

# Quarterly Performance Summary

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Quarter 2  
July-September 2015

# Overall organisation summary

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This report covers activity between July and September 2015. This period has seen continued uncertainty in the external policy environment. There are still a number of questions that remain unanswered about the future role and remit of UKCES in a number of policy areas following the establishment of the new Government and its policy announcements. Questions remain particularly in relation to the apprenticeships levy, the 3 million apprenticeships target, occupational standards and BIS's '2020' ambition. We have been forming a UKCES view on many of these topics but we are unlikely to have further clarity in these areas and how these will impact on our remit until after the Comprehensive Spending Review announcements in November. This uncertainty has affected our ability to recruit staff and Commissioners. As a result we have spent time in this quarter revising our business plan to prioritise work on productivity, occupational standards, apprenticeships, and industrial partnerships, as well as refocussing our existing work to match our restricted resources, and are currently delivering against this. The key activities and items in Quarter 2 were as follows:

- We supported Sir Charlie Mayfield in his work for HM Treasury (HMT) driving forward business-led action on productivity, through engagement, analysis and project management. Working with business leaders on a Productivity Leadership Group, seven business groups have been established to understand and act upon the most pressing productivity problems in their communities. The first assessment phase will complete at the end of the year.
- We have continued to keep on track with progress on our core labour market intelligence (LMI) products and strategic partnerships including completing the fieldwork for the UK Employer Skills Survey (ESS) 2015 and delivery of the early findings presentation; and the publication of the Sector Insight report for Retail.
- We have submitted proposals to the four nation governments to agree a way forward on National Occupational Standards (NOS). We have also continued to support the industrial partnerships (IPs) and champion collective employer leadership. In this quarter, BIS took the decision to end most of the Employer Ownership Pilot (EOP) projects in March 2016. This affects all of the IPs. We have started preparing case studies and lessons learned from the IPs to inform our second report on their work.
- We began to share the learning from our first UK Futures Programme (UKFP) Productivity Challenge (Off-Site construction) with policy makers and key stakeholders to influence policy and practice and continue to work with projects across the other four current Challenges.
- UKCES became responsible for the delivery of Investors in People (IIP) in Wales along with Northern Ireland. The sixth version of the IIP Framework was launched in September.
- We undertook our annual staff survey in July 2015, which showed continued year-on-year improvements in nearly all areas.

In terms of the overall performance ratings at the end of Quarter 2, we have 1 green, 6 amber and 1 red rating.

The red rating is for Objective 2: Deliverable 2.2 and reflects BIS's decision to withdraw funding from the Employer Ownership Pilots at the end of March 2016 and the impact this could have on the IPs, in particular on employer confidence and engagement with the skills system.

Amber ratings were reported in the following areas:

- Objective 1: Deliverables 1.1 and 1.2. These reflect the refocus of our work programme to support the work Sir Charlie Mayfield is doing through the Productivity Leadership Group and the impact this has had on scaling back other areas of proposed activity to accommodate this including projects with local partners and activity on higher education.
- Objective 2: Deliverable 2.1: This reflects the continuing uncertainties in the wider policy environment for occupational standards and apprenticeships across the UK.
- Objective 3. This reflects the loss and retasking of staff across the organisation and the impact this has had on our capacity to deliver the planned learning and dissemination activities for Productivity Challenge 1 (Off-Site Construction).
- Objective 4. This reflects the strong performance in most areas of the IIP Business but a slight underperformance in total revenue and challenging revenue targets in Quarters 3 and 4.
- Corporate Objective. This reflects three factors: the Employer Leadership Project (ELP) contracts are now having to be closed down early, in line with the EOP IP funding cancellation; the continuing uncertainty in relation to the future role of the organisation in the context of the changing further education (FE) policy landscape, the spending review and BIS 2020 ambitions; and the resulting continuing restrictions we are facing in the recruitment of staff and Commissioners.

# Headline ratings



Proven impact/  
on track to  
deliver in  
line with  
expectations



Impact not yet  
proven/ progress  
behind expectations  
but can get back on  
track



Impact unlikely/  
progress significantly  
behind expectations  
and unlikely to get  
back on track

Objectives and deliverables	Q1	Q2	Q3	Q4
1 Lead the debate with industry to drive better outcomes for skills, jobs and growth				
1.1 Evidence-based insights				
1.2 Commissioner-led messages				
1.3 Labour market intelligence				
2. Work with industrial partnerships and wider networks to push forward employer ownership of skills				
2.1 Standards and frameworks				
2.2 Industrial partnerships				
3. Test out employer-led innovation to address persistent skills challenges				
3. UK Futures Programme				
4. Help businesses realise the potential of their people through Investors in People				
4. Investors in People				
Corporate Objective				
Corporate Objective				