



Welcome to the third newsletter from the South East Wales Learning, Skills and Innovation Partnership (LSkIP). Our newsletters will tell you about the work of the LSkIP, progress to date, and how the partnership will be working with stakeholders to take forward the skills, learning and employment agenda within the South East Wales Region.

The third Stakeholder Event featured a keynote speech from Prof Karel Williams (Manchester Business School) on building the grounded economy and Tracy Murphy (KPMG) on City Deal skills activities

The third stakeholder event took place on 8 October 2015 at Cardiff & Vale College. Prof Karel Williams presented his views on the challenges facing the grounded economy, focusing on the need for policy innovation in order to develop a solid economic base. Tracy Murphy from KPMG delivered a presentation on City Deals, providing an overview of the current deals in progress and how the system will progress. Richard Staniforth, LSkIP Senior Researcher, also provided a summary of the recently-completed Demand/Supply Assessment.

The breakout sessions covered four key areas:

- Schools and Careers. **Key actions** arising from the discussion included increasing parental and governing body engagement.
- Higher Level Skills (HE, HE in FE and Higher Level Apprenticeships). **Key actions** were further research into management needs, improving advice and guidance for pre-16s and the creation of learning networks.
- The Challenge for Adult Skills Development. **Key actions** included greater learning and development investment for those over 25, using evidence-based solutions from City Deal arrangements and policy engagement with employers.
- New Models for Skills Delivery. **Key actions** included the need for closer engagement between employers and schools to support vocational routes.

Prof Karel Williams' report for the Federation of Small Businesses on Welsh economic policy

Prof Karel Williams has produced a report for the Federation of Small Businesses, "What Wales Could Be". The purpose of the report is to look at what is going on within the Welsh economy and to suggest alternative approaches to yield a better future for small businesses and communities within Wales. It proposes new ways of understanding the problems of the Welsh economy and critically reviews existing Welsh Government policies. The report concludes that the problem is that Wales has, since 1979, ceded state power and created privileges for corporate interests and organised money but have so far neglected to set out the constitutional terms of state involvement in how that power is used, especially in welfare-critical foundational activities. With SMEs, the report favours a different and more indirect approach of reinforcing the financial incentives to hold and build the firm because ownership churning undermines responsibility.

The full report can be found here <http://ow.ly/VTxQ9>

The Demand/Supply Assessment has now been completed.

The Demand/Supply Assessment (DSA) has been completed and is now available on the LSKIP website (www.lskip.wales). It focusses on influencing Work Based Learning (WBL) Allocations – Apprenticeships 2016-17 and Further Education Deployment of Funds 2016-17 (Post-16). The DSA was presented to the Employment & Skills Board in September 2015.

Welsh Government requested prioritisation of four sectors in the first year; these were agreed as Advanced Materials and Manufacturing, ICT, Construction and Financial and Professional Services. Furthermore, key challenges identified the need to address the mismatch between student demand and sector workforce needs.

Work now progresses on the supply requirements for the South East Wales region which will be incorporated into the next regional Employment and Skills Action Plan due March 2016.

Cardiff City Deal moves a step closer

In December 2015 Carwyn Jones, AM, announced the formation of a new Board to oversee projects that will underpin a proposed £1.2bn City Deal for the Cardiff Capital Region (<http://ow.ly/VTDXe>). Welsh Government (WG) has committed £580m in match funding and the ten local authorities of the region are borrowing an additional £120m in capital which will be drawn down from their borrowing powers. It is hoped that work on the finance, governance and delivery arrangements for the City Deal will be completed by Summer 2016.

Cardiff Capital Region Transition Board announced

The Cardiff Capital Region Board, established in November 2013 by Edwina Hart AM, has now created a transition Board to shape the region during the next phase of development which will be headed by former BT Director Ann Beynon. The transition Board will promote joint working in order to make the Cardiff Capital Region a long-term success, will manage transitioning governance, provide advice on other regional developments and continue the work of the previous Board in respect of developments such as the City Deal.

The Wales Union Learning Fund new round of funding has been announced

Welsh Government announced a new round of the Wales Union Learning Fund (WULF) in October 2015. WULF is a very successful funded programme where trades unions bid into a small pot to develop projects that promote and deliver workplace learning all over Wales. The specific objectives of the fund are to widen access to workplace learning and skills, encourage participation from hard-to-reach and non-traditional learners and to engage with employers on skills issues. Unions are now currently busy discussing potential projects with employers and partners and writing the applications ready for the deadline on the 8th January 2016. This round of projects will run from April 2016 to March 2018 and it is expected that around 20-30 applications will be submitted. Any stakeholders or unionised employers who would like to get involved then contact either their recognised unions or the Wales TUC for more details. All projects will aim to align activity to the regional skills plans and LSKIP will be asked to review the successful projects in the new year and make any necessary recommendations to ensure on-going regional fit.

<http://gov.wales/topics/educationandskills/skillsandtraining/walesunionlearningfund/?lang=en>

For further information please contact lskip@wlg.gov.uk or visit the LSKIP website www.lskip.wales
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