

MINUTES

UK Commission for Employment and Skills

Date:	Time:	Venue:
09 April 2014	10.00 am – 12.30 pm	Prince Philip House, Royal Academy of Engineering 3 Carlton House Terrace London, SW1Y 5DG

PRESENT

Sir Charlie Mayfield

Chairman

Michael Davis

Chief Executive

Commissioners

Bill McGinnis CBE DL

Nigel Whitehead

Deirdre Hughes

Paul McKelvie

Douglas McCormick

Prof John Coyne

Gail Cartmail

Scott Johnson

Grahame Smith

Scott Waddington

Iqbal Wahhab

Sean Taggart

James Wates

Seyi Obakin

Jeremy Anderson

Toby Peyton-Jones

John Cridland

Tony Lau-Walker

Julie Kenny

Valerie Todd

Liz Sayce

Will Butler-Adams.

Lucy Adams

IN ATTENDANCE

Huw Morris, (Group Director, Skills, Higher Education and Lifelong Learning (SHELL), Welsh Government),

Mike Keoghan (Director, Skills and Life Sciences, BIS)

Simon Perryman, Ian Kinder, Lesley Giles, Moira McKerracher, Simon Renny, Sarah Beal, Paul Devoy, Carol Gault and Daniel Stammers.

APOLOGIES

Apologies for absence were received from Barbara Spicer, Dave Prentis, David Fairhurst, Victor Adebowale, Fiona Kendrick, Frances O'Grady

Catherine Bell (DELNI), Rachel Sandby-Thomas (BIS) and Andrew Scott, (Scottish Government)

1. Welcome, Apologies and Minutes of the last meeting.

The Chairman, Sir Charlie Mayfield, welcomed Commissioners and summarised the discussion from the previous night's dinner which was led by Toby Peyton-Jones and was themed around The Future of Work.

The minutes of the last meeting of the Commission held on 21 January were **AGREED** as a correct record.

2. UKCES Strategy, Business Plan and Core Narrative.

Commissioners considered paper **UKCES C [14] 12** which included a final copy of the UKCES Strategy and Business Plan for 2014 – 17 and asked Commissioners to focus on specific policy themes for the next 12 months. Commissioners discussed and debated themes using the three rungs of the ladder to pull out what was important for the Commission. The three rungs were:

1. Improving work inspiration and business education links
2. Improving the skills, productivity and progress of those in work
3. Building strong vocational pathways into higher level skills and jobs.

The comments made were captured and it was **AGREED** that these be further developed and there be further discussion at the Chairman's breakfast scheduled for 22 May 2014.

3. Governance Arrangements

Consideration was given to paper **UKCES C [14] 13** which provided an update on the new governance arrangements agreed by the Strategic Management Group to support delivery of the 2014-15 Business Plan and set out terms of reference for the four new Objective Delivery Groups. Commissioners were updated on the current Governance Group membership and asked to volunteer to get involved, if they had not yet done so, with one or more of the Groups.

It was **AGREED** that the new governance arrangements set out in paper **UKCES C [14] 13** be adopted and that

- i. The terms of reference for the four Objective Delivery Groups attached as **Annexes 1-4 to the report** be approved.
- ii. It be noted that, following discussions at the Strategic Management Group, the following Commissioners had confirmed their willingness to act as Object Delivery Group Leads –

Objective Delivery Group 1 – Douglas McCormick

Objective Delivery Group 2 - Nigel Whitehead

Objective Delivery Group 3 - Scott Waddington

Objective Delivery Group 4 – Valerie Todd

- iii. Progress on the membership of the Objective Delivery Groups and other formal governance groups be noted.

4. Apprenticeship Funding Reform

Scott Johnson introduced paper **UKCES [14] 14** and provided an update on apprenticeship funding reform since the last paper in January. He also provided a description of the “apprenticeship credit” model – the alternative to PAYE.

In January an announcement was made on both apprenticeship funding policy (what government would fund and on what basis) and the mechanism for routing funding to employers. This announced that “HMRC systems” would be used to route the funding to employers. Since then BIS had published a technical consultation on funding reform.

This asked a series of questions relating to two models: PAYE and the “apprenticeship credit”. This consultation was due to close on the 1st of May with the final decision on the chosen model announced in autumn 2014 and implemented in 2016.

It was reported that further commission activity would continue and **AGREED** that the report be noted.

5. Investment Update

John Coyne introduced paper **UKCES C [14] 15**, which provided an update on the latest investment work including progress with Round 2 of the Employer Ownership Pilot (EOP), the Growth and Innovation Fund (GIF), the Employer Investment Fund (EIF) and work on National Occupational Standards and apprenticeship frameworks.

It was **AGREED** that the report be noted.

6. Industrial Partnerships Update

Simon Perryman introduced paper **UKCES C [14] 16** which presented a reminder to Commissioners of UKCES’ vision for Industrial Partnerships (IPs); an update on the progress in establishing IPs and a summary of ‘what next?’ for UKCES.

It was **AGREED** that

- (i) The shared vision of IPs and their key characteristics be noted.
- (ii) Progress to date in establishing IPs be noted; and
- (iii) The summary of the work plan for 14/15 and the role of the Commission in supporting IPs to establish their place within the system be noted.

7. Risk Management

Commissioners considered paper **UKCES [14] 17** introduced by Simon Renny. Following the board effectiveness review, it had been agreed to discuss the main risks faced by UKCES annually. Commissioners were asked to consider whether:

- The right key strategic risks being faced by the UK Commission had been identified.
- The mitigating actions in relation to the risks were appropriate.
- The UK Commission's current prescribed risk appetite was appropriate.

It was **AGREED** that the Risk Register should be brought to the Commission at each meeting for information and discussion along with a commentary from the Executive setting out any areas of concern.

8. Investors in People

Paper **UKCES [14] 18** was introduced by Valerie Todd which set out details of current activity within Investors in People.

It was **AGREED** that the broad direction of travel be supported.

9. Items for Information

The Commission received and **NOTED** update reports and minutes of the meetings of the Strategic Management Group, Audit and Risk Group, Investors in People Group, Investment Group and the Research Group.

10. Any Other Business

The Chairman reported that this would be the last meeting to be attended by Lucy Adams, whose term of office finished in May. Lucy was thanked for her input and contribution during her period of office as a Commissioner.