MISSION 4

Devolution and Rural Skills

Devolution allows for the design, development and delivery of Local Economic Plans which must include labour availability and skills as they are integral to the effective operation of rural businesses. A targeted skills framework, as part of a coherent local economic plan which is designed in consultation with rural employers, should aim to put in place the right enablers to promote local growth and local ownership.

KEY ASKS

1. Create a new relationship between rural employers and devolved authorities that establishes better engagement and better understands the skills needs of rural business;
2. Restore confidence in the skills system through a realignment in the relationship between central and local government by enabling rural employers to play an active part in skills provision meeting local need;
3. Devolved authorities should adopt a skills policy that is designed with employers and that promotes effective apprenticeship schemes to act as an engine for economic growth;
4. Devolution needs to enable rural businesses to access alternative labour pools, such as military veterans, that can offer unique skills to meet the needs of rural employers.

1. Creating a new relationship between rural employers and devolved authorities

Rural employers are consumers, funders, trainers and co-designers of skills provision in business. They know best what skills are necessary, how those skills can be applied and how to train their employees. But they need to be able to recruit those with the right skills in the first place. Where they recognise that more formal training is required, they need to know where that skills provision can be purchased, meaning they need information.

Rural businesses are integral to the most effective development of the skills agenda. They have to be proactive, but they do require the right structure. The problem they have is that they are unfamiliar with the structures presently in place and these tend to be fragmented. They recognise the importance of skills but are simply not in a position for constructive discussion unless they are fully consulted and understand the policy objectives so that these meet their own priorities.

Devolution, by providing the opportunity for constructive local engagement, can become the catalyst for change. In short, a targeted skills framework through local ownership needs to be developed to meet the needs of rural business whilst rural employers can advise local decision makers.

2. Skills provision to meet local need

Both central and local government has a fundamental responsibility to intervene in the development of skills policies. We do not believe that such intervention can be light touch but needs to be direct, given that this responsibility extends to both employers and employees to ensure that future skills systems are both strategic and effective. This has to be a key priority for devolution.

This extends to relationships within the skills system. Rural employers need to begin to have confidence in a skills system that promotes real change and can underpin rural economic growth. That is not the case at present as the relationships within the system have prevented confidence from being fully developed. This can change under a devolved approach if there is a direct line of communication and engagement between devolved authorities and rural employers.

3. Embrace the apprenticeship opportunity

There remain serious issues with the apprenticeship structure. Too many businesses, both rural and urban, are critical of the apprenticeship levy. In addition, too many apprentices still fail to complete apprenticeships which accentuates the problem.

But rural employers also have a responsibility. Current skills policy is not meeting the needs of rural employers and the apprenticeship failure rate is unacceptable. Nevertheless, rural businesses do experience challenges not there for urban employers. In rural areas, it is often difficult to employ apprentices as the transport network is often not fit for purpose to get apprentices to their place of work. Without the provision of public transport in rural areas, the onus is on the apprentice. The very fact that we have problems is this area means that there is little support and no corresponding support system.

Fundamental issues need to be resolved. The reduction in specialist further and higher education colleges, that provides the platform for skills development, has undermined the opportunities for economic growth. The focus has shifted to a structure that is based on skills that cannot meet the needs of many rural businesses. A substantial shift in perceptions and relationships is required. Put simply, the current skills system, whether it be through formal education and training or through work-based skills training, is simply not working. There needs to be an overhaul and a resit of the skills system that understands the rural economy, the challenges faced by both rural employers and employees, and the shortages in labour availability.

4. Make the link with alternative labour and skills pools

It seems remarkable that there has been so little attention given to alternative labour pools and the skills these may be able to give employers. There are perception issues – for example, businesses are unlikely to employ ex-offenders. This can also be applied to the military veterans community as there is a failure of employers to be able to recognise the unique skills sets on offer. This should be relatively easy to resolve. We will recommend that veterans support groups and skills providers begin engagement with devolved authorities to develop a clear model through the existing Veterans Rural Skills Partnership. This will highlight the unique skills sets of veterans, create a link with skills providers in the locality and engage rural employers through the targeted dissemination of information that will underpin a better understanding of the rural economy.