

Gaining commitment for employer investment in skills

Pledge guidance for intermediaries

July 2011

Foreword

FROM SIMON PERRYMAN

The development of a new pledge was set out in the Skills Strategy, Skills for Sustainable Growth (November 2010). The Commission has developed proposals for an approach which sits firmly within our employer ambition strategy. The pledge is an important tool in achieving our ambition for skills whereby we aim to galvanise employer investment through a market driven approach. It is managed within priority 3 of the Commission's 2011 / 12 business plan.

The primary role of the Commission is to invest in employer leadership that can raise skills levels and drive enterprise, jobs and growth, wherever that leadership is strongest. We are proposing to encourage the development of employer-led pledges as the visible expression of employers' skills ambition. These will come from sectors, industries or local areas where employer collaboration is strong and where significant skills issues need to be addressed.

This work sits alongside our role as an investor in skills. We now manage investment funds in excess of £55m a year to support Sector Skills Councils (SSCs) and other employer organisations to develop and deliver skills solutions to meet the specific needs of their sector of the economy. We are also responsible for developing the Investors in People brand across the UK.

The purpose of the new pledge is to raise employer investment in skills alongside a number of other methods identified through our work on Best Market Solutions (BMS). It is, however, a 'means to an end', not an end in itself. It is one of a number of tools that can be used by employers to drive collective action. It may not be the right tool for every group of employers. We have deliberately avoided any form of prescription about what employers sign up to as part of their pledge, as our approach aims to drive collaboration around issues that are important to employers and can best be solved by them. We are also relaxed about the way the pledge is described to employers. It may be that "ambition" or "challenge" is preferred to "pledge". The point is to create the conditions that will enable employers to collaborate and invest together in skills in ways that best meet both business and the UK economy's needs. Most importantly, the trick is to keep it simple.

We know from the consultation we have undertaken on the development of the new pledge that there is an appetite amongst employers to use a pledge as a way of galvanising support for collective action. There are also some exciting pledge developments already underway which we feature in this guidance document. We hope that this guidance document provides a practical set of steps to take and good practice to learn from for intermediary organisations that are about to embark on developing pledges for sectors, industries or geographical areas.

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1 INTRODUCTION

1.1 Background

The development of a new pledge follows on from the delivery of the Skills Pledge, launched in June 2007 as part of the response to the Leitch Review. The Skills Pledge was a voluntary, public commitment made by an employer to support their workforce in improving their skills. As part of the Skills Pledge, an employer signed up to a set of government-determined core commitments to deliver improvements in the number of basic skills and level 2 achievements¹.

The new pledge differs from this approach in that it is wholly employer-determined and driven. This is because employers are best placed to understand their business environments and determine skills solutions to the opportunities and challenges this presents. This means that the new pledge will not be a one-size-fits all model and will not prescribe a set of core commitments. Employers themselves will determine the commitments they believe they need to take action on in order to address their skills issues.

The new pledge is, therefore, a tool to support employers develop skills solutions for their sector, industry or geographic area and secure commitment from them to take action. It demonstrates where groups of employers are working for the interests of their businesses and their employees, supporting their ambitions for skills.

Employers spend £39 billion every year training their staff, demonstrating the strong commitment business shows to skills development. The pledge is about building upon that best practice and growing employer ambition still further. It harnesses employer leadership behind a common vision and builds momentum behind the best market solution for skills for their sector or geographic area. It is a tangible and visible expression of their ambition.

Like the Skills Pledge, however, the new pledge will not be a contractual commitment and so is not legally binding on a company. The wider policy context for the new pledge is detailed in “A New Pledge: Approach” which can be found at www.ukces.org.uk/pledge

1.2 Terminology

Throughout the document we use the term “**employer**”. By this we mean a leader of a private, public or voluntary sector organisation. The “**pledge**” is an umbrella term used to describe the overarching concept of employers agreeing collective commitments to address their skills opportunities and challenges. The actual terminology an employer group chooses to use could be different. An “**intermediary**” is an employer representative organisation that works with employers to facilitate collaboration and collective action.

¹ The targets for the Skills Pledge are no longer applicable and will not be monitored going forward.

2 ABOUT THIS GUIDE

2.1 What is the purpose of this guide?

This guide provides a series of practical steps to help employers and their representatives develop collective commitments as part of a pledge. It contains guidance on:

- Developing a pledge;
- Key features of a pledge;
- Next steps.

2.2 Who is this guide aimed at?

The guide is aimed at intermediaries who work with groups of employers to understand their skills issues and help them take collective action to address them. The development of pledges can be facilitated by:

- Sector Skills Councils (SSCs);
- National Skills Academies (NSAs);
- Professional institutions;
- Employer representative organisations such as trade associations and local Chambers;
- Area-led networks such as Local Enterprise Partnerships (LEPs);
- Trade Unions.

These organisations may be supported by a range of partners including public sector skills organisations, training providers and employees.

2.3 How can this guide be used?

The guide can be used as either a step-by-step guide or as an aide memoire to help intermediaries develop a pledge that works for their group of employers. It is also a good practice guide with real examples of pledges that have been developed contained in the annexes.

2.4 How was this guide developed?

The development of this guide was informed by research and consultation that the UK Commission for Employment and Skills (the Commission) has led on including:

- A consultation with employers SSCs and stakeholders on what a new pledge might look like;
- Lessons learned from the previous Skills Pledge initiative;
- An examination of existing employer-led pledges, commitments and accords that have emerged outside of the government-driven model.

The consultation report can be found on our website at www.ukces.org.uk/pledge

3 DEVELOPING A PLEDGE

This section of the guidance aims to provide intermediaries with an understanding of the pledge, why it might be the right tool to address skills issues with a specific group of employers and the benefits it can deliver for both employers and intermediaries.

3.1 What is a pledge?

A pledge is defined as a collective commitment by employers to take action to address skills issues. The pledge is applicable to private, public and voluntary sector organisations.

In determining whether a pledge is the right tool to address skills issues within your sector, industry or geographic area, there are a number of criteria that it should meet. The criteria are:

- It identifies one or more specific skills issue to be addressed;
- It defines specific common commitments that employers will take action on to address the skills issue or issues;
- It is measureable and delivers demonstrable impact.

The purpose of a pledge is to raise employer ambition and investment in skills by providing a means to address specific skills issues with the aim of raising skill levels, making better use of existing skills and allowing employers to work collectively to do it. A pledge is one of many tools that can be used by intermediaries to support collective action by employers. It is one of a range of tools identified as best market solutions. The pledge will not be the right tool for every situation but can be used to effectively demonstrate initial and on-going commitment to an issue.

Pledges can be formed in sectors, industries or geographic areas where employer collaboration is strong and where significant skills issues need to be addressed. The development of pledges must be driven by employers so that it has relevance to each individual company. Garnering strong employer support is critical to the successful delivery of a pledge.

The term 'pledge' is not fixed. Each sector or geographic area is free to use language that works for that group of employers. So, for example it could be referred to as an accord, a protocol or a charter. The "brand" needs to be dynamic to respond to business environment changes and to maintain its relevance.

3.2 Why do a pledge?

Employers benefit from pledges on an individual company basis but also on a collective basis for their sectors, industries or geographic areas. Developing and signing up to a pledge demonstrates tangible, collective commitment and action from employers to address skills issues that are critical.

3.2.1 Individual Company Benefits

From a company perspective, signing up to a pledge means you join a group of like-minded employers and are central to the development of a vision and ambition for skills for a sector or geographic area. This helps the prioritisation of common issues and strengthens collaboration to address these issues by agreeing to take forward one or more common commitments. It also enables access to the best market solutions for skills, reducing competition (through poaching, for example) and the need to pay premium wages.

Signing up to a pledge also signals that you are a best practice company to current and future employees and other partners and stakeholders. This enhances company status, public relations and recruitment and retention. The process of developing a pledge provides an opportunity to consider how employee engagement happens in your business, which in turn may lead to improvements in the way workplace issues are resolved.

As part of developing the pledge, employers will need to prioritise actions to take to address skills issues. These commitments and the skills developed as a result support increased productivity

and bottom line benefits through improved performance. This, in turn, results in a more motivated and confident workforce, unlocking its full potential and encouraging initiative and innovation.

The diagram below summarises **the potential benefits of the pledge for an individual company**:

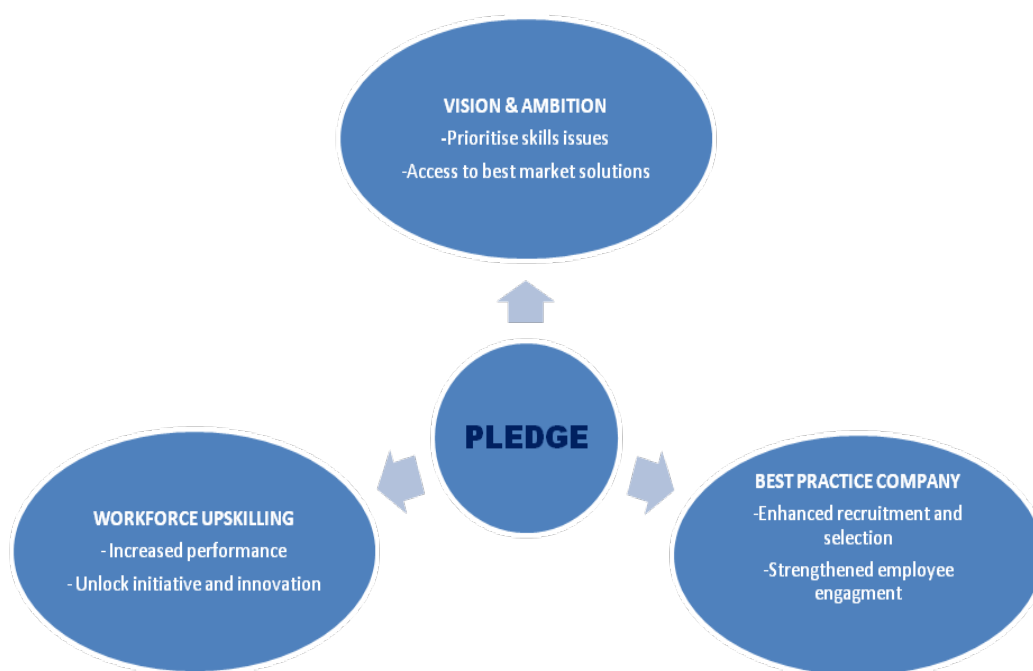


Figure 1: Potential Benefits of the Pledge for an Individual Company

3.2.2 Benefits for Collective Groups of Employers

For a collective group of employers (i.e., as part of a sector, industry or geographic area), the pledge is a tool that supports the development of a shared vision around common skills priorities that will drive growth. Developing a pledge strengthens collective influence and helps articulate the employer voice on skills. In an environment where financial support for skills from the skills system is diminishing and increased efficiencies are being sought, the process of developing a pledge identifies where investment is best placed to drive maximum value for a sector or employers in a geographic area.

The development and delivery of a pledge is a tangible expression of employer leadership. It determines what the skills priorities are and demonstrates employers' ambitions to address them. This leadership strengthens the sector's or geographic area's value to current and future employees, enhancing sector attractiveness and supporting increased new entrants into the sector. It also enhances credibility and recognition amongst public sector stakeholders and government when looking for support from the skills system.

Working to develop and deliver a common set of priorities also provides a way for competitors to work together in an open and structured environment, resulting in less rivalry and in-sector competition for skills. Pooling resources to address critical skills issues also enables faster delivery of the solution and drives economies of scale so is a more resource-efficient method of resolving common problems.

The diagram below summarises **the potential benefits of the pledge for a collective group of employers**:

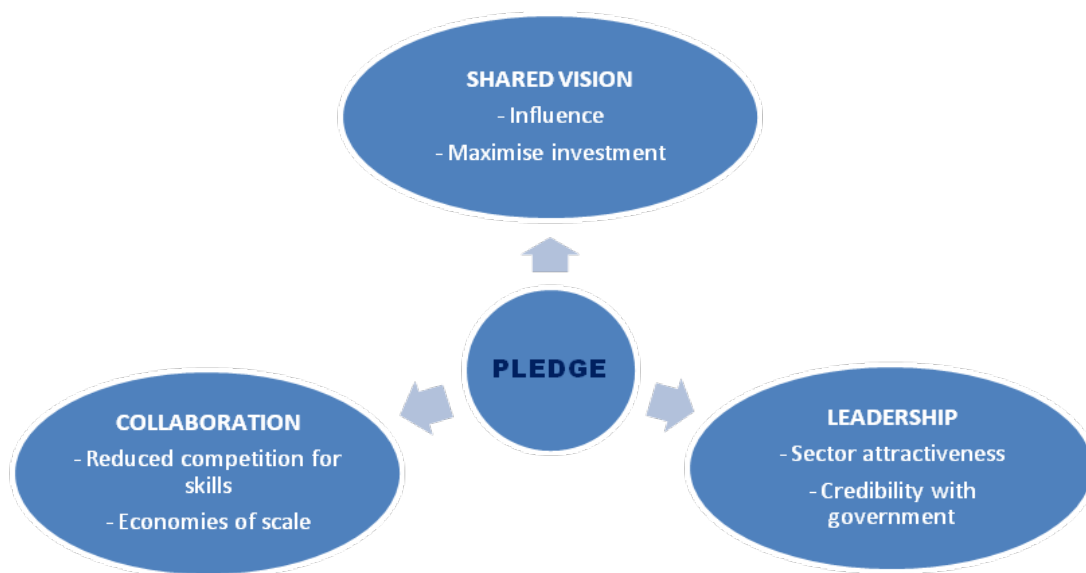


Figure 2: Potential Benefits of the Pledge for a Collective Group of Employers

3.2.3 The Intermediary's Responsibility

For the intermediary organisation, the pledge helps to deliver on your role and remit and strengthen your work with employers. The work involved in developing a pledge supports the development of a shared vision for the sector, industry or geographic area. It is a tangible way for intermediaries to take forward employer engagement activity to reinforce that vision. In addition, the commitment demonstrated through employer sign-up to a pledge is a powerful sign of employer action and can, therefore, provide backing to bid applications. Where employers have decided to develop a pledge for their sector, this could be used as a way of showing the level of support for an initiative.

Engaging with employers on the development of a pledge also provides a route to promote and deliver other products and services and support employers making decisions about skills. There is evidence in the case studies in the annex to show that engaging with employers on pledge activity strengthens intermediary engagement with employers on skills.

4 KEY FEATURES OF A PLEDGE

Intermediaries will have their own ideas on developing pledges and the guidance in this document is intended to provide suggestions that support the development process. This section of the guidance provides an outline of the key features of a pledge. It also provides ideas on the processes and plans that are required to move development and implementation forward.

4.1 The Intermediary Role

A pledge can be developed as a sector or cross-sector pledge, or within an industry or geographic area. In order to develop a pledge, the intermediary will need to consider the following key features and agree with employers what this looks like for them:

- It will have one or more commitments to drive action that will address identified skills issues;
- It will consist of a process whereby employers make the commitment in public, i.e., sign a formal, public document;
- It will require a measurement and review process to demonstrate that the action taken as a result of signing up to a pledge has had an impact on addressing the skills issues faced by a specific group of employers.

These features are described further in the sub-sections below.

4.1.1 Commitments

The case studies in the annexes of this guidance document identify a range of commitments that can drive action within a pledge. They are all based on strengthening the competence of the workforce and aim to stretch workforce skills to the next level. The pledge provides an opportunity to think creatively about possible solutions to skills issues.

For example, the Sustainable Workforce Skills Pledge developed by Proskills aims to improve the levels of competence in accordance with the sector's needs by encouraging employers to commit to a first level 2 qualification and competency based on the Apprenticeship model for their workforce. SkillsActive have developed a Skills Protocol which aims to develop a single qualifications structure for the sector and ensure that all employees have a training plan in line with that structure. The National Skills Academy for Power has developed an accord which commits employers in the power industry to develop a qualification to support the installation of smart meters, a critical element of the government's low carbon agenda over the next twenty years. The Institute of Grocery Distribution has developed a pledge that supports the employability of young people. Employers in this example have signed up to offering placements and work experience to disadvantaged groups of people not in work.

4.1.2 Making the Commitment

The sign-up stage is critical to the development of pledges because making a public commitment drives employers to act. Intermediaries will need to develop a process by which employers sign-up to a document that states specific commitments will be met. This will involve thinking about all of the stakeholders that can support the development and delivery of the pledge including employees, trade unions and public sector partners.

Pledges will work more effectively if they have buy-in from key stakeholders so intermediaries will have to consider this as part of a whole strategy to support delivery. Where government support is required to address policy barriers, early consideration should be given to involving the Department for Business Innovation and Skills (BIS).

4.1.2 Measurement and Review

We have proposed three levels of measurement to ensure that impact is reported on – the gathering of individual company data to report in-company and to the intermediary; the gathering of

whole-pledge data by the intermediary to report informally to the Commission; and the gathering of information on workforce skills and employer investment in general through existing employer skills surveys.

There will not be an overarching audit or monitoring of pledge activity by the Commission. It is, therefore, the responsibility of the intermediary and group of employers to develop a system whereby impact can be measured. The cases studies in the annexes all have simple systems in place to ensure regular review of progress is undertaken and action is revised accordingly. This includes the development of a survey tool to enable individual businesses to report on their pledge activity to their head offices and to the intermediary, the creation of an employer board to regularly review progress of the pledge action plan and establishing three-monthly review and re-commitments to the pledge actions by the group of employers steering the pledge.

The timescales for the development, delivery and review of the pledge are subject to the specific needs of the group of employers. It is for each intermediary, working with their employers, to determine. It is expected, however, that a pledge will be valid whilst actions are still being taken and where impact can still be demonstrated.

The process chart below summarises the steps that need to be considered by an intermediary when a pledge is identified as an appropriate tool to help to address skills issues.

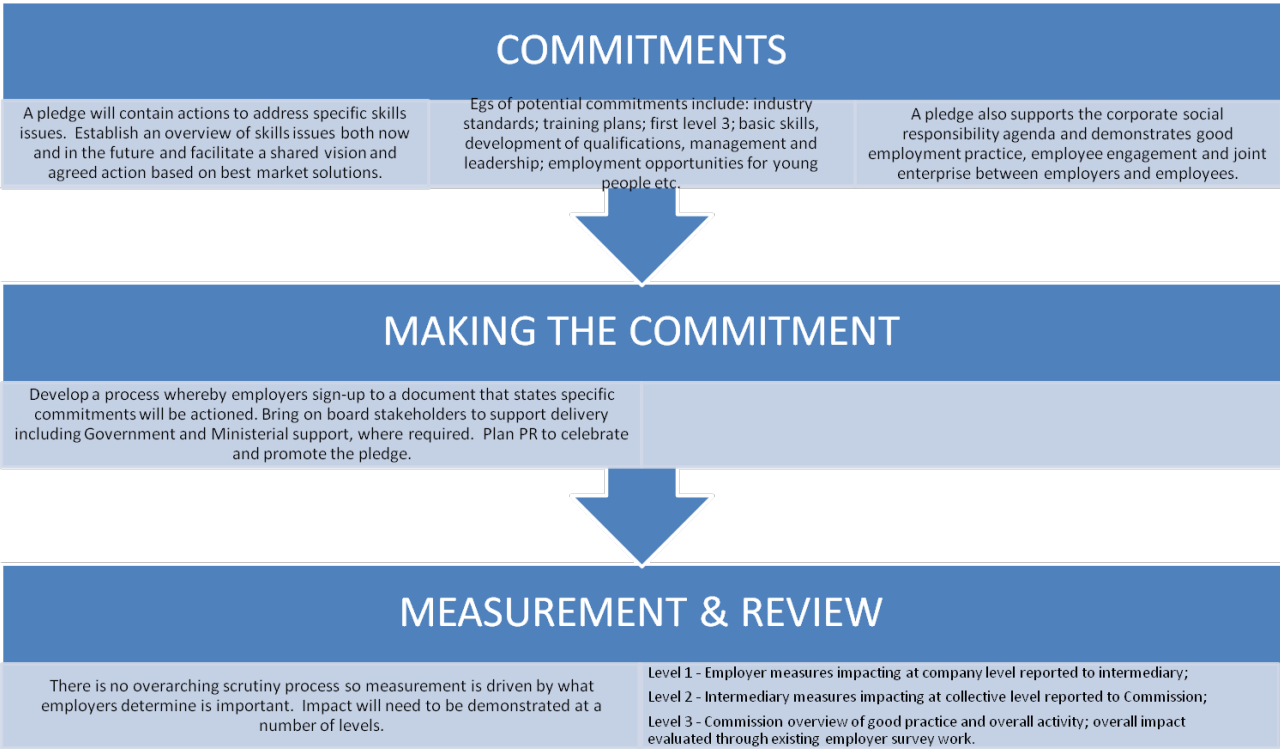


Table 1: Key Features of a Pledge – the Process

4.2 Quality Assurance of Pledges

Although the key premise of the new pledge is that it is employer-determined and driven, consultation feedback suggested that a quality assurance process or “recognition” process will help to provide credibility for intermediaries and support increased employer engagement as pledges are developed and delivered. It will also ensure that there is an element of consistency across what will be, by the very nature of the tailored approach, a range of very different pledge models for different sectors, industries and geographic areas.

As a result of this feedback, a process has been established to “recognise” pledges that are being developed. The roles of both the intermediaries and the Commission in this process are:

- The intermediary organisation promotes the pledge and its impact on their website;
- The Commission establishes a webpage where intermediary organisations can log their pledge details – this will give public recognition to the intermediaries that have established pledges to respond to skills issues and have taken specific action.

The Commission also has a role to understand where pledges are taking place and will promote best practice and lessons learned as they develop. The Commission will keep track of the overall number of pledges, including number of employers and employees involved, and promote good practice where it exists. The Commission’s role will involve developing individual company case studies and whole-pledge case studies as a way of spelling out success.

5 SUMMARY AND NEXT STEPS

In summary, our approach to the development and delivery of the new pledge means that there will be more than one model. This tailored approach allows for pledges at cross-sector, sector, industry and geographic level (i.e., wherever employers perceive relevance). This means that:

- The type and scale of pledges will vary;
- The pattern of commitments will not be uniform;
- Take up may be higher in some sectors and geographic areas;
- There will not be 'blanket' coverage;
- Employers could choose to sign up to more than one pledge.

If you think that a pledge is the right tool to help you drive collective action within your sector or geographic area then this guidance provides a starting point. The case studies in the annexes are all examples of successful pledge developments but all are different and there are lessons to learn from each.

Central to their development has been employer ambition and urgency to address critical skills issues that could damage the medium to long-term growth of their sector or geographic area. In these cases, the pledge is a tool that has harnessed employer leadership to prioritise skills issues and focused effort on accessing the best solution to address these issues. The pledge has enabled employers to build momentum behind this common ambition, working together in an open and structured environment, and pooling resources to deliver on that ambition. Another key feature of the case studies is the need to raise the profile of the sector or geographic area within government and also to create an attractive image of the sector or geographic area with defined careers and skills development pathways for potential new entrants.

If you feel your sector, industry or geographic area can benefit in the same way as those featured in the case studies and if you require any further information to help you determine whether the new pledge is a tool that will work to drive collective employer action on skills for your particular group of employers then please contact:

pledge@ukces.org.uk

ANNEX A – CASE STUDY: PROSKILLS

NAME OF PLEDGE	Sustainable Workforce Skills Pledge
LEAD ORGANISATION	Proskills
What prompted the development of the pledge?	
Proskills, the Sector Skills Council for the Process and Manufacturing Sector, developed the Sustainable Workforce Skills Pledge with employers to drive investment in skills. The Sustainable Workforce Skills Pledge builds on the Government's original Skills Pledge and aims to raise awareness that a fully competent workforce is required to boost productivity, increase competitiveness and to ensure business sustainability.	
What business issue/s does it address?	
The SWSP aims to improve skills levels and drive the overall performance of the sector. Each of Proskills nine industries have a specific SWSP which have industry specific commitments that identify the key requirements for skills and training in response to productivity and performance drive.	
How are employers involved in the development and delivery? / How are employers involved at this stage?	
The SWSP has been developed by Proskills Industry Board employers who also champion the uptake of skills in the sector.	
What does it look like?	
<p>The SWSP asks employers to support the need to have a wholly competence assured sector by the end of 2012 and contribute, as appropriate to:</p> <ul style="list-style-type: none"> • Improving the competence of new and existing staff in accordance with business needs; • Providing minimum levels of health and safety training for all staff • Make essential skills training available to everyone who needs it. 	
How is it being delivered / rolled out / implemented? / How will it be delivered / rolled out / implemented?	
The pledge commits the industries in the sector to develop plans and actions to ensure employees have a first level two qualification and competency based on the apprenticeship model. Proskills and its NSA support employers in their commitment to the pledge. Each employer receives a training needs analysis and advice on the relevant solutions to address skills issues. This includes help in developing the business case and return on investment from training, access to tools to enable methodical management of skills and access to peer networks to help identify best practice.	
What benefits are being delivered? / What are the perceived benefits?	
<p>The benefits of the SWSP for employers are that:</p> <ul style="list-style-type: none"> • It is a public commitment to skills improvement, aiding recruitment and retention, and raises the profile of skills within the sector; 	

- It supports a more motivated and confident workforce;
- It encourages initiative and innovation to unlock the full potential of the workforce;
- The employer is better able to meet legal and Health & Safety requirements resulting in fewer accidents;
- There is a measurable return on investment in skills training;
- There are bottom-line improvements resulting in more profits;
- It enhances competitiveness;
- It supports increased productivity through improved performance;
- It supports improved quality and accuracy resulting in less waste, more efficiency;
- It results in better customer relations resulting in fewer complaints and better customer retention.

1250 employers have so far signed up to the SWSP across Proskills nine industries.

How is success being measured? / How will success be measured?

Each employer that signs up to the SWSP receives a certificate and is followed up with a call to help them develop their skills development plans.

What are the lessons learned?

This has proven a very effective way of opening the conversation with employers on skills.

The first engagement with companies not active in the skills arena, especially SMEs is effectively “cold calling”. The SWSP or equivalent unites the industry in a shared objective / vision; continued investment by the SSC in this area is under threat as budgets are being cut back.

ANNEX B – CASE STUDY: SKILLSACTIVE

NAME OF PLEDGE	Skills Protocol
LEAD ORGANISATION	SkillsActive – Sport and Active Leisure Industry
What prompted the development of the pledge?	
A group of employers representing the key associations in the sport and active leisure industry identified a need to fully engage employers in the sector in a drive to professionalise the industry.	
What business issue/s does it address?	
The Skills Protocol aims to streamline the core qualifications that underpin key common roles, matched to National Occupational Standards (NOS) that will support key competence development and career progression across the industry.	
How are employers involved in the development and delivery? / How are employers involved at this stage?	
The Skills Protocol Employer Leader Group – SPELG – initially discussed the need to establish key competences across the industry. This group represents, through their associations, around 70% of the workforce in the sector. The group will monitor progress on the delivery of the Skills Protocol.	
What does it look like?	
<p>The Skills Protocol, supported by SkillsActive and its NSA, makes the following commitments:</p> <ul style="list-style-type: none"> • To create a single qualifications structure led by employers; • To ensure that all our employees have a training plan; • To work towards the objective of having all employees, current and prospective, to hold a skills passport and require them to keep their skillset up to date; • To support the inception and development of the Chartered Institute for Sport (CIS) as one professional institute for the sector; • To support a single vehicle for organising quality assured training; • To use the single vehicle to establish a network of training providers for delivering our training plans. 	
How is it being delivered / rolled out / implemented? / How will it be delivered / rolled out / implemented?	
After a series of meetings with SkillsActive, the NSA and the emerging Chartered Institute for the Management of Sport and Physical Activity, SPELG have drafted a report on the actions required from these organisations and the sector's employers to deliver the Protocol's commitments. The Report was formally launched with Ministers and MPs at the House of Commons on 4 May 2011. The three organisations above have aligned their formal responses to the report and will form the basis of an action plan for delivery.	
What benefits are being delivered? / What are the perceived benefits?	

<p>The key benefit the Protocol will deliver is improved clarity. This includes a rationalised set of industry approved qualifications, a single delivery mechanism for their provision, and a unified sector voice relating to work force development strategy. This will be supported by the adoption of a portable system of individual achievement through the active passport.</p>
<p>How is success being measured? / How will success be measured?</p>
<p>The Protocol Report refers to a number of ‘asks’ from the constituencies involved which forms the basis of an action plan. The delivery of the plan will ensure that the headline statements in the Protocol will be realised, ultimately leading to a greatly professionalised industry delivering on the key social / economic agendas targeted by government and other stakeholders e.g., social health, crime, inclusion etc.</p>
<p>What are the lessons learned?</p>
<p>The lessons learned so far from the development of the Protocol are:</p> <ul style="list-style-type: none"> • A unified voice from employers can affect real change in broad strategy; • Demonstration of the sector to be innovative and take responsibility for its own development and future; • Commonality of need from the sector; • Although the sector is complicated in terms of roles/types of employment, the workforce development issues are broad in scope and can be addressed in a coordinated way.

ANNEX C – CASE STUDY: NATIONAL SKILLS ACADEMY FOR POWER

NAME OF PLEDGE	Competency Accord and Smart Metering Accord
LEAD ORGANISATION	National Skills Academy for Power (The Skills Academy)
What prompted the development of the pledge?	
<p>The power sector is highly competitive. People demands can trigger competition between the utilities and its supply chain, raising salary expectations and the cost of employment. An ageing workforce, loss of critical business knowledge, difficulty in recruiting the right skills, lengthy time taken to train apprentices and lack of educational infrastructure for power courses are all issues within the sector which are too urgent and complex to be solved by a single employer or education or training provider.</p> <p>The power sector, therefore, needs to collaborate to understand the future technology being developed by the supply chain which, in turn, needs to understand the direction and planned workload of its clients.</p>	
What business issue/s does it address?	
<p>The accords are driven by two critical business issues:</p> <ul style="list-style-type: none"> • The sector requires a common understanding and competency measurement tool to benchmark the safety, health, environmental and security (SHES) of employees enabling resources to move across the industry. • The Department of Energy and Climate Change (DECC) has set out the overall strategy and timetable for the installation of 53 million smart meters in 30 million homes and businesses across Great Britain, estimated to have a net benefit to the nation of £7.3 billion over the next twenty years. Employers need to collaborate to develop the qualifications to enable smart meters to be installed on this scale. 	
How are employers involved in the development and delivery? / How are employers involved at this stage?	
<p>The Skills Academy's strategic group have led the development of the accords and will monitor their progress. The accords commitments have been signed up to by the industry's employers, the NSA, the SSC (Energy and Utility Skills), trade associations and trade unions.</p>	
What does it look like?	
<p>The vision for the competency accord is to:</p> <p>Work collaboratively to develop a power sector competency management "scheme" that enhances the safety, health, environmental and security (SHES) performance of our businesses while introducing efficiencies and cost effectiveness in the recruitment and movement of resource within the power sector. The aspiration is to develop an approach that provides a visible and transparent competency record of sector employees.</p> <p>The objectives are:</p>	

- To agree the scope of activities applicable to a competency management “system” across the power sector and agree the parameters of competency identification, assessment and recognition;
- To define “system” design principles and attributes from which a platform for a competency management “system” can be built;
- To agree and deliver quick wins that demonstrate impact of the approach;
- To agree priorities and timescales for delivery.

The smart metering accord commits the industry’s employers to:

- Develop a common industry qualifications and assessment framework for smart metering across the power and gas sectors;
- Recognise three pathways within the framework for power only, gas only and dual fuel qualifications delivery.

How is it being delivered / rolled out / implemented? / How will it be delivered / rolled out / implemented?

There is a commitment to developing an action plan within three months of the accords being agreed. These actions will determine specific deliverable, timescales and responsibilities which will be regularly reviewed and commitment then updated.

What benefits are being delivered? / What are the perceived benefits?

The following benefits have been identified so far:

- The Accords allow open and honest debate within a structured environment;
- They provide a way for competitors to work together;
- They allow individual companies and organisations to clearly demonstrate their support for a common approach;
- They enables faster delivery through focused activities;
- They have aided communication and commitment to a shared vision.

A total of 28 employers have signed up to the Competency Accord and the Smart Metering Accord.

How is success being measured? / How will success be measured?

The action plans will ensure delivery against key actions and move the accords through to next stages. The Skills Academy’s strategic group will closely monitor progress.

What are the lessons learned?

There is a need for ongoing communication with employers to retain focus on the shared vision and the outcomes that signing up to the accords will achieve.

ANNEX D – CASE STUDY: INSTITUTE OF GROCERY DISTRIBUTION

NAME OF PLEDGE	Employability Pledge
LEAD ORGANISATION	Institute of Grocery Distribution (IGD)
What prompted the development of the pledge?	
<p>The catalyst for the Employability Pledge was an industry skills and employment summit, hosted by the Institute of Grocery Distribution (IGD) on March 10th 2010. The key issues discussed at the summit were the industry's concern at the rate of youth unemployment, the attractiveness of the industry as a career route and the shortage of skills critical to the growth and competitiveness of the industry.</p> <p>The event was well-attended by industry, Government and stakeholders from the employment, skills, and education sector. Speakers from industry included Lucy Neville-Rolfe CMG (Tesco), Andy Clarke (Asda) and Justin King (Sainsbury's), as well as Joanne Denney-Finch, Chief Executive, IGD.</p>	
What business issue/s does it address?	
<p>The event focused on three specific areas;</p> <ul style="list-style-type: none"> • Skills gaps – what will the food industry need from the education system in future? • Youth employment – what can the food sector do to give young people a chance? • Staff development – how can food companies equip their people with skills for a new era? 	
How are employers involved in the development and delivery? / How are employers involved at this stage?	
<p>Employers were involved in the design of the summit and led the discussions through a series of speeches and breakout groups. The IGD Skills and Employment Industry Working Group was established as a result of the summit and consists of 12 leading employers, spanning the food and grocery supply chain. The work on the employability pledge is driven by this group.</p>	
What does it look like?	
<p>The Employability Pledge is for businesses in the food and grocery chain committed to providing high quality learning, skills development, work experience and work opportunities. It supports the following aims:</p> <ol style="list-style-type: none"> 1. Create opportunities for individuals – ensuring as many people as possible, including those from disadvantaged groups, are given an opportunity to prove their capability as potential employees in the food and grocery industry. 2. Help grow confidence and employability skills – helping individuals (for example, through work experience or apprenticeships) develop attributes, skills and knowledge that ensure they have the capability of being effective in the workplace. 3. Raise profile and attract talent – helping to promote food and grocery as a career of choice, for example, by working with local schools and colleges, to secure our future success as a 'world class' industry. 4. Act responsibly – demonstrating that food and grocery is a socially responsible industry. 	
How is it being delivered / rolled out / implemented? / How will it be delivered / rolled out / implemented?	

<p>To support the delivery of the four aims, companies signing the pledge commit to the following four steps:</p> <ol style="list-style-type: none"> 1. Prepare Put in place a system of internal reporting, assess current levels of activity and review previous experience. 2. Plan Develop a plan of activities to raise awareness of the industry and provide high quality work experience and work opportunities (e.g., apprenticeships) which help to grow the confidence and employability skills of individuals. 3. Deliver Deliver the activities within the plan. 4. Review Assess progress, measure the effect and share key learnings. <p>IGD has developed specific, detailed guidance for each of the four steps. . For example, the 'prepare' stage is an important starting point for many organisations. There is already a great deal of engagement activity underway across larger employers (e.g. work placements and community liaison with young people), however much localised activity is often not recognised or captured at the centre hence the overall contribution that the company makes is not coherently measured.</p> <p>IGD will support the delivery and roll out of the Employability Pledge by acting as a hub for best practice, showcasing successes, communicating progress and bringing key networks together, thereby helping the food and grocery industry accelerate progress further.</p>
<p>What benefits are being delivered? / What are the perceived benefits?</p>
<p>The Employability Pledge is enabling the industry's employers to address the challenges facing the industry and society at large. It is:</p> <ul style="list-style-type: none"> • Helping employers put in place tracking and monitoring processes to measure how they engage with their communities • Demonstrating that the industry makes a contribution –to the employability of young people and to addressing its skills issues. <p>Case studies are being collected to showcase best practice on the IGD website. A further summit is planned for June 2011 where progress and success will be assessed. In addition, an Employability Award has been introduced, with the winning organisation announced at IGD's Annual Food Industry Awards planned for October 2011.</p>
<p>How is success being measured? / How will success be measured?</p>
<p>The industry has not set specific targets for the delivery of the Employability Pledge, instead wanting to move at the pace that is right for individual organisations, large and small. . However, so far 25 companies have signed up to the Employability Pledge.</p> <p>IGD, however, has developed a survey which each committed company is expected to complete. The survey aims to establish an overall picture of the number and type of opportunities being provided to support the pledge.</p>
<p>What are the lessons learned?</p>
<p>Whilst the lessons learned cannot be fully assessed so early in the life of the pledge, employers</p>

have thus far welcomed the principles that have helped to underpin its development;

- Making sure that it is wholly employer owned and driven;
- Ensuring flexibility in design to recognise that companies will begin the Pledge journey from different starting points and commit to some form of activity from a range of options rather than a prescribed activity in line with their business and wider CSR goals;
- Keeping the model simple.

ANNEX E – CASE STUDY: LIVERPOOL CITY REGION

NAME OF PLEDGE	Charter
LEAD ORGANISATION	Liverpool City Region Employment and Skills Board
What prompted the development of the pledge?	
<p>Partners in the Liverpool City Region (LCR) regard Apprenticeships as providing a high quality route through which:</p> <ul style="list-style-type: none">• Young employees can secure the skills they need to succeed in their working lives; and,• Employers can ensure that they have the highly trained staff they need <p>An Apprenticeship Strategy and Key Actions document has been developed by the LCR Region Employment and Skills Board. Its strategic priorities are:</p> <ol style="list-style-type: none">1. To stimulate increased employer adoption of Apprenticeships.2. To ensure that Apprenticeships meet the needs of the LCR economy, including in the transformational sectors.3. To promote Apprenticeships as a quality route to young people and to support their increased participation in Apprenticeships.4. To ensure that Apprenticeships delivered in the LCR are of the highest possible quality. <p>One of the key actions to support delivery of the strategic priorities is the development of an</p>	

Apprenticeship Charter.
What business issue/s does it address?
<p>The labour market downturn in the City Region requires investment in the economy from both the public and private sector. Apprenticeships are a key component in the drive to increase economic prosperity, and a main route to increasing participation in education and training.</p> <p>The ongoing labour market downturn may create an environment which makes opportunist and exploitative practice by some providers and some employers more likely. It is important that the LCR partners celebrate and promote quality in the delivery of Apprenticeships.</p>
How are employers involved in the development and delivery? / How are employers involved at this stage?
Employers on the Employment and Skills Board have driven and signed up to the Strategy. A coalition of employers, providers and other partners in the City Region committed to the continued delivery of a quality Apprenticeship offer will be established.
What does it look like?
The Charter will be a collective statement of the commitment to high quality Apprenticeship provision in the LCR. The Charter will encompass a number of areas: e.g., rates of pay, employment rights, access to pastoral/mentoring support for apprentices, the quality of the training on offer, the expected duration of the Apprenticeship, sustained employment outcomes etc. The Charter will be used as a mechanism to help partners create a targeted 10,000 apprenticeships for young people in the City Region.
How is it being delivered / rolled out / implemented? / How will it be delivered / rolled out / implemented?
<p>The Strategy to create 10,000 new Apprenticeship opportunities was launched at Jaguar Landrover on Monday 21st March 2011. The event was attended by councils and business leaders.</p> <p>In addition to the Charter, an LCR Apprenticeship Academy will act as an umbrella for the development and delivery of quality services to employers and learners in the City Region. In the first instance the Academy will be virtual and will build on the strength of existing partnerships and Apprenticeship Sector Networks in the City Region.</p> <p>The Academy will bring providers, employers, unions and other partners together to:</p> <ul style="list-style-type: none"> • Promote the adoption of best practice; • In particular, promote the LCR Apprenticeship Charter; • Work with employers to address barriers to starting Apprentices; • Work to support existing, and establish new, Sector Networks; • Work with Sector Networks to develop sector-based Apprenticeship delivery models where these are appropriate (e.g., Group Training Associations); • Support the development of accelerated pre-apprenticeship and access to

<p>Apprenticeship programmes; and,</p> <ul style="list-style-type: none"> • Celebrate the achievements of apprentices and their employers (e.g., through Apprenticeship graduation events).
<p>What benefits are being delivered? / What are the perceived benefits?</p>
<p>The delivery of the strategy and success of the Charter will result in:</p> <ul style="list-style-type: none"> • A quality Apprenticeship offer to support the development of the skills and economy base within the Liverpool City Region; • Quality provision and support from both employers and providers to ensure that young people are given opportunities to develop the skills the LCR needs.
<p>How is success being measured? / How will success be measured?</p>
<p>Data collected by the National Apprenticeship Service and the Skills Funding Agency will be used to monitor the progress towards the 10,000 new Apprenticeships.</p>

ANNEX F – CASE STUDY: THE SEMTA APPRENTICESHIP AMBITION

NAME OF PLEDGE	The Semta Apprenticeship Ambition	
LEAD ORGANISATION	Semta	
What prompted the development of the pledge?		
The critical technical skills shortages faced by our sub-sectors.		
What business issue/s does it address?		
Upskilling and re-skilling the existing workforce. There is an annual need of 13,700 Level 3+ qualified people per annum during 2010-2016. Technician vacancies account for 65% of current skills shortages and there is a potential upskilling requirement for more than 200,000 people across core technical occupations to Level 3 and above. However, only 7% of sector employers currently offer apprenticeships – Apprenticeship starts at Level 3 and above are 8,000 with a current success rate of 70%.		
How are employers involved in the development and delivery? / How are employers involved at this stage?		
Employers through Semta’s Board, Sector Strategy Groups and Regional Councils drove the design and development of the Apprenticeship Ambition and currently employers are being engaged through our network of regional business partners to agree employer commitment to apprenticeship places.		
What does it look like?		
The Ambition aims to take the number of advanced and higher level apprenticeship registrations from 8,000 to 16,000 by 2016 through delivery of a 10 point action plan:		
Actions impacting on Individuals	Actions impacting on Employers	Actions impacting on Infrastructure
1: Increasing the range of applicants	4: Minimising barriers to employer involvement	8: Developing high quality responsive provision
2: Improving the quality of applicants	5: Reducing bureaucracy	9: Maximising the impact of investment
3 :Ensuring the right progression routes into and within apprenticeships	6: Increasing employer investment	10: Designing qualifications and frameworks that meet needs of employers
	7: Generating employer commitment	
How is it being delivered / rolled out / implemented? / How will it be delivered / rolled out / implemented?		
It will be delivered under ‘The Semta Offer’ to employers, through the Sector Strategy Groups (SSG) and Regional Council (RC) framework supply chain of the 400 member companies as well		

as through our key partner, the National Apprenticeship Service.
What benefits are being delivered? / What are the perceived benefits?
<ul style="list-style-type: none"> • Creating the skills base to support the economic recovery • Addressing the critical skills weaknesses in technician skills • Ensuring a supply of high calibre individuals entering the sector through Apprenticeships • Enabling more employers of all sizes to gain the benefits of Apprenticeships • Minimising the barriers and risk to smaller employers in recruiting apprentices • Encouraging and facilitating more investment in Apprenticeships by employers • Ensuring world class standards for training
How is success being measured? / How will success be measured?
Number of Level 3 and above Apprenticeships starts
What are the lessons learned?
The Ambition will initially focus on the barriers to hiring apprentices and how to overcome them.

The UK Commission for Employment and Skills is a social partnership, led by Commissioners from large and small employers, trade unions and the voluntary sector. Our mission is to raise skill levels to help drive enterprise, create more and better jobs and economic growth.

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