



Cynulliad Cenedlaethol Cymru **The National Assembly for Wales**

Y Pwyllgor Menter a Busnes **The Enterprise and Business Committee**

Dydd Mercher, 2 Mai 2012
Wednesday, 2 May 2012

Cynnwys **Contents**

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

Sesiwn Graffu gyda'r Dirprwy Weinidog Sgiliau—Y Wybodaeth Ddiweddaraf am yr Adroddiad ar Bobl Ifanc Nad Ydynt mewn Addysg, Cyflogaeth na Hyfforddiant Scrutiny
Session with the Deputy Minister for Skills—Update on the Young People Not in Education, Employment or Training Report

Cynnig o dan Reol Sefydlog Rhif 17.42 i Benderfynu Gwahardd y Cyhoedd o'r Cyfarfod
Motion under Standing Order No. 17.42 to Resolve to Exclude the Public from the Meeting

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Byron Davies	Ceidwadwyr Cymreig Welsh Conservatives
Keith Davies	Llafur Labour
Julie James	Llafur Labour
Alun Ffred Jones	Plaid Cymru The Party of Wales
Eluned Parrott	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Nick Ramsay	Ceidwadwyr Cymreig (Cadeirydd y Pwyllgor) Welsh Conservatives (Committee Chair)
David Rees	Llafur Labour
Kenneth Skates	Llafur Labour
Joyce Watson	Llafur Labour

Eraill yn bresennol
Others in attendance

Suzanne Chisholm	Pennaeth Cynorthwyo Pobl Ifanc, Llywodraeth Cymru Head of Supporting Young People, Welsh Government
Jeff Cuthbert	Aelod Cynulliad, Llafur (Y Dirprwy Weinidog Sgiliau) Assembly Member, Labour (Deputy Minister for Skills)
Teresa Holdsworth	Dirprwy Gyfarwyddwr Is-adran Ymgysylltiad a Chyflogaeth Pobl Ifanc, Llywodraeth Cymru Deputy Director, Youth Engagement and Employment Division, Welsh Government

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Kayleigh Driscoll	Dirprwy Glerc Deputy Clerk
Siân Phipps	Clerc Clerk
Anne Thomas	Y Gwasanaeth Ymchwil Research Service

Dechreuodd y cyfarfod am 9.29 a.m.
The meeting began at 9.29 a.m.

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

[1] **Nick Ramsay:** Good morning. I welcome Members, witnesses and members of the public to today's meeting of the Enterprise and Business Committee. The meeting is bilingual, and headphones can be used for simultaneous translation from Welsh to English on channel 1 or for amplification on channel 0. The meeting is being broadcast and a transcript

of proceedings will be published. I ask Members to turn off their mobile phones and any other electronic equipment. There is no need to touch the microphones as they should operate automatically. In the event of a fire alarm, please follow the directions of the ushers. We have received one apology today, from Dafydd Elis-Thomas. There are no substitutions.

9.30 a.m.

**Sesiwn Graffu gyda'r Dirprwy Weinidog Sgiliau—Y Wybodaeth
Ddiweddaraf am yr Adroddiad ar Bobl Ifanc Nad Ydynt mewn Addysg,
Cyflogaeth na Hyfforddiant
Scrutiny Session with the Deputy Minister for Skills—Update on the Young
People Not in Education, Employment or Training Report**

[2] **Nick Ramsay:** The aim of today's committee meeting is to see what progress has been made since the Enterprise and Learning Committee of the previous Assembly published its report on young people and NEETS.

[3] I welcome the Deputy Minister for Skills, Jeff Cuthbert, to today's meeting. Thank you for providing your evidence in a timely way; that was very helpful to us. It is worth pointing out that you were a member of the Enterprise and Learning Committee that published the original report.

[4] I also welcome Teresa Holdsworth, the deputy director of the youth engagement and employment division of the Welsh Government, and Suzanne Chisholm, head of the supporting young people team.

[5] We have a lot of questions for you, Deputy Minister, so I suggest that we get straight into them. The first question is from Alun Fred Jones.

[6] **Alun Ffred Jones:** Beth yw'r prif resymau dros y ffaith fod cyfran y bobl ifanc nad ydynt mewn addysg, cyflogaeth na hyfforddiant wedi aros yn gyson rhwng 10% a 12% rhwng 1996 a 2010, yn hytrach na lleihau? **Alun Ffred Jones:** What are the main reasons for the proportion of young people not in education, employment or training staying consistently between 10% and 12% between 1996 and 2010, rather than decreasing?

[7] **The Deputy Minister for Skills (Jeff Cuthbert):** Thank you very much for the question. I do not really want to go back to 1996, but I think that it is fair to say that the proportion of young people who are not in education, employment or training has shown that, for the cohort of people aged between 16 and 18, participation rates have increased for the period 2006 to 2010. Of course, participation in employment has, however, seen a contraction, and that is down to the state of the economy, which is not a matter that is within our control. Nevertheless, in terms of tackling this issue, yesterday in Plenary, I announced in a statement the Jobs Growth Wales programme, which is our contribution to trying to ease the problem for young people in that age group.

[8] **Alun Ffred Jones:** Mae dweud nad yw'r economi o dan reolaeth y Llywodraeth yn osodiad go sylweddol, ac mae'n gwneud imi ofyn beth yw pwrpas cael Gweinidog dros fusnes. Gan droi'n ôl at y pwynt sylfaenol, mae'r ffigurau wedi aros yn debyg i'r rhai sydd rhwng 16 a 18 oed, ac maent wedi cynyddu'n sylweddol i'r rhai sydd **Alun Ffred Jones:** Saying that the economy is not within the Government's control is quite a statement, and it makes me question the point of having a Minister for business. Returning to the fundamental point, the figures have remained the same for those aged between 16 and 18, and they have increased significantly for those aged

rhwng 18 a 24 oed. Mae hynny'n awgrymu bod y polisiâu a ddilynwyd gan Lywodraethau yng Nghaerdydd wedi methu dros y cyfnod hwnnw. A fydddech yn derbyn hynny?

[9] **Jeff Cuthbert:** No; not for one second. It is sound that we have a Minister for business, but I do not think that anybody is suggesting—and I would be surprised to hear such a suggestion—that we can somehow insulate ourselves against the impact of the global economy and the recession. That has been the biggest single factor in making the availability of jobs for young people, and, indeed, for all people, more difficult. What we are trying to do is to make a positive contribution to reducing the effect of that, but we cannot control it. I would therefore reject any notion that we can control the economy in Wales.

[10] However, we are taking important steps. There is the newly formed youth engagement and employment division. Teresa Holdsworth, who heads up that division, is here and will answer questions in detail about the work that is planned for that new division. We take our responsibilities very seriously and continue to do the very best that we can to minimise these problems for young people.

[11] **Alun Ffred Jones:** Rwy'n derbyn eich sylwadau cyffredinol am y dirwasgiad diweddar, ond mae'r ffigurau a'r canrannau a ryddhawyd am 1999 hyd at 2010 yn dangos nad oes llawer wedi newid. Mae hynny'n awgrymu nad yw'r rhaglenni sydd wedi bod ar waith wedi cael effaith gadarnhaol. A ydych yn derbyn hynny ai peidio?

Alun Ffred Jones: I accept your general remarks about the recent recession, but the figures and percentages released for 1999 to 2010 demonstrate that not much has changed. That suggests that the programmes that have been in operation have not had a positive effect. Do you accept that or not?

[12] **Jeff Cuthbert:** We have never denied that the number of people we classed as NEETs has remained stubbornly similar. We are certainly not happy about that. I suppose that we could argue, if we were being flippant, that if we had not taken the action that we did, perhaps the figures would be far worse than those that we have now. We have to deal with a changing situation and certainly that is one of the reasons why we have created the new division—so that we can focus energy and activity on it. The Jobs Growth Wales programme that I announced yesterday will, we think, make a positive contribution to reducing that number, but it is a problem, and we do not deny it. We will be targeting considerable resources at it.

[13] **Byron Davies:** Action 8 of the Welsh Government's youth engagement and employment action plan 2011-15 was to set the overall approach to youth engagement and employment in Wales. The action was due to be completed in March 2012. Could you detail for us the main achievements that have been made to date in respect of the 18 action points?

[14] **Jeff Cuthbert:** The plan will be completed in the summer of this year. If you want to talk about the main achievements, we would say that the new youth engagement and employment unit has been established. That unit will now become the new youth engagement and employment division and will lead on driving policy and activity to support young people. We launched a number of new employability programmes and traineeships for the young, and we launched Steps to Employment for those aged 18. These were implemented in August of last year. We are doing a lot of work with the Big Lottery Fund as part of the dormant accounts scheme to launch a new youth engagement programme, which will help to tackle the issues around NEETs, and, indeed, there are a number of schemes to support our apprenticeship programme, particularly the 12-month Pathways to Apprenticeships scheme, which is led by the further education sector. The Young Recruits programme encourages

small employers via a wage subsidy to take on young people, leading to apprenticeships, and, of course, there is the Jobs Growth Wales programme that I announced yesterday.

[15] **Byron Davies:** When do you think that the revised action plan will be agreed and published?

[16] **Jeff Cuthbert:** As I said, we are looking at the summer of this year for that. My officials might like to comment in a little more detail on that.

[17] **Ms Holdsworth:** Just to add to the Deputy Minister's comments, last week we got together as officials to do a comprehensive review of all of the actions in the plan to identify those that have been completed, those that still require work, and those that require revision in light of the programme for government and the current economic situation. What we are looking to do to take forward significant actions within the new division is put in place a comprehensive and cohesive approach to tackling youth engagement and employment through schools, FE colleges and support services like careers and youth services, integrating activity so that we have a comprehensive approach to addressing this issue. As the Deputy Minister has commented, the review of the action plan will be completed and a revised action plan will go to Ministers by the summer.

[18] **David Rees:** I recognise that we have found ourselves in some economically demanding situations during the last few years, and the Learning and Skills (Wales) Measure 2009 was clearly focused on how we can help post-16 students to become more active. Has that had an adverse effect on 19 to 25-year-olds as a consequence of the actions that you have taken on these 16-year-olds?

[19] **Jeff Cuthbert:** No. The statistics, particularly from Careers Wales, show that more young people are staying on in post-16 education or training, and we welcome that. The issues faced by young people at 19 and over as regards not getting into employment are not down to the learning and skills Measure but to the economic situation that we find ourselves in. That is predominantly the reason why they have not got into employment. However, it is crucial that we encourage young people to stay on in education and training so that they have the best chance of getting into employment with the extra learning and skills that they will have at that point.

[20] **David Rees:** In that sense, are there proposals to look at how we can tackle 19 to 25-year-olds in a similar way to the way in which 16 to 18-year-olds have been tackled, so that we can bring those numbers down? I understand the complexities of reaching 19 to 25-year-olds and the various reasons as to why people post-19 may become economically inactive, which are perhaps different than those for 16 to 18-year-olds. Do you have a strategy in place to tackle 19 to 25-year-olds?

[21] **Jeff Cuthbert:** That will be very much part of the new division's work in order to ensure that we have a co-ordinated approach to this in terms of working with the careers service and the various schemes that I have already announced to give young people in that age group some of the very best chances to start looking seriously for work and being attractive to employers. Teresa, would you like to add to that?

[22] **Ms Holdsworth:** The 19 to 24 category is a particular issue because of the link to the economic conditions. The approach that we have taken with Jobs Growth Wales, for example, is to specifically target those employers that have growth potential and which have the opportunity to create jobs. Through Jobs Growth Wales, what we are doing, effectively, is intervening in the recruitment patterns of those employers, so that instead of them taking well established, trained, qualified and experienced individuals from other employers, we are saying, 'Give young people without work experience an opportunity to take advantage of the

jobs that are becoming available'. That is increasing the opportunities for 19 to 24 year olds to get into the labour market. Through the pilot scheme of Jobs Growth Wales that took place in Carmarthenshire, albeit that it was a small scheme, we have seen that that has made a real difference to the approach that employers are taking, and that they are prepared to give young people a chance with intervention from Government programmes. If the success of the pilot scheme is replicated in the implementation of the main programme, which commenced in April of this year, we hope that that will make a real difference to the opportunities created for 19 to 24-year-olds.

[23] **David Rees:** To take you back to the Learning and Skills (Wales) Measure 2009, Alun Ffred Jones mentioned earlier that the figures for 16 to 18-year-olds have been fairly flat for the last number of years. Do you think that this has been effective, and are you looking at the 14 to 16-year-olds and the pre-14-year-olds to see how you can instil in people's views and mentality, in a sense, the concept of working and looking for employment and becoming economically active?

[24] **Jeff Cuthbert:** The whole purpose of the Learning and Skills (Wales) Measure 2009 and the 14-19 pathways is to offer young people a range of experiences and different ways of learning, and to give them more opportunities to follow vocational courses so that they are better prepared and better understand the likelihood of employment opportunities and which parts of the economy they may be in. There are a number of other related activities. The whole purpose of the qualifications review is to look at which qualifications are valued by employers and young people, with a view to shifting that base so that people aged 14 to 16 and 16 to 19 will have the best range of opportunities and a better understanding of what may be available for them once they are looking for work.

[25] **David Rees:** Are you working with the pre-14 age group so that they do not become disengaged at that age?

[26] **Jeff Cuthbert:** I am not working with the pre-14 age group, but the new division will cover from the age of 11 onwards, so perhaps Teresa would like to comment on that.

[27] **Ms Holdsworth:** I do not want to give the impression that the new division is responsible for everything that happens for 11 to 25-year-olds; that is not the case. What we will be looking to do is identify good practice and what works, and influencing the interventions that will make a difference across the whole of Government. A key aspect of the work of the division will be—particularly within the Department for Education, Lifelong Learning and Skills, but also on a wider basis—to look at the 14-19 pathways provision, to identify what inspires and motivates young people, and to influence the information, advice and guidance that young people get through the support services to help them to make the right choices.

[28] As head of the division, what I want to do is to have that opportunity to influence curriculum and qualifications choices and what gets delivered through further education provision, so that we have a comprehensive programme of learning for young people that motivates and inspires them to achieve their full potential, and to ensure that information is closely linked to the employment opportunities and the positions that are available to young people, so that they know what they are working towards.

9.45 a.m.

[29] **Nick Ramsay:** We will move things on now, Deputy Minister, if that is okay, because we have a fair few questions to get through. Keith Davies, do you have a supplementary?

[30] **Keith Davies:** Oes. Mae hyn yn dilyn rhywbeth y gofynnodd David Rees ac Alun Ffred ar y dechrau. Ers 1996, mae siroedd newydd wedi bod yng Nghymru, ac mae fy nghefnidir i yn y siroedd. Un o'r targedau gan bob sir oedd lleihau'r ganran o bobl nad oeddent mewn addysg, cyflogaeth na hyfforddiant. Yr hyn hoffwn ei wybod, os yw'r wybodaeth gyda chi, yw sut mae'r siroedd wedi llwyddo. A yw pob sir yr un peth? Yn fy mhrofiad i, mae ambell i sir wedi gwneud yn well na rhai eraill. Beth yw'r rheswm am hynny? Pam bod rhai siroedd wedi gwneud yn well na'i gilydd? Roeddwn yn synnu, fel Alun Ffred, bod y ganran wedi aros yr un peth am gyfnod hir, ond a oes gwahaniaethau wedi bod o fewn siroedd? Os oes siroedd wedi gwneud yn dda, beth yw'r rhesymau am hynny?

Keith Davies: Yes. This follows on from something that David Rees and Alun Ffred asked at the outset. Since 1996, Wales has had new counties, and my background is in the counties. One of the targets in every county was to reduce the percentage of people classified as NEET. What I would like to know, if you have the information, is how the counties have succeeded. Is every county the same? In my experience, some counties have done better than others. What is the reason for that? Why have some counties done better than others? I was surprised, as was Alun Ffred, that the percentage has stayed the same for a long time, but, within those counties, have there been variations? If counties have done well, what are the reasons for that?

[31] **Jeff Cuthbert:** Taking the last point that you made first, a review is under way and my officials are now working with stakeholders, not just in terms of the counties in Wales, but across the whole of the UK, to look at issues of best practice. We are working with Careers Wales, for example, and other partners, and certainly the local authorities, because it is local authorities that lead on arrangements for keeping in touch with young people who are at risk of becoming disengaged, and some are better than others. Some very good work has been done in Swansea and Wrexham, which is being analysed and evaluated fully, and the information that that provides us with will be cascaded out to all local authorities within Wales. However, we are looking wider than just in Wales, because this is not a problem that is restricted to Wales, as you will appreciate. So, the answer is that it is a mixed picture.

[32] **Eluned Parrott:** The action plan was launched in January 2011, so I was surprised to learn that a review of that action plan is already under way. Why is it being reviewed at present?

[33] **Jeff Cuthbert:** We formed the new division because we want to be sure that all the plans that we have in place are meeting the changing requirements that we have in Wales, and this is part of that. We are reviewing a whole range of activities. For example, one of the things that I have noticed is the number of plans that we have to help provide support for young people, including those aged over 18 in terms of Steps to Employment, traineeships and so on. We need a review to see whether we can simplify the system and whether all that we are doing is relevant and evidence-based and that we are doing the very best that we can. That is why we will be reviewing all these activities and the plan is part of that.

[34] **Eluned Parrott:** The action plan gives you a four-year timescale for delivery and implementation. What major weaknesses did you identify in the previous plan that led you to think that a review was required?

[35] **Jeff Cuthbert:** It is not so much that there are weaknesses in that plan, but that there is a changing situation and that we have a number of new schemes that we think are of merit and will be seen to work. We will keep them under constant review. For example, the Young Recruits programme is now two years old; we want to look carefully at how that is working and how well employers are taking it up. It is not a question of saying that previous plans were not working; they were right at the time, but situations change dramatically and quickly and we want to be sure that we are doing the best that we can. Do you want to add anything to

that, Teresa?

[36] **Ms Holdsworth:** As the Deputy Minister said, 2010 sounds not that long ago—we are two years in—but the world changes very quickly. It is right that we consistently review action plans. That is not to say that those plans, and the specific actions within them, will not continue, but having a consistent review of plans to ensure that they are as up to date and appropriate as they need to be for the times that we are in is the right thing to do. We are certainly not looking to take out any actions that remain relevant and consistent in terms of our approach. If anything, we will probably add to those. However, some of those actions have been completed, and we need to report on the activity and delivery of that action plan on a regular basis, so the plan is reviewed on a quarterly basis in any case. We are looking to formalise the review and to go back to Ministers if we feel that any amendment is required.

[37] **Jeff Cuthbert:** We know that the Welsh Government now has clear policy on reducing the effect of poverty on educational achievement, for example. We obviously need to review all that we are doing to ensure that we can achieve that objective.

[38] **Ms Chisholm:** I just wanted to add to what has already been said. There are opportunities for us as a Welsh Government to improve how we join up the different elements of provision. We know that we have not got it right yet and that there is some further way for us to go, but there is also joining up that needs to be done out there on the ground where services are delivered to young people. We have to do everything that we can to ensure that there is a coherent message at national level. Similarly, we also need regional and local partners in delivery to be joining up. We hope, with the new division, that we can focus on outcomes for young people, so that, instead of one agency providing something for the young person and someone else over there providing something for the young person, we can develop a way in which the young person is supported through progressive experiences to achieve a positive outcome at the end. It is not easy, but we do not want perverse incentives, whereby schools are working against other agencies in the community and vice versa.

[39] **Eluned Parrott:** Thank you for that answer. You said that the Welsh Government has not got it right yet, so can you give us some examples of places where you feel that you have not got it right yet?

[40] **Jeff Cuthbert:** I do not think that we used the expression ‘not got it right yet’.

[41] **Eluned Parrott:** I think that that is a quotation.

[42] **Ms Chisholm:** I should perhaps have said that the Welsh Government has some way to go. There was the example I gave you of schools and communities not always working together as well as they can, particularly in the area of non-formal learning.

[43] **Eluned Parrott:** Okay. Thank you. The action plan was launched in January 2011, which is nearly 18 months ago. We are a third of the way into the action plan now. Could you give us some examples of positive outcomes that you feel that you have achieved as a unit? You are not a new unit, clearly, given that the announcement in 2011 said that the unit had already been established. So, 18 months is a timescale in which you would hope that there would be positive, measurable outcomes that you would be able to tell us about.

[44] **Jeff Cuthbert:** I do not want to repeat myself, but, certainly, in terms of the new division that we have formed—and it has only just been formed; I think that it is fair to say that not all your staff are in place yet, Teresa, is it not?

[45] **Ms Holdsworth:** The unit referred to in the action plan was a small unit, which was effectively just a small team of people looking to co-ordinate the activity within an existing

division. That will now become part of the new division. Its focus was primarily on the post-16 agenda, but it was looking to co-ordinate the activity that was being undertaken on the pre-16 agenda. That was the role of the unit. Effectively, we have now established a new division, which will physically take individuals from both the pre-16 and post-16 divisions that did exist and bring them together in a division so that they have responsibility for those actions, whereas the previous unit was just looking to co-ordinate the work that others were doing. So, that is the difference between the two. The division is new and that was established last month, but the unit has been in place since 2011. However, as I say, the unit was a small co-ordinating unit that brought together information on what activity was being undertaken across the department.

[46] **Jeff Cuthbert:** On tangible outcomes, I have already referred to our employability programme, such as traineeships and Steps to Employment and, of course, Jobs Growth Wales. Those are tangible outcomes of that work.

[47] **Eluned Parrott:** Technically, they are outputs of the work and activities that you are doing. An outcome looks at the benefits that have been received from the young people in those programmes. Are you able to talk about some of those outcomes?

[48] **Ms Chisholm:** I can talk about Demonstrating Success, which is an outcome measurement framework that we have spent some time developing. It measures soft skills—pre-entry level skills—but, for many of the young people, particularly those who are not in education, employment or training, these are important skills that they need to acquire on the way to improving their basic skills. Demonstrating Success is academically tested; it is quite rigorous, it has been piloted and we know that it works. It can work in short-term interventions and long-term interventions. It can work at a number of different levels—programmes, projects and so on. We have not rolled it out more broadly yet. We have piloted it and have seen it working in youth work and 14-19 settings and in some work with young offenders, all of which has produced evidence that measurable progress is being made. The organisation can record it and, importantly, the young person can see it. We now need to look at whether there is an opportunity to roll it out further.

[49] **Alun Ffred Jones:** The previous Minister, Andrew Davies, said that he had identified 40 or 50 schemes in the Swansea area that had been devised by various agencies and the Government to address this cohort of young people. He thought that this meant that there was a lot of duplication and schemes chasing the same people. How many schemes are now being actively pursued to try to address NEETs?

[50] **Jeff Cuthbert:** I am not sure whether we can answer the last part of your question at the moment, but we will write to you with that information if we may, Chair. More generally, you are right; I made the point when I was a member of the previous committee that there seemed to be a lot of organisations that were essentially trying to work with the same client group. There were, therefore, questions about the potential for duplicating resources and whether those young people were being best served. That still remains a concern for us, and it is something on which we want to work, particularly through the careers service, with regard to identifying the best and most cost-effective way of providing support for those young people. However, if you do not mind, we will write to you on the detail of your question.

[51] **Joyce Watson:** Most of my questions have been answered, but one thing that I would like to focus on is that giving young people the best chance starts with delivering best practice; that is fairly obvious. We know that the Government is trying to promote joined-up thinking, which really means regional working. How are you going to develop regional working in the first instance and then monitor it so that the outcomes are good?

[52] **Jeff Cuthbert:** You are right; we need to have a regional approach to this matter.

One of the key drivers for this will be the reconfigured careers service, which will work with local authorities and employers and will take regional issues into account with regard to the economy. In the not-too-distant future, I will be making some formal statements on the structure and remit of the careers service. Part of the functions of the new division will be to ensure that there is a co-ordinated and monitored approach to ensuring that we are making the best offer.

[53] **Byron Davies:** In response to an earlier question on local authorities keeping in touch with young people who are at risk of not being in education, employment or training, it was mentioned that local authorities are required to provide support for young people and assist them to re-engage. What are you, as a Government, doing on a proactive basis to keep in touch with these young people since the Enterprise and Learning Committee's report was published?

10.00 a.m.

[54] **Jeff Cuthbert:** In response to an earlier question, I said that local authorities have the lead on this matter, and we keep closely in touch with local authorities on it. The careers service also has a major role to play. So, I think that I dealt with that question earlier.

[55] **Byron Davies:** Okay. Do you think that the process can be improved, or are you happy with the feedback that you are getting?

[56] **Jeff Cuthbert:** We think that the process can be improved. I do not think that I would ever say that we are doing the best that is possible; we are always looking for improvements, which is why, as I outlined earlier, we are reconfiguring the careers service. We are working far more closely with employers so that we have a greater understanding of their need. That is why we formed the labour market intelligence unit, so that we can get the evidence base on which to focus our programmes. I know that Suzanne wants to comment.

[57] **Ms Chisholm:** One of the things that officials are doing at the moment is looking at revising youth support services guidance to follow the general direction that Ministers have set. That will involve us looking at the possibility of introducing brokerage arrangements, which would be where one agency at a local level takes responsibility for identifying young people who are disengaged or at risk of disengaging, and will work to bring them in touch with organisations that can provide them with progressive support. It will also keep an eye on how well they are doing. This is at an early stage of thinking. It is something that might well work better at a regional level, and it may well be that there needs to be some kind of national overview of what is going on regionally. We are looking at all of these things at present, and it is something that the new division will probably want to take forward and make recommendations to Ministers on. So, it is on our radar. However, we do not have anything definitive that we can say at this point.

[58] **Nick Ramsay:** When is the new guidance on youth support services likely to be published?

[59] **Jeff Cuthbert:** The new guidance will go out for consultation this autumn with a view to it being published in the early part of next year.

[60] **Nick Ramsay:** What consequences have there been due to that delay? In other words, how will the guidance improve things?

[61] **Jeff Cuthbert:** We have taken account of a number of points, as I have mentioned, in terms of the economy and the programmes that we now have in place. So, it is not a question of there being consequences due to the delay, except on the positive side. The guidance will

be all the stronger because of the greater work that we are doing and the fact that we have set up a new division, which will control and monitor that aspect of the work. When we publish that guidance, it will be stronger for it.

[62] **Ms Chisholm:** The existing guidance and direction is in place, and it remains in place. Local authorities and their partners are expected to operate it until it is replaced with new guidance.

[63] **Nick Ramsay:** Surely, the intention of the new guidance must be to improve things.

[64] **Jeff Cuthbert:** The intention is to have stronger control, certainly.

[65] **Ms Chisholm:** In the light of the situation in which we find ourselves now, in 2012, compared with 2002.

[66] **Jeff Cuthbert:** For example, the Welsh Government's expectation that local authorities will secure effective delivery of youth support services will be a strengthened aspect of the new guidance.

[67] **Keith Davies:** Rydych chi'n sôn eto am yr awdurdodau lleol, ond mae sawl asiantaeth arall yn bodoli, gan gynnwys rhai gwirfoddol, er enghraifft, yr Urdd, Gwobr Dug Caeredin, y Sgowtiaid ac ati. Sut byddwch chi'n eu cynnwys yn y darlun?

Keith Davies: You are talking again about the local authorities, but many other agencies exist, including some voluntary organisations, for example, the Urdd, the Duke of Edinburgh Awards, the Scouts and so on. How will you involve them in the picture?

[68] **Jeff Cuthbert:** You are quite right to say that there are many agencies. I suppose that I am talking about the biggest ones in referring to local authorities and the careers service, but the voluntary sector organisations that you referred to will have a key role to play. On the mechanics of bringing them on board—

[69] **Ms Chisholm:** The duty is on local authorities to co-ordinate local multi-agency arrangements, which must and should include the entire voluntary youth work sector and a range of other partners.

[70] **Nick Ramsay:** Keith, did you want to ask about learning coaches?

[71] **Keith Davies:** Hoffwn fynd yn ôl at yr anogwyr dysgu. A ydych yn cytuno bod angen mwy o eglurder ynghylch rôl yr anogwyr dysgu ledled Cymru a bod angen mwy o gysondeb o ran y ffordd maent yn gweithio er mwyn ceisio gwella safonau plant a lleihau rhwystrau i ddysgu?

Keith Davies: I would like to go back to the learning coaches. Do you agree that there is a need to have greater clarity on the learning coaching role across Wales and that we need greater consistency in the way that they work to try to improve standards among children and to reduce barriers to learning?

[72] **Jeff Cuthbert:** Yes, I agree. Learning coaching is a function as opposed to a job or a position. Certainly, we want to see young people given the very best briefing and information, whether that be through schools—which is not technically part of my portfolio, but I will ask Suzanne to comment on that—as well as through work-based learning providers and, indeed, through the further education sector. A co-ordinated approach is needed, but the function of learning coaching is something that we remain supportive of. We have to point out at this stage that the full roll-out of the 14-19 learning pathways will not be completed until September this year, which is a little premature, perhaps, to measure its overall effectiveness. We remain supportive of the learning coaching function.

[73] **Ms Chisholm:** It is not strictly speaking my policy area either, but there is an expectation that the learning coach will work with other sources of support to provide young people with anything additional that they might need. For some young people, they might just need to have a quick chat about what their options would be and so on. For other young people, they may have stuff going on in the family or they may have mental health issues—they have additional needs and need additional support. The role of the learning coach there will be to refer the young person to an appropriate source of additional support. It appears to us that that is not always working as well as it should be in all areas, although there are some examples of very effective practice.

[74] **Julie James:** You have mentioned the careers service a number of times in your evidence this morning. Can you give the committee an update as to where we are with the changes in the delivery of Careers Wales?

[75] **Jeff Cuthbert:** Certainly, and I am grateful for the question because, as I have said a number of times, the careers service has a crucial role to play with regard to advice and guidance to young people. Most people do not understand that the careers service at the moment is not a public sector service; it is actually private sector. That has caused a number of difficulties. It was turned into six private companies under the much-lamented John Redwood, which caused a number of difficulties for us, not least with regard to different terms and conditions. However, we now have an agreement; there is now one overarching company and the staff members of the careers service are being seconded as we speak into that single overarching company. We are very close to being able to make some formal and final decisions on the structure of the careers service in Wales, and I anticipate being able to make those announcements in June. That is the advice that I have received.

[76] The fact that it has been in the private sector has led to a number of difficulties, not least of which are pensions and value added tax, which are matters that our legal team have had to look at closely to avoid huge and significant liabilities for the Welsh Government. However, we are now close to a conclusion on the career service's structure.

[77] With regard to its remit, we will then be consulting with all key players about how it works well with the Welsh Government's priorities, how it takes full account of our various employability schemes and the 14-19 learning pathways, and the way that it works with employers in order to give the best advice to young people in schools. It will remain an all-age service, but, clearly, much of its focus will be on that younger age group up to the age of 18. It has been a long process. I regret how long it has been, but it has been long and detailed for good reasons, but we are now close to reaching a conclusion.

[78] **Julie James:** Thank you for that answer, Deputy Minister. Do you think that part of its remit is to do some of the data management and identification of young people who are not in education, employment or training—NEETs, as we call them? Do you see it as a signposting agency or as providing what people my age would think of as a more traditional careers guidance service?

[79] **Jeff Cuthbert:** I see it as doing a bit of both. Clearly, good data are very important for many of our programmes and for young people. Earlier, I referred to the labour market intelligence unit that we are forming. It is crucial that, when we give advice and decide on qualifications and training courses, it is on the basis of the very best information, so data are crucial. The careers service will have a role to play in that, as will local authorities and other agencies. With regard to advice, the careers service has some pretty sophisticated web pages from which young people can download details on jobs that are available in the area. There is the apprentice matching service that allows young people to see which employers are offering which apprenticeship vacancies and vice versa—young people can register on that so that

employers can see who is available, what sort of skills they already have and what their interests are. So, it is a bit of both, but the management of data will be very important.

[80] **Nick Ramsay:** If I may stop you there, Deputy Minister, that is linked to a question that David Rees was going to ask later. Would you like to ask that now, David, because it flows into this?

[81] **Mr Rees:** It does flow into it in one sense. Recommendation 17 of the previous report highlighted the need to look at how we can acquire some of the soft skills. Recommendation 9 also talked about the joined-up approach of stakeholders in looking at how we can develop young people's skills. You have already mentioned Demonstrating Success, but it is actually a measure of success and how far a particular student has travelled. How are we progressing and developing those soft skills? Are we thinking about the age at which we are looking to introduce those? I have a follow-up question to that as well.

[82] **Jeff Cuthbert:** I am never comfortable with the term 'soft skills', because it suggests that they are unimportant, but that is not the case. The key skills address those issues of working with others, good communication and taking responsibility for one's own learning and performance. They are all employability skills that employers tell us are lacking in young people. There will certainly be a focus on that. With a number of the schemes that we have in place, such as the Welsh baccalaureate, key skills are part of the core. That is an important type of overarching qualification that is proving beneficial. Part of one stream of the work of the qualifications review is to look at the issue of what we refer to as soft skills, and particularly essential skills, such as functional literacy and numeracy, which are a serious problem, as they are elsewhere in the UK and further afield. We are certainly giving considerable attention to how we offer and deliver the soft skills.

[83] **David Rees:** To go back to the previous question about careers services, are you linking the development and the joined-up thinking of stakeholders with the careers services so that we can identify those skills that employers require in order to build them in to programmes?

[84] **Jeff Cuthbert:** Yes, indeed. To drift off this particular subject, we are now engaged very heavily with employers. The Wales employment and skills board, which I chair—

[85] **Nick Ramsay:** Please do not drift too far off the subject.

[86] **Jeff Cuthbert:** Okay. Let me put it like this—

[87] **Nick Ramsay:** We have only 15 minutes left.

[88] **Jeff Cuthbert:** Right. We are developing very close links with employers so that we know what they want and what they are looking for in terms of those skills in young people. To the best of our ability, we will build those into our education and training plans.

[89] **David Rees:** I just have two quick points to make on this.

[90] **Nick Ramsay:** Okay, but then I want to go back to Julie James.

[91] **David Rees:** The Demonstrating Success model measures the progression of the individual. Have we been able to identify whether employers have recognised that progression made by students and therefore taken on board the progress being made?

[92] **Jeff Cuthbert:** I am not aware of employers' comments on Demonstrating Success, but perhaps you can comment on that, Suzanne.

[93] **Ms Chisholm:** You are quite right, Deputy Minister. We have not got as far as doing anything like that with employers yet. However, I think that it could be considered in the context of the new division.

10.15 a.m.

[94] **David Rees:** In terms of the skills that we are talking about, you have mentioned 11-19 education. Are we starting to look at those skills? Where you mention the Welsh baccalaureate, that is one category, but we sometimes need to look at the other categories for those who are not doing the Welsh baccalaureate, but are doing other vocational programmes. How do we develop skills early on?

[95] **Jeff Cuthbert:** The Welsh baccalaureate, of course, is available from a younger age—there are foundation, intermediate and advanced levels. So, it is available. However, I agree, in that it is not a compulsory qualification. Do you want to add anything to that, Teresa?

[96] **Ms Holdsworth:** For those at the age of 11, all the research tells us that the earlier that individuals are identified as having particular barriers to learning, or issues that need to be overcome, and the earlier that those issues are identified and responded to, the better their chances of not falling behind, or at least of being given the opportunity to catch up. The employability skills often translate into the fact that young people have very poor life skills in general. It is a matter of being able to identify what issues a young person has that need to be overcome, and building that in. Much of the work that the division will have to do is about influencing aspects of the curriculum and what is being delivered, looking at the understanding of teaching staff to be able to recognise and respond to the issues that young people have. The 11-24 work looks at how we identify that very important transition period from primary to secondary school, with early identification when young people move into the secondary school to identify the barriers that they face, the issues that they have, and how they can be overcome. As the Deputy Minister has commented, the co-ordinated response by a number of agencies, depending on the needs of that young person, will have to be addressed. That is how we will make a difference.

[97] **Ms Chisholm:** There are some very promising things going on, currently funded by European structural fund strategic framework priority 1. One thing that we need to do is look at ways in which that can be built back into mainstream provision for young people. It should not be done as an add-on; it needs to be done as part of the available offer for every young person who needs it. There are lessons to learn and there are things that we can do to ensure that that learning is transferred into the mainstream.

[98] **Nick Ramsay:** We have around 10 minutes left and still some questions to go. Could we have succinct questions and brief answers, please? That would be helpful.

[99] **Jeff Cuthbert:** I will oblige.

[100] **Julie James:** I will leap back to the data-sharing point that I was trying to make. My last point on that was about a data loop, if you like, from Careers Wales or other agencies identifying job opportunities for young people, and whether there will be feedback in data terms from that to such things as the qualifications review and so on. We have a number of emerging technologies and careers, for which we need to be fit. You will know, Deputy Minister, that I am very keen, for example, for computer skills to be taught much earlier than they are currently available in the curriculum. I want to be sure that the careers service is in a position to advise people early enough in their career that they are making the right choices for some of the emerging knowledge economies that we are looking to develop in Wales.

[101] **Jeff Cuthbert:** As part of our programme we have the unique learner reference number, so that we can track—it is a bit of a no-brainer—what has been achieved and learned by individual learners right through their career, until they stop learning, which is at the end of life. We think that that will provide valuable data and information. You also mentioned the issue of identifying, on a fairly regular basis, where we need to change what is being taught and learned. Part of the qualifications review is future proofing, which will be a system that is built in, that will enable us to regularly review changes in technology, for example—that could well be IT—so that what young people learn is as up to date as we can make it. That also involves labour market intelligence, employers informing us of their needs on a regular basis, so that all of this can be fed in. I think that calling it a ‘loop’ is accurate, and it is something that we intend to achieve.

[102] **Nick Ramsay:** Alun Ffred Jones, I think that this ties in with your question; would you like to ask it now?

[103] **Alun Ffred Jones:** Sut y mae'r **Alun Ffred Jones:** How has the joint cynllun gweithredol ar y cyd a gytunwyd â'r operational plan agreed with the Department Adran Gwaith a Phensiynau wedi gwella'r for Work and Pensions improved the ffordd o dargedu cymorth a gwneud defnydd targeting of support and the effective use of effeithiol o adnoddau er mwyn helpu'r bobl resources in order to assist these young ifanc hyn? people?

[104] **Jeff Cuthbert:** We are working closely, as you would expect, with DWP through mechanisms such as the joint employability delivery board for Wales to ensure that there is no duplication of resources, because we do not want Welsh Government resources to be used unnecessarily to pay for matters that are DWP responsibilities. For example, we want to ensure that young people who want to take advantage of Jobs Growth Wales can do so, and that there is no complication with the youth contract—they must have been unemployed for nine months to take advantage of that. It is certainly important to co-ordinate the approach, and discussions continue on that. We have a good relationship between officials across the board.

[105] **Kenneth Skates:** Deputy Minister, support for care leavers is currently subject to consultation with a view to putting together a strong new scheme. However, for the time being, how has the Welsh Government taken forward the recommendations of the previous committee to review how effectively local authorities are implementing existing statutory requirements to support the education of care leavers up to the age of 25? Are you able to give any views or opinions on how additional support can be given to those not in full-time education, because under the existing requirements they are not subject to the same sort of support as those outside education?

[106] **Jeff Cuthbert:** We have introduced regulations that impose a duty on local authorities to provide a £2,000 bursary to care leavers who are engaged in higher education. We have worked with three further education colleges to pilot a minimum standard of support for care leavers in further education, and that has resulted in the award of a quality mark. Clearly, the outcome from those three FE colleges will be cascaded across the board in Wales, so that good practice can be developed, and we are encouraging improved collaboration between FE institutions and leaving care teams. That is something that we are committed to, and those are just a few examples of some of the things that we have in place.

[107] **Kenneth Skates:** Turning to young people with disabilities, what additional support is the Welsh Government providing so that they can avoid becoming disengaged from education, employment or training?

[108] **Jeff Cuthbert:** If I use Jobs Growth Wales as an example, I said in my statement yesterday that we do not have specific targets in terms of disabled young people who want to develop their skills and get into employment, but, nevertheless, we are working with the voluntary sector in particular to make sure that where a more supported environment is necessary, that will be provided. However, there is a clear commitment that all young people must benefit from that scheme, and any scheme that we have. Where there are examples of that not happening, we want to know about it and we will certainly tackle it.

[109] **Julie James:** I have a quick question on that point, Deputy Minister. A number of people who are dealing with children on the autistic spectrum have approached me and a number of other Assembly Members to say that there is a particular difficulty in the transition to further education at the age of 16 or 17, because of the specific requirements of children with autistic spectrum disorder problems to avoid sensory overload and other problems. Have you given any thought to the specific problems around those sorts of disabled learners? You have answered the question about them going into employment. I do not have any statistical analysis of this, but anecdotally it seems to me that a number fall out of education at around the age of 17, because they do not make the transition to FE effectively. Do you have any information on that for us?

[110] **Jeff Cuthbert:** Doing better in terms of additional learning needs is something that we consider as being a key aspect of our general education policy. I was asked a related question following my statement in Plenary yesterday; I was asked whether I could meet with the autistic employment ambassador to discuss this matter more fully. I remembered afterwards that I had already met him, but I will certainly meet him again. So, if there is anything that we can do in my portfolio to improve experiences for autistic children—in terms of my responsibilities, it will be more at the transition period from school to employment or FE—I will consider whatever suggestions come forward.

[111] **Nick Ramsay:** Joyce Watson, I think that the last part of your question was particularly relevant. Perhaps you could ask that before I bring the meeting to an end.

[112] **Joyce Watson:** My question is about reviewing the existing funding and provision for people from across Wales. You have talked about agency collaboration and co-ordination, but how can we improve applications for ESF to avoid duplication? You started talking about outcomes, and we know that that will be a major part of directing money towards outcomes, but it is important during this time to make good of all moneys available.

[113] **Jeff Cuthbert:** I agree. In two minutes' time, I am due to meet Alun Davies, who, as you know, is the Deputy Minister responsible for European structural funds, to discuss that very matter, namely how we can ensure that, in the next round of funding, we have programmes that do not duplicate efforts. The principle of additionality has to be there in any ESF spending, but it is about how we can make the best use of that with our youngest learners, as far as possible, and also in support for some of our key programmes, such as Jobs Growth Wales, which is 50% funded by European structural funds. Those are key matters for us, which, as I said, I will be discussing further in a few minutes' time with the Deputy Minister.

[114] **Nick Ramsay:** By my reckoning, Deputy Minister, you have one minute to get to see Alun, so I hope that the meeting is nearby. We will release you to go to that. Thank you for coming here today to answer questions on the problem of young people not in education, employment or training. It has been most helpful. I also thank Teresa Holdsworth and Suzanne Chisholm for being with us today.

10.28 a.m.

**Cynnig o dan Reol Sefydlog Rhif 17.42 i Benderfynu Gwahardd y Cyhoedd
o'r Cyfarfod**
**Motion under Standing Order No. 17.42 to Resolve to Exclude the Public
from the Meeting**

[115] **Nick Ramsay:** Will one Member move a motion to exclude the public?

[116] **Byron Davies:** I move that

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order No. 17.42(ix).

[117] **Nick Ramsay:** I see that the committee is in agreement.

*Derbyniwyd y cynnig.
Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 10.28 a.m.
The public part of the meeting ended at 10.28 a.m.*