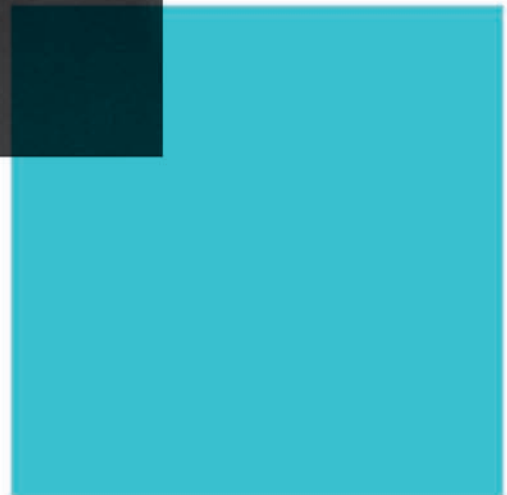




HM Government

Skills Pledge

A Leaflet for Employers



This leaflet provides guidance to all employers on the Skills Pledge. It should be read in conjunction with the Skills Pledge case studies.

What is the Skills Pledge?

1. The Skills Pledge is a voluntary, public commitment by the leadership of a company or organisation to support all its employees to develop their basic skills, including literacy and numeracy, and work towards relevant, valuable qualifications to at least Level 2 (equivalent to 5 good GCSEs). The purpose is to ensure that all staff are skilled, competent and able to make a full contribution to the success of the company/organisation.
2. The Pledge can be given by the Chief Executive, Chief Operating Officer, owner/manager or other Board member, on behalf of the organisation. It is a corporate commitment covering the whole company/organisation. For those employees who do not already have a full Level 2 qualification, the Government will provide funding to help them gain basic literacy and numeracy skills as well as their first full Level 2 qualification.
3. The Skills Pledge is open to all employers of all sizes in the private, public and voluntary sectors.

Exactly what would the commitment be?

4. We have prepared a general form of words which is the minimum commitment we ask of all companies/organisations making the Skills Pledge. The wording is:

On behalf of (company/organisation name), I, as Chief Executive/ Chief Operating Officer (or other board member), make a commitment that we shall:

- ***actively encourage and support our employees to gain the skills and qualifications that will support their future employability and meet the needs of our business/organisation;***
- ***actively encourage and support our employees to acquire basic literacy and numeracy skills, and with Government support work towards their first Level 2 qualification in an area that is relevant to our business/organisation;***
- ***demonstrably raise our employees' skills and competencies to improve company/organisation performance through investing in economically valuable training and development.***

Signed...

5. If companies or organisations want to go beyond this, and extend the commitment to help staff gain wider skills and additional qualifications as well, that is very welcome. But that is a matter for each company/organisation to decide for itself.

What is the purpose of the Skills Pledge?

6. Research shows that one of the keys to a productive, successful business is having a skilled and competent workforce. The Skills Pledge is an opportunity for the leaders of a business or organisation to show publicly and demonstrably the importance they place on investing in the skills of their people.

Why is the Skills Pledge important for the economy?

7. If the UK economy is to compete with other advanced economies, and the new emerging economies such as India and China, we will have to invest more in skills. The case was set out starkly in the Leitch Report on Skills, published in December 2006. Without a better skilled and qualified workforce, we will not improve our productivity, and therefore we will not sustain the living standards and quality of public services we all want. The Skills Pledge recognises that everyone – the employee, the organisation and the Government – will need to invest more in skills.

What am I committing to in making the Skills Pledge?

8. You are making a public commitment to enable your staff – in whichever way works best for you – to gain the basic skills and competencies that are valuable in supporting business needs and their future employability, and to achieve relevant qualifications to recognise those skills. For some organisations and some sectors this level of qualification and competence may already be an industry standard. Many organisations will want to make a commitment to go beyond the basic and foundation level skills, helping staff gain higher level skills and qualifications relevant to the nature of their business.
9. The Skills Pledge is not a contractual commitment. It is not legally binding on the company/organisation. It does not confer any additional legal rights or status on an individual. It does not affect employment contracts. Its value is as a signal of voluntary commitment and partnership between management and employees to develop the skills of the staff and so support the success of the organisation.

Why is the core Skills Pledge focussed on basic skills and lower level qualifications?

10. We expect that many employers will want to broaden the Skills Pledge to cover higher skills and qualifications as well, recognising that a successful economy needs far more than just basic skills and Level 2 qualifications. We want to support that.

11. But surveys show that, compared with other countries, one of our biggest skills problems is the number of adults in the workforce who do not have basic literacy and numeracy skills and who do not have the platform of qualifications (known as Level 2) that a modern economy needs. That is why the Skills Pledge has to cover this territory as a minimum. And it is why the Government invests public funds in tackling that problem, because market forces alone will not solve it. By contrast, higher level qualifications bring substantial benefits to employers and individuals, so it is right that they should contribute more towards the cost.

What do I need to do?

12. When a company or organisation registers its intention to make the Skills Pledge, it will be able to access the support and advice of a skills broker. There is a national network of skills brokers across England, managed and funded by the Learning and Skills Council. They will work with you to understand your business priorities, help you identify your skills needs, and work with you to design a training package that will best meet those needs.
13. Some companies have done this by drawing up a separate action plan for training to deliver the Skills Pledge. Others have integrated this work into their normal business planning process. It is for each company or organisation to decide how to take the process forward. The Skills Broker will identify sources of public funding that are available from across Government, and help to identify the best suppliers of training.



What is the requirement around qualifications?

14. The purpose of qualifications is to certify, in a consistent and reliable way, the skills and competencies that an individual has gained through their training. The qualifications system is being reformed, so that qualifications better reflect the skills that employers value. We recognise that some employers do not feel that existing qualifications are well aligned with their priorities. We are also committed to ensuring that good company training programmes can be recognised as leading to national qualifications, so that employers who already offer high quality training can enable their staff to gain qualifications which have wider market value.

15. Research shows that helping adult employees achieve their first qualifications can have a powerful impact on their confidence and motivation. So Government funding is focussed on training that helps adults gain certificates in literacy and numeracy skills and their first full Level 2 qualification (equivalent to 5 good GCSEs).
16. There is a wide range of Level 2 qualifications available. Each company or organisation can choose which qualifications best meet their needs. Skills brokers can advise on this.

What time period does the Pledge cover?

17. There is no deadline by which organisations must fulfill their Skills Pledge. That is up to each company or organisation. The time needed will vary, depending on how many employees need to be supported to gain the basic skills and their first full Level 2 qualifications which are the core of the Skills Pledge, and how much further beyond that commitment a company or organisation wants to go.

What happens when I contact the Skills Pledge helpline?

18. If you would like to get more information on the Skills Pledge or would like to register your interest in making the Skills Pledge, please telephone 08000 15 55 45. That is the same number for the Train to Gain service. A call handler will ask for some basic information about the company, so that your inquiry can be passed on to the most appropriate Skills Broker. At no stage will confidential or commercially sensitive information be requested.
19. At that stage, if you just want to get some information about the Skills Pledge and Train to Gain, the call handler can help with that. Or if you would like to take the discussion a stage further and talk to a Skills Broker, you will be contacted as soon as possible to arrange an appointment.



20. The Skills Broker will get in touch with your nominated point of contact to have an initial discussion about your company/organisation and your training priorities. If you want to proceed from there, the Broker will arrange a convenient time to meet to discuss in more detail. This is the beginning of a process designed to build an understanding of your business needs, the training priorities that will best meet those needs, and where you feel that help and support with training is best directed.



21. Skills Brokers will advise on the skills, competencies and qualifications that are most relevant and appropriate for the business and the individuals concerned. They will identify whether there are specific training programmes that could help the company, such as Apprenticeships or Foundation Degrees. They will work out what public funds can be drawn on, and what the company will need to pay for. For very small businesses the Government will provide funds to offset some of the costs of releasing staff to undertake the training for courses such as literacy and numeracy and first full Level 2 qualifications.

22. Some companies/organisations may want to undertake a wider organisational needs analysis, as the best way to work out how training can support their overall objectives. Other companies/organisations may want to go straight to an analysis of training needs or may already know their skills needs and want help in working out how best to meet those needs quickly and cost effectively.

23. It can take time to arrive at the right solution for the company and may need a number of discussions. But in all cases, the final decision on next steps will rest with the employer as to what is in any plans, which accredited providers are used to deliver the training, and where and over what period the training should be delivered.

What help can I get?

24. The Government will provide support, described above, through the Train to Gain service in England. Skills Brokers will start from your business needs, work with you to design a programme that will work for you, and find the right training provider to deliver the training – either in your workplace or away from the workplace.

25. Skills Brokers can also bring in other advisers from the Business Link service to help on business development issues unrelated to skills and training, such as import/export advice.

26. For very large companies with more than 5,000 employees, there is help available through the National Employer Service of the Learning and Skills Council to help create a bespoke training package to meet business needs.

27. The Skills for Business Network comprises the 25 Sector Skills Councils and the Sector Skills Development Agency which oversees strategy and performance for the network. Every Sector Skills Council has a role to play in promoting the Skills Pledge amongst employers in its sector. Sectors Skills Councils and the Sector Skills Development Agency are promoting the Skills Pledge through regional road shows and 'Skills Envoy days'. Several plan to develop customised support within their sector to build commitment from their employers and encourage them to invest in relevant qualifications.
28. The Government will run a long term marketing and communications campaign that will raise awareness of the Skills Pledge and the importance of investing in skills more generally. It will publicly celebrate the commitment of those who have taken the Pledge.

Will I be pressured to sign up for something?

29. No. Each employer will make their own decisions about what is right for them. There is no requirement to contact or work with a Skills Broker at any stage. If an employer knows what they want to do, and are happy to organise and pay for it themselves, that's fine. If an employer wants time to think through what they want to do before discussing with a Skills Broker, that's also fine.
30. There is a range of web-based tools employers can use to assess their own training needs. And if there is enough demand, we expect to organise briefings for groups of employers to find out what is available. That may be particularly useful for SMEs, wanting to work together on a self-help basis.



At what point does the Skills Pledge commitment get triggered?

31. The commitment is formally made when the Chief Executive (or other senior leader on behalf of the organisation) signs the Skills Pledge certificate. Prior to that, through the Skills Pledge helpline, we will also be logging initial statements of intent. And of course, to put the Pledge into reality will need an action plan, so Skills Brokers will also be logging the point at which the action plan is drawn up.

What public funding can I get, and when?

32. The Government will provide public funds through the Train to Gain programme to help employers deliver the Skills Pledge in England. The core commitment is that the Government will pay for the costs of training in basic literacy and numeracy skills through the Skills for Life programme, and training for unqualified employees to achieve their first full Level 2 qualification (equivalent to five good GCSEs).
33. Through Train to Gain, the Government will also help employers develop a wider training programme to meet their full training needs, including help with Level 3 qualifications, access to the Apprenticeships programme, additional and higher level qualifications for staff who already have some qualifications, and management and leadership development for SMEs. But employers will be expected to pay their share of that wider training programme, reflecting the benefits to them and their staff. The Skills Broker will help to sort out what costs each employer needs to pay.
34. There is a fixed budget of public funds set for Train to Gain each year, which we must not overspend. So the Government's job is to manage the programme so that we live within the annual budget. The Government is making Train to Gain a priority: the budget for 2007/08 is over £400 million, and will rise to around £650 million in 2008/09 with further increases projected in later years. So we are budgeting for rapid expansion to meet demands arising from the Skills Pledge. But if demand for the programme risks outstripping the budget for that year, we may have to phase the delivery of training to meet new needs.

Will I have to report what I am doing?

35. The Skills Broker will want to know whether the publicly funded support from Train to Gain is delivering the benefits for the employer that the employer wanted. That's how we ensure that taxpayers' money is being well used. But it is for each employer to decide how and when they will report progress in delivering the Skills Pledge to their own staff, and to wider stakeholders (including shareholders). One option could be to report progress in the company's annual report and accounts.

36. The Government will publicly recognise and celebrate employers who commit to the Skills Pledge, through a range of printed and online media, as well as highlighting their progress in fulfilling the commitment. This will include enabling companies to publicise their own commitments voluntarily via the Train to Gain website.

What if the employees don't want to do it?

37. The Skills Pledge is not a legal requirement, and does not change employment contracts. So employees cannot be forced to train as a result of the Skills Pledge if they really do not want to. Many staff who do not have qualifications lack confidence in their own ability to learn, and may fear that they will fail in any new training programme they undertake. But experience also shows that if those employees can be encouraged and supported to gain new skills and their first qualifications, that can transform their belief in themselves and their motivation at work.
38. Union learning representatives, or other employee representatives, can play a valuable role in giving people confidence to take part in training.

How do I make the Pledge?

39. To register your interest in making the Skills Pledge you can call 08000 15 55 45 or register your details on traintogain.gov.uk
40. For more details on your Sector Skills Council see ssda.org.uk





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