costs through focusing support where it is needed whilst transforming the overall service. We intend to develop advice on strengthening the quality of the labour market information available for guidance services across the UK, for example in England supporting the new adult advancement and careers service and, for young people, the 'Quality, Choice and Aspiration' strategy. This year we will concentrate on fully scoping out this work with a view to preparing initial recommendations. This work will draw on other areas of UK Commission activity including: key Labour Market Information sources; work on Strategic Skills and taking forward Skills, Jobs, Growth (strategic priority 1); Youth Inquiry, Diplomas and Apprenticeships (strategic priority 2); and our work with Sector Skills Councils (strategic priority 3).

To improve the quality of, and access to, work-relevant training our work tackles three specific areas: access to training and progression for women through the Women and Work Sector Pathways Initiative; ensuring the new 14-19 Diploma qualifications and curriculum for Science, Languages and International Communication, and Humanities and Social Sciences meet the needs of employers; and, working with the Alliance of Sector Skills Councils, Sector Skills Councils and key partners in England and Wales, ensuring that apprenticeships frameworks meet the new quality standard for England and Wales, and improving the availability of apprenticeships.

Strategic priority 2:

Title	Workstreams	Outputs	Date	Geographic coverage	Lead Directorate
Employability and progression	Employability: <ul style="list-style-type: none"> ensuring employability is at the heart of the publicly funded learning system; highlighting measures to assess improvement in the system; supporting work, e.g. under the Raising of the Participation Age initiative in England, to improve employer engagement in the education and training system. 	Summary report on the findings from the 2009-10 work on employability	June 2010	UK wide	Strategy and Performance
		Report highlighting measures to assess improvement in employability	March 2011	tbd	
	Youth Inquiry - examining the evidence for: Who and where are the young unemployed? What works to increase youth employment? How well are current initiatives working?	Report of findings with recommendations	March 2011	UK wide	
	Customer journey – a study of the role of the personal advisor in assisting individuals into work	Report with recommendations on the personal advisor role	December 2010	UK wide	
	Progression to Higher Education – a study with recommendations on how to maximise progression opportunities for vocational and applied learners	Report with recommendations	June 2010	UK wide	
Improving individual choice in career direction and learning	Fully scope the work to be done in providing advice to governments on improving employment and skills development information, advice and guidance for individuals	Strategy, coordination and work plan for UK Commission work on information, advice and guidance for individuals agreed within UK Commission and shared with sponsors	June 2010	UK wide (to be confirmed)	To be confirmed following scoping exercise
	Advice on how to improve the quality of, and access to, information, advice and guidance for all ages (including the use of enabling technologies e.g. Web 2.0)	Report appraising how people access information, advice and guidance, with proposals for improving access and quality	March 2011	UK wide (some elements may vary by agreement with nations)	

Strategic priority 2:

Title	Workstreams	Outputs	Date	Geographic coverage	Lead Directorate
Skills, training and curriculum	Women and Work Sector Pathways Initiative – supporting women in establishing careers in particular sectors	An additional 5,000 women to complete training plans	March 2011	England	Qualifications
	Work with lead Sector Skills Councils to oversee and quality assure the content for three Diploma qualifications (Science; Languages and International Communication; and Humanities and Social Sciences)	New Diploma qualifications in place	June 2010	England	
	Advise on how to develop a new technician class through advanced apprenticeships	A report identifying incentives that would support the development of a new technician class through apprenticeships	June 2010	England	
		A summary of the programme of work to reform all apprenticeships and address gaps and overlaps	May 2010		
	Manage a programme of work to reform apprenticeship frameworks (with Sector Skills Councils): <ul style="list-style-type: none">reform of apprenticeships to match new quality standards, and put in place a web based portal for apprenticeships approvalmap existing apprenticeship frameworks to occupations and ensure that there are frameworks in place where they are neededintroduce apprenticeships in new sectors/growth areas	A comprehensive map of apprenticeship frameworks, with gaps and overlaps, linked to future skills needs	May 2010	UK wide	
		A new web-based quality assurance process for apprenticeships is available for use	August 2010	England and Wales	
		All apprenticeships reformed in line with the quality standard and accessible through the web-based portal	March 2011	England and Wales	

Strategic priority 3:

Increasing employer ambition, engagement and investment in skills

Success for the UK will depend on creating an economy in which:

- (i) more employers see their long term survival and prosperity as inextricably linked to how skills are developed and utilised in their workplace;
- (ii) more employers aspire to growth through exploiting opportunities in the development of high skill, high value-added industries based on innovation and quality; and
- (iii) public and voluntary sector employers seek to do more with less as public expenditure comes under unprecedented pressure.

Research by the UK Commission and others highlights that UK employers are producing too few high skilled jobs, show less use of high performance working practices, and have weaker leadership and management than OECD competitors. Other UK Commission work, concerned with the means to stimulate employer ambition and create stronger economic growth, has established an evidence-base regarding employer practices and investigated the closely related areas of improving employers' management and leadership, skills utilisation and high performance working practices. In addition, we have investigated and developed advice on the range of policy tools designed to encourage employers to train on a collective basis (Collective Measures).

The UK Commission will now build on this research base, and on the work we have done to relicence the Sector Skills Councils, to develop an Employer Ambition strategy. This will include a detailed executive programme of action together with strategic advice to government, designed to support greater employer ambition, engagement and investment in skills.

In 2010-11, our work under this priority will focus on:

- enhancing the capacity of more UK firms to be high growth, high skill, high value-added businesses; and
- developing and deploying high quality labour market information, enhanced by foresight on emerging strategic skills requirements, to inform industrial investment priorities; anticipate and better match the supply of skills to emerging demand; and improve skills utilisation.

We have three significant employer-led approaches that are, in different ways, designed to support employer ambition and investment in skills. Our programme of action will involve working with the Sector Skills Councils, Talentmap partners and Investors in People delivery centres to strengthen the impact and effectiveness of each of these programmes, including how they can work together in a more coherent way to support business growth and productivity. We will wish to widely communicate the lessons emerging from our evidence-base and build them into our work with Sector Skills Councils and Investors in People.

The core role of Sector Skills Councils includes providing high quality labour market intelligence and developing national occupational standards as the basis for building high quality vocational qualifications and skills solutions to meet employer needs. Sector Skills Councils support increased employer engagement in shaping skills supply and work with employers to boost their demand for skills. The UK Commission's relationship with the Sector Skills Councils is one of funding, making recommendations to government on licensing, performance assessment, and helping them to benchmark and improve their performance, effectiveness and impact on an individual and collective basis. We will be developing a similar relationship with Investors in People Delivery Centres during 2010.

Strategic priority 3:

Now that the Sector Skills Council relicensing process is almost complete, a key element of our work with them will be to help build a more agile and collaborative network, able to respond to the most pressing sectoral skills needs facing the UK economy, informed by our National Strategic Skills Audit in England. In partnership with Sector Skills Council Chairs and Chief Executives we have already identified a number of key areas for collaborative work during 2010-11 (see Impact 2010 in table below), and we will refine this further in April 2010.

The UK government, in its recent White Paper, "Skills for Growth", asked the UK Commission to work with the Sector Skills Councils to bring forward proposals for a substantial reduction in the number of separate Sector Skills Councils by 2012. We will bring forward initial proposals by October 2010 following discussions with the Sector Skills Councils, government sponsors including the devolved administrations and key stakeholders, to ensure the reform proposals meet the needs of employers across the UK.

Talentmap is a simple but very effective framework and web tool for employers to help them engage with the skills system and navigate through it to find the support they need in relation to skills and talent development. Work will continue in 2010 to further develop both the framework and online service.

Investors in People is the premier business improvement tool for supporting people and talent development across the UK. The standard has recently been transformed into a more flexible organisational development framework. The UK Commission inherited responsibility for the strategic ownership and development of the Investors in People framework and standard on 1st April 2010 and will work with Investors in People delivery centres to continue this process of transition, including the strengthening of the framework's contribution to management and leadership and high performance working.

The UK Commission also has an advocacy and policy advice role in relation to employer ambition and engagement. We intend to formalise and strengthen this role in 2010-11 by creating an Employer Engagement Committee supported by an Investors in People advisory group drawn from across the employer community. It will be this Committee that will develop the Employer Ambition strategy, drawing together work from across the UK Commission.

The Employer Ambition strategy is likely to include consideration of a range of levers to stimulate demand, some at the macro level, such as the tax system and procurement, as well as advice on the range of policy tools designed to encourage employers to train on a collective basis (Collective Measures) and other intermediary levers such as business support and enterprise programmes; and of issues such as the development of employer networks, High Performance Working, skills utilisation and improved employer contribution to careers advice to potential recruits to their workforce. The work will also meet specific demands from sponsor Departments, i.e. reviewing, with Scottish Government, the information, advice and guidance available to employers on workforce skills development; and, in Wales with the Wales Employment and Skills Board (WESB), follow up previous research with a view to approaches to embedding High Performance Working practices.

Strategic priority 3:

Title	Workstreams	Outputs	Date	Geographic coverage	Lead Directorate
Employer Ambition strategy	Coordinating the employer engagement activities of the UK Commission and establishing governance arrangements for this work	An Employer Ambition Strategy will be developed and published	September 2010	UK wide	Employer Engagement
	Build upon the research already undertaken on Industrial Activism, Strategic Skills, Collective Measures, Skills Utilisation, High Performance Working and develop practical proposals for implementation by government and other relevant stakeholders	Additional advice will be provided to government on the practical steps that can be taken to address the issues identified in the research on collective measures, high performance working and skills utilisation	March 2011	UK wide	
	Review, with Scottish Government, the information advice and guidance on workforce skills development available to employers in Scotland	Agree scope with Scottish Government	April 2010	Scotland	Strategy and Performance
		Produce advice	March 2011		
	Provide advice and support to the Welsh Assembly Government to achieve a High Performance Working culture in Wales	Give advice to Welsh Ministers on best practice in the implementation of High Performance Working, and technical advice on the implementation of any subsequent programmes of support delivered in Wales	May 2010 to March 2011	Wales	Strategy and Performance
Funding and performance improvement of Sector Skills Councils	Review all Sector Skills Council contract schedules and incorporate funding for National Occupational Standards	Final revised contracts issued and common targets agreed across the Sector Skills Council network	June 2010	UK wide	Employer Engagement
	Implementation and roll-out of the new and transparent performance management system for Sector Skills Councils, including a review at the end of Year 1	Implement quarterly Sector Skills Council performance scorecard reports for the Sector Skills Council network	Quarterly from June 2010	UK wide	

Strategic priority 3:

Title	Workstreams	Outputs	Date	Geographic coverage	Lead Directorate
Funding and performance improvement of Sector Skills Councils	Third party quality assessment of Labour Market Intelligence provided by individual Sector Skills Councils	Independent report on the quality of Sector Skills Assessments, the consistency of occupational and labour market information that supports the delivery of careers information and advice	June 2010	UK wide	Employer Engagement
	Verification by the UK Commission of Sector Skills Council self assessments	An annual report of Sector Skills Councils' performance will be produced and published on the UK Commission web site	June 2010	UK wide	
	Budget management of Sector Skills Council funding				
Sector Skills Council Reform	Complete the relicensing of Sector Skills Councils, implement the recommendations of relicensing panel and formally evaluate the relicensing process	Completion of relicensing and associated actions	September 2010	UK wide	Employer Engagement
	Impact 2010 – Sector Skills Councils' Chairs/Chief Executives working with the UK Commission on four key issues. (Information Advice and Guidance; Simplification of Skills System; Business Case for Skills; Proposition for UK Government following election)	Review meetings with the network of Sector Skills Councils	April 2010 and October 2010	UK wide	
		Impact 2010 groups' action plans implemented	March 2011		
		Sector Skills Council Reform – in partnership with employers, Sector Skills Councils and all four governments, develop proposal for reforming Sector Skills Councils	Initial proposals for reform of Sector Skills Council network including new Sector Skills Council funding regime to incentivise reform	October 2010	
Talentmap	Development of framework	Operational Guide	May 2010	UK wide	Employer Engagement
		Content and usage improved with input from employers and Sector Skills Councils	December 2010		
		Future development options for private sector content	December 2010		

Investors in people

Strategic ownership of the Investors in People standard and framework transferred to the UK Commission on 1st April 2010. Our initial aim will be to manage the smoothest possible transition to the UK Commission from an employer perspective. In the first part of the year we will then take time to understand employer and stakeholder views about the standard and the quality of its delivery. We will establish a high level Investors in People advisory group, reporting to the Employer Engagement Committee, to help shape our future strategy for this work including the determination, with government, of the most appropriate delivery model for England going forward. This will become part of the wider employer engagement strategy described in the previous section.

Results from our employer survey and research work planned for 2010 will help to shape this strategy, define what success looks like and develop appropriate impact measures to track the medium to long-term impact of Investors in People on UK business performance. We will seek to maintain a high degree of assurance, public accountability and confidence in the Investors in People brand through all that we do. We will also work to strengthen the positioning of Investors in People as a key tool for government in addressing weaknesses in employer demand for skills and in management and leadership and skills utilisation that may be holding back business growth and productivity.

On product development, our initial view is the development of the Investors in People 'Choices' model has been a good step forward and that we need to give this new, more flexible, approach time to bed-in properly rather than undertake a full scale review of the current framework. We will however wish to consider how Choices is aligned to the wider skills agenda, in particular High Performance Working and skills utilisation. We will also wish to consider how to build sectoral pathways through Choices in partnership with the Sector Skills Councils and to allow the new Health and Wellbeing award to bed-in. In addition we will review the tools and support available to delivery centres and launch the 'Compare and Learn' tool to support business benchmarking and development.

During 2010 we will also seek to develop a collaborative relationship with Investors in People Delivery Centres and will encourage them to work together to improve the effectiveness of their Investors in People service delivery, including to take ownership of operational issues that were previously the responsibility of Investors in People UK, and to place a particular focus on ensuring consistently high quality specialist support for employers in each part of the UK. We have issued a new licence to each of the current delivery centres across the UK to ensure we could achieve seamless transfer of the standard to the UK Commission, but these are only one year licences and we intend to work with government to announce longer term delivery proposals by autumn 2010.

Investors in people

Title	Work streams	Outputs	Date	Geographic coverage	Lead Directorate
Investors in People - ownership	Establish governance arrangements, policy and strategy for Investors in People	Investors in People governance, policy and strategy in place	August 2010	UK wide	Employer Engagement
	Quality standards for Investors in People delivery	Annual report on the status of Investors in People published	June 2011	UK wide	
	Product development				
Investors in People - research	Scoping work will be undertaken to set out monitoring and evaluation requirements around Investors in People to complement broader assessments of impact within Ambition 2020. Related research on Investors in People will also seek to clarify the connection between Investors in People and High Performance Working	An evaluation strategy and associated research will be developed to inform future evaluation practice with interim proposals provided in the autumn and final recommendations to be implemented from the spring	October 2010 through to March 2011	UK wide	Research and Policy
Investors in People - communication	Strategic communications plan for Investors in People	Co-ordinated messaging to employer and other audiences	Various	UK wide	Communications
	High level campaigning support for Investors in People brand	Regular communications to new audiences, employers and delivery centres	Various		

Evidence-based policy

The evidence that underpins our work is fundamental to our ability to challenge, develop, embed and improve employment and skills in the UK. Although each project is 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 led by key international partners such as the OECD and European Commission, and collaborate with UK Research Councils; other research organisations in each nation, and specialists in employment, skills, economic development and growth. We will continue to seek improvements to strategic, national economic and labour market intelligence across the UK.

This year the UK Commission has been asked to strengthen its role steering skills research and policy analysis at a strategic level in England. This is associated with broader Machinery of Government changes and the closure of the Learning and Skills Council. In this role, we have been asked to take over the management and delivery of key existing skills research projects such as the future production of the National Employer Skills Survey in England and the series of employment projections, Working Futures. Whilst it is essential to maintain these crucial sources of Labour Market Information (LMI), they will also need to be adapted to meet developing policy agendas (for example as exemplified through strategic skills) and to ensure that they offer the best value for money in future. Although this new role seeks initially to meet specific research requirements in England, clearly there are wider potential benefits to extending the activities across the UK. As such we will be exploring through the year the potential to broaden the scope of such work and where there may be benefits to harmonise research agendas at a strategic level across the UK.

In fulfilling this new research role we will develop a national skills research strategy for England to co-ordinate and drive forward strategic projects with key partners. The broad purpose of this strategic research will be to:

- raise the profile of skills research on core issues;
- build capacity for undertaking it;
- enhance our links to the external research community both nationally and internationally;
- support innovation;
- maximise collaboration, harmonisation and the drawing of key insights for policy development; and
- improve knowledge transfer within the employment and skills system and by so doing to build a shared research agenda amongst stakeholders across the UK and to enhance policy making and practice.

We have developed a range of different mechanisms to ensure that we draw on cutting edge research and leading edge and innovative thinking and this work will continue through activities such as our evidence series, Praxis papers, research fellows and a dedicated events series. Previously, we have set up two panels of UK and international experts and practitioners to peer review research and policy work conducted by the UK Commission. These will be re-appointed this year to provide on-going professional guidance and to ensure the work of the UK Commission is at the forefront of employment and skills employment research and policy thinking.

Research and policy work will contribute to projects across all aspects of the UK Commission's remit (but especially strategic priorities 2 and 3), taking forward priorities identified by partners including: international perspectives on key issues; High Performance Working, management and leadership and skills utilisation; and individual participation in learning.

Up to date information on the UK Commission's current research projects can be found at: <http://www.ukces.org.uk/our-work/research-and-policy/>

This work will help inform and contribute to the continuing development of the UK Commission's strategy and inform the design, development and promotion of new work streams or programmes for successive Business Plans.

Evidence-based policy

Title	Workstreams	Outputs	Date	Geographic coverage	Lead Directorate
Ambition 2020	2009-10 Ambition 2020 Report – the UK Commission's annual report to Government on progress towards the employment and skills ambitions across the UK	Launch 2009-10 Ambition 2020 report	June 2010	UK wide	Research & Policy
	2010-11 Ambition 2020 Report	Launch 2010-11 Ambition 2020 report	March 2011		
Underpinning research and policy analysis	Develop a Skills Research Strategy for England, including the establishment of a virtual institute to enhance networking with the external research community	A Skills Research Strategy will be developed and published which will specify the key projects to be taken forward	August 2010	UK wide (except where specific projects may be agreed with each nation)	Research & Policy
	Continue our strategic research advisory group to steer our skills research programme	Series of quarterly meetings	April 2010 to March 2011		
	A range of specific research and policy projects will be developed to support the strategic priorities; and to build on our evidence base and existing findings from our work on employee demand, collective measures and High Performance working/ skills utilisation	Series of focussed research and policy analysis reports	June to March 2011		
	A series of activities will be undertaken to ensure that core research and intelligence collected by the UK Commission is effectively communicated	Monthly editions of Intelligence briefings	Monthly		
		Series of Praxis policy think pieces	Various		
		Briefing events for policymakers, influencers and decision-makers	Ongoing		
	International development series, drawing on best practice from abroad	Series of internationally focused research and policy reports	Various		

Evidence-based policy

Title	Work streams	Outputs	Date	Geographic coverage	Lead Directorate
Labour Market Information and Analysis	Our strategic Labour Market Information Forum will continue to meet and steer key Labour Market Information outputs and to seek to improve the evidence base	Three meetings to take place	By March 2011	UK wide	Research & Policy
	Update the UK Almanac – a web-based and hard-copy resource of spatial and sectoral Labour Market Information	Updates of hard copy and online Almanac	March 2011		
	Update the 10 year series of projections of employment and skills Working Futures	Updated Working Futures reports	March 2011		
	Publish and disseminate the National Employer Skills Survey (NESS) 2009 findings	Dissemination activities	April 2010 to June 2010	Initially England only (extension to other nations under discussion)	
	Design a new employer skills survey series with an updated UK employer perspectives survey in 2010 and new National Employer Skills Survey (NESS) in 2011	Employers’ perspective survey report	March 2011		

Working with partners and stakeholders

The UK Commission achieves its goals through its 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 principal constituencies of employment and skills providers, individuals, employers and communities (geographically-based stakeholders).

To reach this level of influence will require effective communications by all UK Commission staff, in the way we work – engaging with and seeking the perspectives of stakeholders and experts, and in the various discussion groups and forums we contribute to, as well as through the methods by which we communicate our findings, recommendations and the evidence on which they are based. Normally these communications will be UK-wide, with a differentiated approach to reflect relevant national policies (subject to agreement with each nation).

The table below also 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 specialist support they will provide to colleagues. In addition, the Communications Directorate may take on specific projects relating to one of the strategic priorities.

Working with partners and stakeholders

Title	Work streams	Outputs	Date	Geographic coverage	Lead Directorate
UK Commission profile and stakeholder relations (corporate communications)	Integrated communications campaigns using a range of activities and techniques including: <ul style="list-style-type: none"> • corporate publications • website development and monitoring • internal communications • stakeholder engagement • media and public relations • public affairs • events 	Corporate communications strategy	Ongoing	UK wide (or by agreement with nations)	Communications
		A range of corporate materials including reports, leaflets and collateral, and in support of campaigns	Various		
		Website and online communications management, evolution and evaluation: introducing Web 2.0 features for greater interactivity	Ongoing, May/ June 2010		
		Internal communications including project briefing, staff intranet and development	Ongoing		
		Stakeholder communications, with stakeholder surveys	Ongoing, April/ October 2010		
		Media and public relations, media training for staff and media monitoring	Ongoing		
		Public affairs strategy, political monitoring	Ongoing		
		Annual events including summer reception	Ongoing, July 2010		

Working with partners and stakeholders

Title	Work streams	Outputs	Date	Geographic coverage	Lead Directorate
Working with partners and stakeholders	Membership of key policy and stakeholder groups including: <ul style="list-style-type: none"> • UK Skills (Chair) • Scottish Skills Committee • Employment and Skills Advisory Group for the NI Adviser of Employment and Skills • Wales Employment and Skills Board (observer) • Integrated Employment and Skills Board • Transition Management Board for business support simplification • UK Vocational Qualifications Reform Board • National Apprenticeship Service Board • Migration Advisory Committee • Expert advisory panel for New Skills New Jobs Initiative for European Commission 	Active participation at meetings and contribution to the work of each group	Various and ongoing	UK wide (or as per remit of each group/ event)	Communications
	Communicating findings, evidence and understanding arising from UK Commission activities	Contribution to various events and conferences across the UK and internationally	Various and ongoing	UK wide	
Communicating with Sponsors	Strengthening communication links with Sponsors	Finalise and implement communications protocol in agreement with sponsors	June 2010	UK wide	Corporate Services
Communications support for work stream outputs across the organisation	<ul style="list-style-type: none"> • e-communications • events • internal communications • publications • public relations and media engagement • stakeholder engagement 	Communications of research, analysis, advice and other work stream outputs	As for specific projects	As for specific projects	Various Directorates / Communications

Excellent organisation 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. 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.

All staff will be engaged and have responsibility for ensuring that the organisation continues to deliver the highest level of performance. The following table details specific work, led by staff in the Corporate Services Directorate, designed to: support and enable excellent organisational performance; enable effective operations and organisational change; and keep the organisation compliant as a Non Departmental Public Body and company.

In achieving this, the Corporate Services Directorate aims to empower colleagues across the organisation as much as possible by providing:

- clear policies and guidance, appropriate training and expert customer service enabling consistent approaches;
- efficient and effective back-office systems and processes, supported by high quality tools and systems to reduce time spent on low-value manual transactions; and
- a proactive, forward looking approach to challenges and change facing the organisation.

Excellent organisation performance

Title	Workstreams	Outputs	Date	Geographic coverage Lead Directorate
People and talent management	Learning, development and progression	Corporate training plan and training brochure published	July 2010	Corporate Services
	Supporting managers to implement consistent people management practices: <ul style="list-style-type: none"> • Launch of policies and procedures suite and briefings • Leadership and Management programme for relevant staff • Pay and reward project 	Investors in People accreditation achieved	March 2011	
		High performance working embedded across the organisation	March 2012	
		A report for consideration on using pay and reward to support high performance working within public sector constraints	May 2010	
	Increasing UK Commission employee engagement	Union recognition and staff forum established	April 2010	
	Staff survey and action plan	Annual staff survey and associated action plan completed – leading to increased staff satisfaction	December 2010	
	Integration and induction of new staff	Human Resource's internal service level agreement met	March 2011	
Commission support	Improving service to Human Resource's customers			Corporate Services
	Facilitating engagement of Commissioners through revised governance structures	Implement revised governance structures to draw on expertise from across the UK economy	From April 2010 ongoing	
	Recruitment, induction and knowledge building for Commissioners	Full complement of knowledgeable and engaged Commissioners	March 2011	
	Support to UK Commission and committees	Schedule of UK Commission and committee meetings	Ongoing	
	Information management (Freedom of Information/ Data Protection Act)	All queries dealt with appropriately	As required	

Excellent organisation performance

Title	Workstreams	Outputs	Date	Geographic coverage Lead Directorate
Tools for delivery	Facilities: With cross-organisation 'Workspace' group, review working environment to identify improvements to increase high performance and collaborative working	Implement identified improvements as appropriate to time and budget	March 2011	Corporate Services
	Information and communications technologies: To implement integrated package of information and communications technologies that enable efficient and collaborative working across the UK Commission and with stakeholders	Implement Microsoft SharePoint and Telepresence web conferencing services to support collaborative and knowledge based working	Stages implemented to March 2011	
	Improving value-added service to colleagues and other stakeholders through expert advice and support	Internal service level agreement met by IT and facilities team	March 2011	
Business processes and controls	Finance and procurement: To review and simplify business processes and empower colleagues through use of workflow technology	New finance/ enterprise resource planning system implemented	August 2010	Corporate Services
		New finance and procurement processes implemented	March 2011	
	Corporate performance reporting and management (including risk management)	Regular performance scorecard and Key Performance Indicator reports	Quarterly, biannual and as required	
	Improving value-added service to colleagues and other stakeholders through expert advice and support	Internal service level agreement met by finance and performance team	March 2011	

The table below identifies the work making a significant, planned contribution to each strategic priority and our focus for 2010-11.

work against
objectives for
2010/11

		Priority 1					Priority 2			Priority 3			Evidence-base		Communications			Organisation													
		Work																													
		Strategic Priority and Focus for 2010-11					Priority areas of employment and skills spend	Strategic Skills Audit	2010 Review of employment and skills services	Taking forward 'Skills, Jobs, Growth'	Qualifications development timelines	Vocational qualifications reform	Employability and progression	Improving individual choice in career direction and learning	Skills, training and curriculum	Employer ambition strategy	Funding and performance improvement of Sector Skills Councils	Sector Skills Council reform	Talent map	Investors in People	Ambition 2020	Underpinning research and policy analysis	Labour Market Information and analysis	UK Commission profile and stakeholder relations	Working with partners and stakeholders	Communicating with sponsors	Communications support for work stream outputs	People and talent management	Commission support	Tools for delivery	Business processes and controls
Priority 1	Raising the UK's 'game' - strategy and investment																														
	Increasing responsiveness to demand																														
	Qualifications become more agile and demand-led																														
Priority 2	Reducing barriers to employment and progression																														
	Improving qualifications and development opportunities																														
Priority 3	High growth, high skill, high value added businesses																														
	Using LMI to inform investment; match demand and improve skills utilisation																														
	Maintaining and building evidence base																														
	Working with partners and stakeholders																														
	Excellent organisational performance																														

Primary Work

Contributing Work

Timeline showing past and current work

	2008/09	2009/10	2010/11	2011/12
Building a more strategic, agile and demand-led employment and skills system	Simplification	Simplification phase 1	Taking forward 'Skills, Growth' and 'Skills, Jobs, Growth for Scotland'	Work to develop further advance on drivers for system transformation
		Review of system measures, targets and incentives	Priority areas of employment and skills spend	
	2010 Review of integration of employment and skills services			
			Qualifications development timelines	
			Rationalisation Of 14-19 Qualifications (Vocational Qualification Reform)	
	Vocational Qualification Reform (including National Occupational Standards)			
		Annual National Strategic Skills Audit		
Maximising individual opportunity for skills and sustainable employment	Employability skills project	Employability phase 2	Employability (Employability and Progression)	Further work to be determined following recommendations
	Local customer journey reviews		Customer Journeys (Employability and Progression)	
		Progression to HE	Progression to HE (Employability and Progression)	
		Tackling exclusion	Youth Inquiry (Employability and Progression)	
	Employee demand study		Improving individual choice in career direction and learning	Follow up recommendations on providing improved information, advice and guidance
	Women and Work Sector Pathways Initiative		Women and Work Sector Pathways Initiative	
	Diploma development		Diplomas	
Apprenticeship Reform				
Increasing employer ambition, engagement and investment in skills		Promoting the case for skills	Employer Ambition Strategy	Further work to be determined following development of strategy and recommendations
	Linking spatial and sectoral initiatives	Maximising leverage of employer voice		
	Review of employer collective measures		Using previous research to identify practical steps (Employer Ambition Strategy)	
		Leadership And Management		
	Skills utilisation and High Performance Working		High Performance Working in Wales (Employer Ambition Strategy)	
			Information, advice and guidance for employers in Scotland (Employer Ambition Strategy)	
	Talentmap		Talentmap	
			Investors In People	
	Sector Skills Council Relicensing		Sector Skills Councils Reform	
	Funding and performance improvement of Sector Skills Councils			
	Overarching and underpinning Research and Policy analysis including Ambition 2020, specific projects and Labour Market Information and analysis			
	Communications on research, advice and projects, enhancing the UK Commission's corporate reputation, especially with stakeholders			
	UK Commission operational management and development			

Governance and Resources

Delivery of the UK Commission's work is organised through six Directorates, overseen by our Commissioners through a number of committees. The committee structures and terms of reference are undergoing review to ensure they are aligned to the future needs of the UK Commission. In addition to these committees, Commissioners may set up time-limited Task and Finish groups as appropriate to address specific issues.

The Senior Leadership Team of Chief Executive and Directors are supported by a Senior Management Board of operational managers whose remit is to implement the Business Plan and stimulate continuous improvement in practice.

A list of Commissioners and senior staff can be found in the Annex.

Figure 2: Committee structure

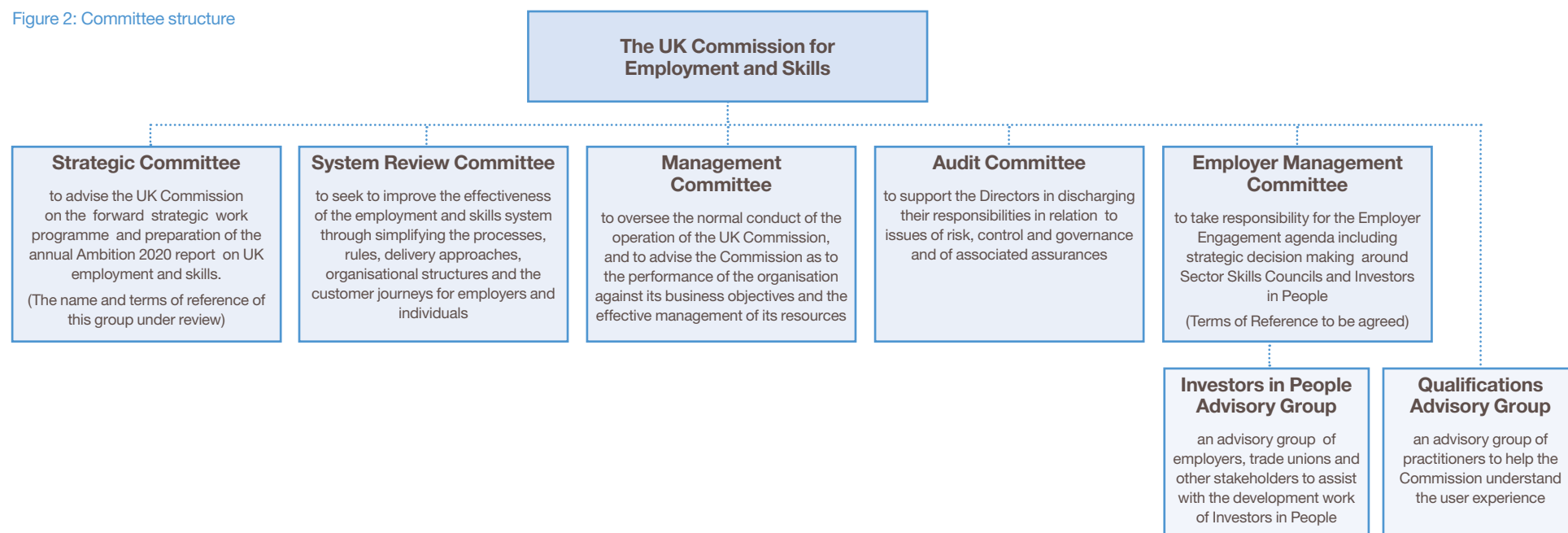
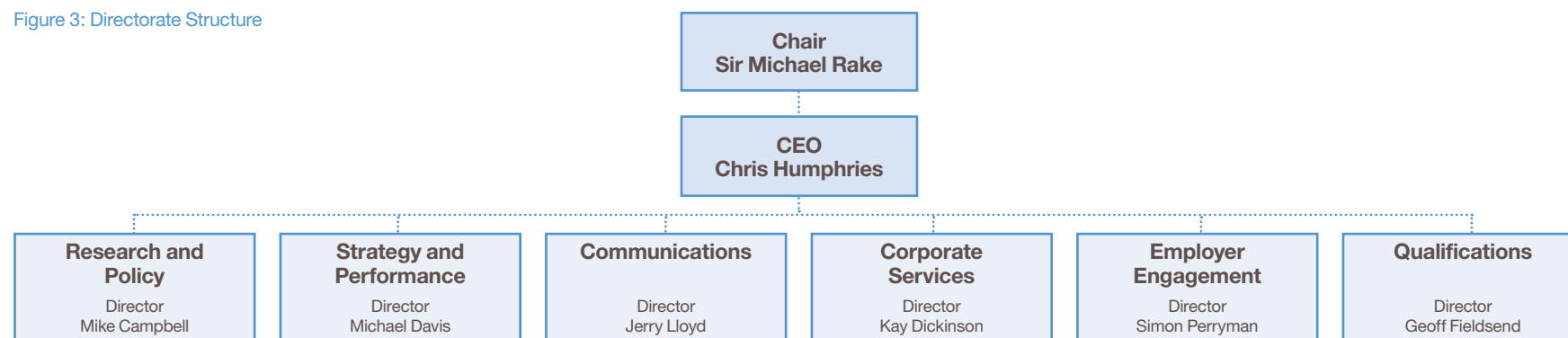


Figure 3: Directorate Structure



The table below identifies the lead directorate and which other Directorates will be making a significant, planned contribution to each activity.

Key

Lead Directorate

Contributing Directorate

Finances for 2010/11

The resources agreed with Sponsors to deliver the UK Commission's 2010-11 activities are set out here. The figures shown exclude resources for those areas of activity that are still subject to agreement with our Sponsors and represents the budget approved by the Management Committee on 26 March 2010.*

	Ongoing funding	Non-recurrent project funding	Total (£000's)
Organisation cost	9,797	1,200	10,997
UK Commission programme	8,963	1,863	10,826
SSC Programme	49,624	5,631	55,255
Depreciation	450	0	450
Total budget (excluding Capital Expenditure)	68,834	8,694	77,528
Capital Expenditure	305	0	305
Non Grant In Aid (GIA) income	-483	0	-483
Total Budget 2010-11	68,656	8,694	77,350

Of which, relating to new remit:**

	Ongoing funding	Non-recurrent project funding	Total (£000's)
Organisation cost	2,238	275	2,603
UK Commission programme	4,400	995	5,395
SSC Programme	0	125	125
Depreciation	0	0	0
Total budget (excluding Capital Expenditure)	6,728	1,395	8,123
Capital Expenditure	55	0	55
Non Grant In Aid (GIA) income	-483	0	-483
Total Budget 2010-11	6,300	1,395	7,695

* Since 26 March an additional £520k of funding has been agreed by the Department of Business Innovation and Skills and is reflected in these figures.

** New remit includes Investors in People, Research Institute, strategic skills and qualifications timeline project.

Finances for 2010/11

The UK Commission Programme budget noted above will be allocated across the strategic priorities as follows:

	£000's
Strategic Priority 1: Building a more strategic, agile and demand-led employment and skills system	3,070
Strategic Priority 2: Maximising individual opportunity for skills and sustainable employment	552
Strategic Priority 3: Increasing employer ambition, engagement and investment in skills	2,180
Evidence base and Communication activities	5,024
Organisational excellence	0
Total	10,826

Probity and effective budgetary and financial management are ensured through a governance framework setting out the key organisational policies and governance controls.

Key

Approved/ defined
by government

Approved/ defined
by Commissioners

Approved/ defined
by management

Governance Framework

What are we here to do?	Remit letters from sponsors					5 year Strategic Plan				
How have we been set up?	Memorandum and Articles of Association				Certificate of Incorporation			Framework Document		
Who governs us and how are they held accountable?	Commissioner's appointment letter, terms of office and code of conduct			Commissioners' conflict of interest policy			Register of members interest		Accounting Office letter	
	Conduct of Commission Business			Commission Committee structure			Committee terms of reference and membership		Delegated authorities	
Who are we accountable to?	UK government and devolved administrations reporting on strategic impact, operational delivery and resource utilisation		UK Commission's Management Committee oversee operation of the UK Commission and advise the Commission on performance against objectives and effective utilisation of resources		UK Commission's Audit Committee providing assurance to the Commission of the effectiveness of internal contracts (utilising internal and external audit functions)		UK Commission's Employer Engagement Committee strategic decision-making around Sector Skills Councils and Investors in People, including performance reports		UK Commission's Senior Leadership Team utilisation and allocation of budgets	
What are we doing this year?	Grant-in-aid letter from sponsors				Annual Business Plan			Directorate/ team/ project plans and budgets		
How are we doing?	Organisational Key Performance Indicators		UK Commission finance reports		UK Commission quarterly performance scorecard		UK Commission Annual Report		SSC and IIP performance scorecard reports	
How do we operate?	Governance	Finance and Performance		People		Programme and project management	Information, IT and facilities assets		Communication and branding	
	Standards expected in public service	Procurement strategy	Fraud Policy and response plan	People strategy	Pay and reward strategy	Risk management policy	ICT strategy	Data protection policy	Stakeholder engagement strategy	
	Governance framework	Financial Control - Staff instructions	SSC Funding Strategy	Values and behaviours	Terms and conditions of employment	Risk management process, guidance and template	ICT security policy	Freedom of information guidance and publication scheme	Welsh language scheme	
	Whistle blowing policy	Procurement Instructions	Funding contract instructions	HR Policies (4 Clusters)		Corporate Risk register	Acceptable usage instruction	Information management guidance (retention/ destruction)	UK Commission branding and 'house style' guidance	
	Customer service guidance	Commercial Policy	Funding contract standard terms and conditions	Resourcing including recruitment, leave, working time	Performance including capability, attendance and discipline	Project management guidance	Hardware, purchasing and replacement policy		Investors in People branding and house style guidance	
	Complaints handling procedure	Contract Management Guidance	SSC Performance Management Handbook	Employee engagement including code of conduct, equality and diversity	Working environment including flexible working and substance misuse		Asset management			
	Corporate social responsibility policy	Procurement Card Instructions	Audit schedule and report	Establishment control including organisation chart			Disaster recovery plan including business continuity			
		Expenses Policy								
		Hospitality and gifts procedure								
Relevant legislation/ govt rules	Government procurement requirements and EU legislation on public sector procurement			Employment Law			HMG Security Policy, Protecting Personal Data and Managing Information Risk			
	HM Treasury 'Managing Public Money'			Cabinet Office and Treasury guidance on pay and risk management			Data Protection and Freedom of Information Acts			

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 Office of Government Commerce (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 2010-11 the UK Commission's top corporate risks are identified and assessed as:

Risk Description	Mitigating Management Action
Budget cuts or additional work without funding means that we have insufficient finance to complete work we are committed to and therefore unable to deliver outcomes	<ul style="list-style-type: none"> • Ongoing discussions with sponsors; • Policy of accepting new work only if funded for its lifetime; • Prioritisation of work plan • Analysis of potential efficiency gains that do not impact negatively on delivery of the Business Plan
The requirements of the work programme, and the impact of any additions or changes to it, are not matched by staff and management capacity and/or capability leading to inability to deliver the work programme, misplaced staff and/or distractions from core work and people management, impacting negatively on the achievement of objectives	<ul style="list-style-type: none"> • Horizon-scanning and ongoing dialogue with sponsors to effectively plan for and minimise disruption caused by any additions/ changes or work streams ending; • Policy/ process for accepting new work including review of human and financial resource capacity and fit to remit, strategy and Business Plan • People strategy and HR work plan include focus on developing staff capability and maximising flexible use of staff capacity through effective policies and procedures, support and guidance to line managers and employee learning and development • Use of secondees and fellowships where necessary (poses additional risks to budget and longer-term capability)
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	<ul style="list-style-type: none"> • Key issue for discussion at Senior Management Board • UK Commission offices linked by enhanced communications technologies and internal communications strategy • Involvement of employees from across the organisation in cross-organisation working groups (e.g. on Employee Engagement and Information, Advice and Guidance, HR related and workplace issues); and employee representatives forum.
The UK Commission for Employment and Skills may gain insufficient influence on policy decisions of government and other stakeholders/ actors resulting in our evidence-based recommendations not being implemented and decreasing the likelihood of improvements to the employment and skills system and/or to employers' engagement in developing and utilising the full potential of their staff	<ul style="list-style-type: none"> • Communications plan and stakeholder management, public affairs and public relations strategies; • Ongoing dialogue with relevant policy units and stakeholders at operational and strategic levels;
General election during 2010 giving rise to political uncertainty/ instability and potential change in government could have an impact on our direction of travel, priorities and approach creating upheaval and confusion with stakeholders and partners	<ul style="list-style-type: none"> • Ensure UK Commission work remains based on strong evidence-base and is politically impartial and independent

UK Commission Performance Reporting

The performance of the UK Commission is assessed using a framework of measures and key performance indicators.

Operational scorecard

Monthly Directors' meetings focus on an operational scorecard of internal indicators.

Stakeholder Management	Delivery of the Business Plan
<ul style="list-style-type: none"> Opinion of top political stakeholders (from feedback) Opinion of top business stakeholders (from feedback) Opinion of sponsors, interest groups and key partners (from feedback) Level of stakeholder management related corporate risks 	<ul style="list-style-type: none"> Progress of projects against milestones in Business Plan Number/ level of escalated project risks Level of delivery related corporate risks
People management	Business systems and controls
<ul style="list-style-type: none"> Vacancies Staff turnover Absence rate Learning and development Progress against people strategy and action plan (using staff survey results) Level of people management related corporate risks 	<ul style="list-style-type: none"> 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

The organisational performance scorecard feeds into the organisational performance section of a strategic Key Performance Indicator report which evidences the UK Commission's Influence, strategic outcomes and strategic impact as identified from the strategic plan.

Strategic Key Performance Indicator Report

The Key Performance Indicator report is prepared twice a year: each summer with the Annual Report; and a winter update. The latest strategic Key Performance Indicator report is available on our website and includes targets/ benchmark figures as appropriate: <http://www.ukces.org.uk/about-ukces/about-the-uk-commission/annual-report-2008-2009/>

Organisational performance	Credibility and acceptance	Strategic outcomes	Strategic impact
<ul style="list-style-type: none"> Progress against annual Business Plan Operational efficiency Staff satisfaction High Performance Working Practices Stakeholder perceptions 	<p>For each strategic priority:</p> <ul style="list-style-type: none"> Contribution to policy debate Take-up of UK Commission outputs Stakeholder perception of positive contribution 	<p>Strategic priority 1:</p> <ul style="list-style-type: none"> Employers confident in getting advice on training and skills Education system supplies enough people with the skills needed to start working with employers [Indicator from perspective of individuals tbd] <p>Strategic priority 2:</p> <ul style="list-style-type: none"> Employment rate/ population groups People participating in Learning and Development <p>Strategic priority 3:</p> <ul style="list-style-type: none"> Employer investment in Learning and Development Establishments with 10 or more High Performance Working Practices 	<p>Absolute values and the UK's relative position against OECD countries:</p> <ul style="list-style-type: none"> Productivity Employment rate Skills profile Ratio of earnings (top 10%/ bottom 10%)

Annex: Senior Staff and Commissioners

Senior Staff



Sir Michael Rake
Chairman



Michael Davis
Director of Strategy
and Performance



Jerry Lloyd
Director of
Communications



Chris Humphries CBE
Chief Executive



Kay Dickinson
Director of Corporate
Services



Simon Perryman
Director of Employer
Engagement



Professor Mike
Campbell
Director of Research
and Policy



Geoff Fieldsend
Director of
Qualifications

Annex: Senior Staff and Commissioners

Our Commissioners



Lord Victor Adebawale
Chief Executive
of Turning Point



David Brennan
Chief Executive Officer
of AstraZeneca plc



Chris Hyman
Chief Executive,
Serco Group plc



Jeremy Anderson CBE
Head of Financial
Services for KPMG
Europe LLP



Philip N Green
Chief Executive of
United Utilities PLC



Julie A Kenny CBE DL
Managing Director,
Pyronix Limited



Brendan Barber
General Secretary
of the Trades Union
Congress (TUC)



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



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

Annex: Senior Staff and Commissioners

Our Commissioners



Charlie Mayfield
Chairman, John Lewis
Partnership



Liz Sayce
Chief Executive,
RADAR



Sir Adrian Webb
Chair of the Wales
Employment and
Skills Board



Dr Bill McGinnis CBE
Northern Ireland
Adviser on Employment
and Skills



Grahame Smith
General Secretary,
Scottish Trades
Union Congress



James Wates
Deputy Chairman,
Wates Group



Dave Prentis
General Secretary,
UNISON



Valerie Todd
Director of Talent and
Resources, Crossrail



Nigel Whitehead
UK Managing Director,
BAE Systems



Willy Roe
Chair, Highlands and
Islands Enterprise



UK COMMISSION FOR
EMPLOYMENT AND SKILLS

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.

ISBN 978-1-906597-50-4

© 18/05/10/1st Ed/450

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