

Introduction

This is our second annual Business Plan and it builds upon the excellent start we have made since our foundation one year ago.

Our strategy for 2009 - 2010 is based on contributing to the development of a world-class UK workforce by 2020, defined by being in the top eight OECD countries for productivity, employment and skills. To achieve this we will focus on developing world-class employment and skills systems that meet the twin needs of economic competitiveness and social development through inclusion and individual opportunity.

We will work with and through the UK Government, Devolved Administrations and other partners to analyse and challenge existing policies and practices; develop new solutions; and further improve the implementation of UK employment and skills policy and practice.



Chris Humphries
Chief Executive, UK Commission for Employment and Skills

Our vision

A world-class and successful nation, built on sustainable economic growth, and providing opportunity for all

Our mission

Maximise UK economic competitiveness and individual opportunity through world-class employment and skills

Our values

- Inspiration:** We will be innovative, energetic and brave
- Integrity:** We will earn trust and respect by being ethical, honest and impartial
- Inclusion:** We will be committed to equality, diversity and partnership working
- Influence:** We will be decisive, give expert advice and be agents of beneficial change

Our responsibilities

Government has set out five broad responsibilities for the UK Commission:

- Assess annually UK progress towards becoming a world-class leader in employment and skills by 2020
- Advise the highest levels of Government on policies and delivery that will contribute to increased jobs, skills and productivity
- Monitor and challenge the performance of the UK employment and skills systems, and recommend improvements
- Promote greater employer engagement, influence and investment in workforce development
- Fund and manage the performance of the Sector Skills Councils (SSCs) as key industry leaders.

Evidence-based policy

The evidence that underpins our work is fundamental to our ability to achieve our aims. We draw upon a broad range of accredited research sources to inform and contribute to the continuing development of our strategy. Our related activities include:

- An annual *Ambition 2020* report – This ‘state of the nations’ report will monitor UK progress across all levels of employment and skills against a range of performance metrics. It will also assess policies and targets and make recommendations on improvements as appropriate
- Underpinning research and policy analysis – Specific research and policy studies, including the appointment of a UK expert panel and an international policy analysis group
- Labour Market Information and analysis – Continue to build the labour market analyses function including developing a range of LMI products.

Working with partners and stakeholders

As a strategic advisory body, we achieve our goals principally through influencing the actions of others. They include government, advisory and executive agencies, as well as employment and skills providers, individuals, employers and communities. In achieving our goals we will:

- Strengthen UK Commission presence and reputation – Build a strong and positive corporate reputation with key audiences
- Maximise UK Commission profile – Position as contributors to a higher level of national debate on skills and employment issues
- Support UK Commission colleagues – Create a robust foundation for an ambitious level of strategic advice and practical support to colleagues.

Excellence in organisation performance

We will strive at all times to use best practice in our operations, in particular in enabling our employees to deliver high performance. We aim to be an organisation with the capabilities, structures, systems, processes and attitude to deliver our commitments efficiently and effectively, with mechanisms in place to continually improve on performance.

Finance and Governance

Our resources through 2009 - 2010 have been agreed with our Sponsors. Probity and effective management are ensured through a governance framework setting out essential policies and procedures. The figures shown represent the budget approved by the Management Committee on 23 March 2009.

2009 - 2010 Budget (£000's)	Ongoing funding	Non-recurrent project funding	Total
Organisation Cost	7,191	1,772	8,963
UKCES Programme*	4,889	1,899	6,788
SSC Programme*	52,854	23,153	76,007
Depreciation/Cost of Capital	400	0	400
Total Resources Excluding Capital Expenditure	65,334	26,823	92,157

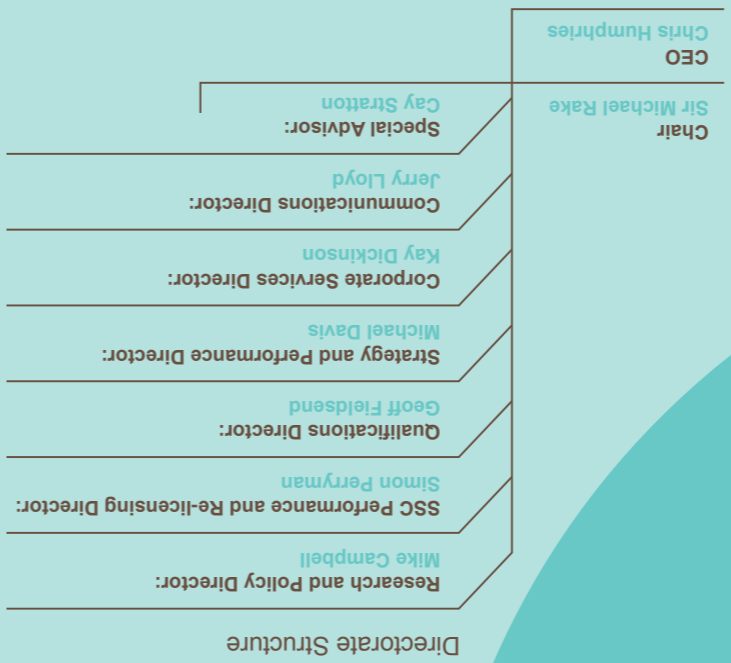
Risk Management

We are fully committed to achieving influence and impact in pursuit of our goals and meeting our legal, financial and other obligations by managing risk efficiently and effectively.

Measuring performance

Performance is assessed through a framework of measures and key performance indicators (KPIs). We track our levels of success through scorecards - a day-to-day operational scorecard, and a performance scorecard of strategic success measures - that mirror the different facets of our endeavours.

creative independent UK-wide
authoritative productivity-focused
passionate knowledgeable object
collaborative employer-led inspirati
insightful constructively radical
plain-speaking challenging thought-p
influential assertive results-drive
innovative diversity-championing
talent-unlocking opinion-leading dema
socially-conscious high-performing stron



www.ukces.org.uk

Copies of the full Business Plan and 5 Year Strategic Plan are available from info@ukces.org.uk

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2009 - 2010 in perspective

This year sees refinement of the broad range of initiatives started in our foundation year of 2008-9, along with the launch of new projects that together will work towards the delivery of our three strategic priorities and associated outcomes. The five year timeline places these clearly into our immediate perspective.

Three Strategic Priorities

Our responsibilities will be implemented through a programme of work grouped under these, our three fundamental strategic priorities:

- 1: Building a more strategic, agile and demand-led employment and skills system
- 2: Maximising individual opportunity for skills and sustainable employment
- 3: Increasing employer ambition, engagement and investment in skills

NB See the full version of our Business Plan: some of the projects below contribute to more than one priority, and not all are UK-wide:

Strategic Priority 1: Building a more strategic, agile and demand-led employment and skills system

The UK needs more dynamic and adaptive systems to enable greater front line responsiveness to employment and skills needs and to respond to future challenges. We will develop measures that will substantially improve the attributes of the employment and skills systems and so meet sectoral, employer, individual and community needs.

- **Review of system measures, targets and incentives** – Review the impact of targets, measures and incentives on operational performance and organisational behaviour
- **Strategic skills assessments** – Four components of work, including a strategic skills overview and audit
- **Higher Education – employer responsiveness** – Determine actions that will improve the contribution of Higher Education to an industry-responsive employment and skills system policy
- **Simplification programme** – Report on the implementation of the recommendations in *Simplification of Skills in England* report (Oct 2008). Develop proposals to further simplify the system for employers.

- **Talentplan** – Implementation of the Talentplan, a web-based system for employers to quickly identify how to best engage with employment and skills systems
- **2010 Review of Employment and Skills Services** – Report on whether more radical change is needed to integrate employment and skills services in England, Wales and Scotland
- **Review of PSAs – Contribute recommendations and participate in discussions around skills PSAs** – in 3 phases: scoping; analysis; reporting.

Strategic Priority 2: Maximising individual opportunity for skills and sustainable employment

Levels of unemployment and worklessness are far too high, with unacceptably high levels of low skilled adults lacking the literacy and numeracy skills necessary to succeed in meaningful work or in further training. In 2009/10, we will focus on identifying and advising on these barriers, and on supporting employers, providers and government policy in the development of more relevant qualifications.

- **Employee Demand** – Complete an empirical and policy review and investigate what is known about the existing barriers and challenges facing low-skilled workers in accessing career-enhancing training
- **Employability Phase 2** – Undertake Phase 2 of the Employability Challenge focusing on assessment, funding and system-wide implementation
- **Tackling exclusion** – Identify the most promising models for integrating employment and skills for people in, or at risk of, social exclusion
- **Qualifications system (strategy and simplification)** – Provide strategic advice about standards and qualifications policy, funding and delivery and its impact on learners and employers in the skills system
- **Diploma Development** – Diploma development programme aiming to increase participation and relevance of the 14-19 curriculum for learners and employers
- **Apprenticeships** – Provide strategic advice about apprenticeships and how successfully they support learners and employers in addressing the skills needs of individuals and employers, with suggestions for improvements
- **VQ reform project 1** – Work with SSCs and key partners to ensure that reformed qualifications designed to meet skills needs of learners and employers are delivered
- **VQ Reform – Project 2** – Deliver a programme of work to evaluate whether the UKVQR is addressing the skills needs of employers and learners
- **Customer journey reviews** – Work at local level to assess the quality and effectiveness of the 'customer journeys' for clients through the whole employment-skills system, focussing on the role of the personal advisor and the factors that influence individuals' progress
- **Women and Work Sector Pathways Initiative** – Ensure the Women and Work Sector Pathways Initiative is delivered to a quality standard. Explore the future strategy for the Women and Work Sector Pathways Initiative.

Strategic Priority 3: Increasing employer ambition, engagement and investment in skills

Success for the UK will depend on creating an economy where employers see long term survival and prosperity as inextricably linked to how skills are developed and utilised. We will focus on promoting policies to enhance the actions employers can take to engage with the skills of their employees and with the employment and skills systems at national and local levels.

- **Promoting the case for skills** – Work with employer bodies and trades unions at national and sectoral level to support them in promoting uptake/investment in skills
- **Sectoral leadership of employers** – Advisory work to increase employer engagement, investment and skills utilisation, intervening where necessary to build the capability of the system to support employer skills. Includes unblocking barriers to the delivery of employer led skills solutions.
- **Maximising leverage of employer voice** – Determine the system design principles which maximise employer voice and leverage in employment and skills services through sectoral and sub-regional approaches.
- **SSC re-licensing** – Support the work of our SSC Committee, including a programme of 25 NAO high quality assessments delivered to time and budget, and advice to government.
- **NOS strategy development** – Consult on, agree and begin the implementation of a reformed approach to NOS.
- **SSC funding and performance management** – Implement a transparent, risk based performance management system.
- **Collective Measures** – Engage with employers and provide a view on the levers available to stimulate employer investment in skills.
- **Leadership & Management** – Working in partnership with DIUS and BERR to identify how leadership and management development can be improved to increase global competitiveness and employment opportunities.
- **Skills utilisation** – Identify successful techniques for encouraging and supporting employers to make better use of skills to improve their competitiveness and increase added value.
- **Investors in People** – We will take strategic ownership of the IiP standard during 2009/10.

UK Commission priorities with indicative projects		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
Building a more strategic, agile and demand-led employment and skills system	Aspiration and commitment	Ambition 2020: 'state of the nations' annual progress report				
	A dynamic system - relevance, quality, adaptability and responsiveness	Review of system measures, targets and incentives	Simplification of funding			
	Reduce complexity and bureaucracy	Develop real-time performance information system		Continuous improvement of employment and skills providers		
	Acknowledged world class systems	Strategic Skills Assessments	Higher Education - employer responsiveness			Embedding flexibility in the system
		Higher Education - employer responsiveness	Higher Level skills (Level 4+)			
Maximising individual opportunity for skills and sustainable employment	Opportunity and participation	Simplification phase 1	Simplification phase 2 - 'rewiring' the system			
	Outcomes and satisfaction	Talentplan - system and business development	2010 Review of integration of employment and skills			
	Maximising talent	2010 Review of integration of employment and skills	Integration of Employment and Skills programme			Review of PSAs
		Employee demand	Promoting individual benefits of learning			Raising individual commitment
		Employability phase 2	Employability phase 3			
		Qualifications system - strategy and simplification	Diploma development			
		Apprenticeships	VQ Reform - project 1			
		Tackling exclusion	Improving and integrating information, advice and guidance			
		VQ Reform - project 2 (evaluation)	Customer journey reviews			
		Customer journey reviews	Destinations and satisfaction of system users		Customer journeys revisited	
Increasing employer ambition, engagement and investment in skills	Understanding of skills, requirements, shaping demand and supply	Promoting the case for skills				
	Employer engagement and investment in high quality education and training	Sectoral leadership of employers		Promoting innovation, enterprise, management and leadership		
	Skills utilisation and growth	Maximising leverage of employer voice		SSC relicensing		
		NOS strategy development				
		SSC funding and performance management				
		Collective measures		Review of workplace training		
		Standards and benchmarks (including IiP)			Review of entitlement to training	
		Leadership and management	Increasing enterprise		Development of High Performance Working	
Underpinning research and policy work, LMI and foresight, UK Commission management, development and communications activities						