

Introduction

Further to UK Commission for Employment and Skills (UKCES) Grant in Aid letter for 2014-15 this statement sets out the role of UKCES as the co-ordinating body for National Occupational Standards (NOS) and what they plan to deliver during April 2014 – March 2015. The intention is to work towards a sustainable approach to developing NOS on behalf of the four UK nations using their research and influence with networks of employers.

UKCES role

Over the past two years UKCES have improved the approach to commissioning standards and frameworks significantly. Through the move to preferred suppliers, output-based contracts and more rigorous assessment UKCES have given government's greater visibility of what is bought, achieved better value for money by reducing expenditure from £16 million to £3 million, and consolidated expertise in the network.

UKCES shall continue to support the four nations and co-ordinate their contribution to NOS to support career mobility and employment across the UK. They shall take into account recent policy developments across the nations to ensure coherence and cross-border compatibility in NOS wherever this is feasible and desirable. Through UKCES co-ordinating role for the development of NOS, they shall work with the new NOS Governance Group to have a clearer view of the generic characteristics of high quality NOS which employers are looking for and adopt these to produce more consistent quality standards whilst ensuring that NOS continue to meet the policy needs of the administrations more fully.

Using this approach, UKCES aim to meet the NOS policy needs of each of the administrations across the UK, and make sure that NOS are relevant to employers and are informed by robust research and labour market information.

UKCES shall build on this based on the vision for NOS outlined in the Adult Vocational Qualifications Review for England and working with the four nations, as follows:

- Focus the development of NOS so that they reflect both employer demand and informed analysis of the current and future labour market need and as part of this review the NOS Strategy and criteria documents. .
- Encourage more co-investment in NOS between employers and governments, so that NOS are developed where employers value and use them, giving individuals and key stakeholders the confidence that they provide clear industry-recognised definitions of competence.
- Build on experience to date, and opportunities provided by new technology, to clarify what NOS might look like going forward, facing the current criticism that NOS are written in too much detail, and giving consideration to moving to a high-level, outcome-based definition of competence that reflects what employers are looking for, and can be delivered and assessed rigorously and responsively in a wide range of different contexts.
- Improve the visibility and impact of NOS by refining the NOS database, and agree whether it can be aligned to other qualifications-related databases and help to measure impact. UKCES shall showcase examples of where NOS are leading to more competent employees who able to progress in their careers and more

competitive businesses and communicate with employers to raise awareness of National Occupational Standards.

The vision for NOS

As part of UKCES vision for employer ownership of skills, they shall work directly with leading employers (large and small businesses, trade unions, governments and training providers) to agree the future model for NOS; and work with networks of employers (professional bodies, sector skills organisations, Apprenticeship Trailblazers and other forms of industrial partnerships) to ensure that NOS articulate the ambition and aspiration of their workforces clearly and effectively.

Future NOS will be in place for key occupations where employers are committed to them, summarising the outcome of competent performance in a way that can be delivered and assessed consistently in different locations. These NOS will be more relevant, rigorous, and better recognised by employers and individuals, and will:

- underpin Apprenticeships and vocational qualifications in each nation ;
- allow scope for innovation in assessment and delivery; and, critically
- deliver the skills employers are looking for and individuals need.

These NOS will be visible and accessible on a public database, and be measured for their impact on employers and individuals.

Building on successes to date, UKCES would achieve the proposed new vision by putting in place the following:

- A reference framework offering a clear rational structure for NOS, and high quality analysis to illustrate where NOS might need to be revised or updated
- Greater clarity about what high-level outcome-based NOS might look like, indicating the flexibility possible in the level of detail and proposing revisions (as appropriate) to existing criteria and guidance
- Development and use of impact measures to provide evidence of how and where NOS can and are making a difference
- Evidence of strengthened co-investment in NOS to support business growth
- Increased confidence in quality assurance arrangements for NOS, including greater involvement of employers directly in NOS development
- Improved access to the NOS database, with an assessment of the feasibility of linking this to other qualifications databases
- Proposals about how NOS should be financed and purchased going forward, including giving consideration to costs being met by those benefiting from NOS
- Clear messages and visibility for NOS
- Strong employer-led governance and programme evaluation

A reference framework offering a clear rational structure for NOS, and high quality analysis to illustrate where NOS might need to be revised or updated

UKCES shall use the established Standardised Occupational Classification (SOC) to provide a 'reference framework' that helps to signpost employers to NOS development without unnecessary gaps or overlaps. By doing this, it can reduce the risk of uncertainty relating to occupational boundaries, and use labour market information and targeted research on the supply and demand for skills to help employers identify where NOS might

tackle acute skills needs. By using SOC to help provide the reference framework it can relate NOS to data on earnings, employment and unemployment. Helping individuals, make more informed decisions about their career choices and ensuring that training providers and awarding bodies have a clearer line of sight in their service offer to labour market outcomes.

Greater clarity about what high-level outcome-based NOS might look like, indicating the flexibility possible in the level of detail and proposing revisions (as appropriate) to existing criteria and guidance

UKCES shall work with networks of employers, technical experts and the four nations to consider what high-level outcome-based NOS might look like in a range of different types of occupations and sectors, and across different skills policies building on existing NOS and international models. It is anticipated a varying spectrum of detail is required, as it looks to move towards one NOS for each occupation. Led by the new NOS Governance Group there will be a review of the existing NOS Strategy, criteria and guidance, and provision of models of NOS to support those responsible for designing NOS.

Development and use of impact measures to provide evidence of how and where NOS can and are making a difference

UKCES shall work with networks of employers and using their research expertise to develop and agree an evaluation framework with clear impact measures relating to individuals (impact on wages, productivity) and employers (business success measures – retention, growth). These will illustrate the benefits of NOS to employers more widely and to individuals.

Evidence of strengthened co-investment in NOS to support business growth

Where NOS are critical to their business growth strategies, UKCES shall encourage networks of employers to co-invest in NOS to develop a talent pool and as part of their strategy for up-skilling their workforce on more of a co-investment basis. These networks will have strong employer leadership (including engagement with small businesses), be in a position to consult widely with the sector and across the four nations, and have technical expertise.

Through this approach, leading-edge employers would design NOS directly where they are required for their industry, and would make sure they reflected sector-based regulation and professional accreditation requirements, and be developed where they add value to occupations. Where NOS are in place for Apprenticeships and vocational qualifications, the employers leading development would work with those with relevant expertise to develop delivery and assessment arrangements in a cost-effective way that can be quality-assured.

Where there is no employer leadership or recognition of the benefits of co-investing in NOS, it is unlikely that NOS would be effective as workforce development tools.

Increased confidence in quality assurance arrangements for NOS, including greater involvement of employers directly in NOS development

Once NOS have been written, they would be cross-checked independently by relevant employers, industry experts, academics and representatives from the nations who have not been directly involved in the development. This would be light touch, but these additional checks would provide reassurance that NOS work for those less close to the

detailed development work. Those involved in these further checks would have the revised NOS Strategy, criteria and guidance to work with, and would be able to comment on the relevance, appropriateness and quality of these NOS. UKCES would arrange these reviews on behalf of key partners and employers, and this would be in addition to the current sign off processes with the four nations.

Improve access to the NOS database, with an assessment of the feasibility of linking this to other qualifications databases

A new NOS database has been launched, containing all the approved and published NOS, making them easy to find and accessible to everyone. The database will be monitored, and continue to be refined to address any issues arising. The feasibility of aligning this database with other qualifications-related databases will be reviewed, with the aim of having a new single front-end showing how NOS relate to vocational qualifications and Apprenticeships in each nation, and whether there is eligibility to public funding. The aim is to make NOS accessible to individuals and employers. The feasibility of the new front-end being a tool for providing employer and individual feedback on the benefits of NOS will be considered and (if affordable) UKCES shall build in to any proposed changes to the NOS database.

Proposals about how NOS should be financed going forward, including giving consideration to costs being met by those benefiting from NOS

UKCES would look at how to move towards a self-financing approach to developing NOS, recognising that investment to date has been from a levy on vocational qualifications, then public funding, and there has been no real test for whether employers are willing to co-invest in NOS, although they are one of the key beneficiaries. The approach would be to work through networks of employers, with a view to users of NOS (employers, awarding organisations, training providers, higher education) contributing more as the key beneficiaries, and the UK nations contributing less. Issues such as how to ensure networks of employers are genuinely UK-wide, and the impact on regulated vocational qualifications and Intellectual Property Rights would need to be addressed as part of these proposals.

Clear messages and visibility for NOS

Most employers and a significant number of key stakeholders either do not know about NOS or lack confidence in them. Based on UKCES Employer Perspective Survey 2012, although NOS have been around for over 30 years as products designed for employers, of the 40% of employers who have heard of NOS, only 18% claim any knowledge of them, leaving significant scope to increase employer awareness and use of NOS. Networks of employers involved directly in investing in, developing and quality assuring NOS will improve their value and visibility. UKCES shall make employers and key stakeholders more aware of the benefits of NOS and make them more accessible through an improved database, through Commissioner “champions” and events at appropriate points in the programme of work.

Strong employer-led governance and programme evaluation

The overall programme of work outlined in this statement of intent will be overseen strategically by the NOS Governance Group. This Group will have oversight of the NOS brand and coverage, the criteria and guidance, quality assurance arrangements, database developments, evaluation and impact measures. An operational group would continue to sign off and monitor the projects going forward this financial year.

There would be an overall evaluation of NOS, including looking at their impact on economic growth in each nation and individual success. As a UK-wide body working closely with leading-edge employers and their networks, UKCES will build on our approach to date, and use our internationally-respected research and evaluation to strengthen and embed NOS into demand-led skills solutions, supporting Apprenticeships and vocational qualifications in all four nations.

Next steps

To release this statement of intent, address the areas identified, and use the financial year 2014 – 2015 as a transition year towards phasing in reformed NOS.