



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

Y Pwyllgor Plant, Pobl Ifanc ac Addysg **The Children, Young People and Education** **Committee**

Dydd Mercher, 28 Ionawr 2015
Wednesday, 28 January 2015

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Motion under Standing Order 17.42 to Resolve to Exclude the Public from the Meeting for
the Remainder of the Meeting

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal,
cynhwysir trawsgrifiad o'r cyfieithu ar y pryd.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, a transcription of the simultaneous interpretation is included.

Aelodau'r pwyllgor yn bresennol **Committee members in attendance**

Angela Burns

Ceidwadwyr Cymreig
Welsh Conservatives

Keith Davies	Llafur Labour
Suzy Davies	Ceidwadwyr Cymreig Welsh Conservatives
Bethan Jenkins	Plaid Cymru The Party of Wales
Ann Jones	Llafur (Cadeirydd y Pwyllgor) Labour (Chair of the Committee)
Lynne Neagle	Llafur Labour
David Rees	Llafur Labour
Aled Roberts	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Simon Thomas	Plaid Cymru The Party of Wales

**Eraill yn bresennol
Others in attendance**

Jeff Protheroe	Rheolwr Gweithrediadau, Ffederasiwn Hyfforddiant Cenedlaethol Cymru Operations Manager, National Training Federation for Wales
Stephen Wright	Prif Weithredwr, Ffederasiwn y Cyrff Dyfarnu Chief Executive, Federation of Awarding Bodies

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

Sarah Bartlett	Dirprwy Glerc Deputy Clerk
Michael Dauncey	Y Gwasanaeth Ymchwil Research Service
Gwyn Griffiths	Uwch-gynghorydd Cyfreithiol Senior Legal Adviser
Gareth Rogers	Clerc Clerk

*Dechreuodd y cyfarfod am 09:32.
The meeting began at 09:32.*

**Cyflwyniadau, Ymddiheuriadau a Dirprwyon
Introductions, Apologies and Substitutions**

[1] **Ann Jones:** Well, good morning, everybody, and welcome to the Children, Young People and Education Committee. I'll just do some of the housekeeping rules. Just to say, if you've got your mobile phone on, can you make sure it's on 'silent' or, indeed, off. Then, that goes for any of the electronic equipment that you're using. It doesn't actually affect anything, but it doesn't do my health any good; it annoys me. So, you don't want to annoy me, do you, really? We've had apologies from John Griffiths this morning, and there's no substitution. So, we'll go straight into our meeting, which is to continue our evidence session on the qualifications Bill.

Bil Cymwysterau Cymru—Sesiwn Dystiolaeth 6
The Qualifications Wales Bill—Evidence Session 6

[2] **Ann Jones:** We've got with us Stephen Wright, who is the chief executive of the Federation of Awarding Bodies, and Jeff Protheroe, who is the operations manager for the National Training Federation for Wales. So, thank you both very much for joining us this morning. Members have had your written evidence; thank you very much. We've got a set of questions that we want to go straight in to. So, if that is okay, we'll go straight in to questions and then we'll see how we go. The first set of questions is on the Welsh Government's general approach to Wales's qualifications system and the role of Qualifications Wales. Keith, do you want to take those?

[3] **Keith Davies:** Diolch, Gadeirydd. I'm going to ask in Welsh.

[4] **Ann Jones:** Oh yes, sorry; I should have said about the translation, but they've been set up anyway, haven't they?

[5] **Keith Davies:** Rydym yn credu bod y rhan fwyaf o bobl yn gefnogol ein bod yn sefydlu system yng Nghymru o gymwysterau cenedlaethol, ond wrth gwrs mae rhai pobl— a chi yn eu plith—yn dweud eich bod yn barod i'w derbyn a'i chefnogi, ond bod pryderon gennyh. A allwch chi esbonio inni beth yw'ch pryderon chi?

Keith Davies: We think that the majority of people are supportive that we are establishing a system in Wales of national qualifications, but of course some people—you among them—say that you're willing to accept and support that but that you have concerns. Can you explain to us what your concerns are?

[6] **Mr Protheroe:** I think, certainly from the National Training Federation for Wales's perspective, that the main concerns that we would have with the advent of Qualifications Wales and the functions that it fulfils are that, with the regulatory function and the commissioning process that would follow with that, that then would be restrictive to some awarding organisations operating within Wales, particularly within the area of vocational qualifications, because it's felt that no one single organisation would have the breadth of offer to meet the demands of the sector and employers. So, what we wouldn't want to see is a commissioning process that would be restrictive to those who are already operating within Wales, and those who may potentially operate in Wales in the future.

[7] **Keith Davies:** Mae'r system sydd yn yr Alban yn debyg iawn o ran cymwysterau galwedigaethol. Buom ni fel pwyllgor yn yr Alban ac nid oedden nhw yn gweld y pryderon yna.

Keith Davies: The system that exists in Scotland is very similar as far as vocational qualifications go. As a committee, we visited Scotland and they did not express those concerns.

[8] **Mr Protheroe:** Again, it's ultimately with the establishment of Qualifications Wales. We would want to have a system such as SQA, where, you know, there is that sort of open market. So, what we wouldn't want to see, if Qualifications Wales is established, is that we do have that restriction on awarding organisations. So, I guess that's our concern as a federation. We wholeheartedly welcome the approach that's been taken towards Qualifications Wales, but we wouldn't want it to be restrictive to organisations wanting to operate within Wales.

[9] **Mr Wright:** I'd add that I agree with the point Jeff's made. I'd also add that we'd want to make sure that there was the full offer for Welsh students as well. And I think, in looking at it, there is a tension between—. We can fully recognise the requirement and the need and the desire and the benefits of having a Welsh qualification system regulated by

Wales, for Wales. I think some of the reservations come when we look at the economics of it, particularly for some of the smaller awarding bodies, although large awarding bodies are not immune. And the more requirements that are placed upon them, the more some of those qualifications that they're offering in Wales become less and less economically viable. And some of the implications of that, we've put in the paper, is that the risk is that they withdraw from the market, and that is a real concern. The scale of which we're not absolutely sure; I think probably a lot of them—well, the majority of them—are actually charitable bodies, professional bodies, and a lot of the work they want to do is actually to promote skills and provide services, so they'll be reluctant to do so. But there is an economic reality, and, again, as the costs increase, so does the pressure to restrict it.

[10] I think the second thing I would add as well is that this isn't a time when awarding bodies are not under pressure; there's a lot of change going on. Scotland, Wales and Northern Ireland are moving further apart and that's putting an increasing pressure on awarding organisations. Ofqual itself is turning somersaults in terms of what they're going to be doing, and there is another additional pressure. So, that doesn't help when weighing up where they're going to place their fairly limited resources.

[11] So, that would be the concern; not a concern over Wales and regulation and Welsh qualifications, but about the impact on awarding bodies and, thereby, the impact on colleges and learners, and employers for that matter.

[12] **Keith Davies:** Diolch. Mae'r **Keith Davies:** Thank you. The explanatory memorandum esboniadol yn sôn am bedwar memorandum talks about four main prif cyfyngiad ar y system bresennol. A limitations of the current system. Do you ydych chi'n cytuno â hynny? concur with that?

[13] **Mr Protheroe:** Yes, absolutely. Certainly from an NTfW perspective, I think the four that have been identified are limitations to the current system, and in our written response we referred particularly to what I think we could do more within Wales to, sort of, strengthen the whole qualifications system.

[14] **Mr Wright:** And I absolutely agree with that.

[15] **Keith Davies:** Okay, and my final question:

[16] a oedd y ddau brif nod y mae'r Bil yn were the two principal aims the Bill sets for eu gosod ar gyfer Cymwysterau Cymru a'r Qualifications Wales and the eight matters to wyth mater y mae'n rhaid iddo roi sylw iddyn which it must have regard suitable? nhw yn addas?

[17] **Mr Protheroe:** Again, NTfW would agree that they are.

[18] **Mr Wright:** And so would the Federation of Awarding Bodies.

[19] **Keith Davies:** There we are; two easy questions. *[Laughter.]*

[20] **Ann Jones:** There we go; that's what I like. The requirement, then, for Wales-specific qualifications, Simon.

[21] **Simon Thomas:** Diolch. Rwy'n **Simon Thomas:** Thank you. I'll be making siarad yn Gymraeg hefyd. O wrando ar eich my contribution in Welsh also. In listening to atebion chi i Keith Davies, mae yna un your responses to Keith Davies's questions, cwestiwn amlwg yn dod i'r meddwl. Mae'r there is one obvious question that occurs to Llywodraeth wedi dweud mai un o me. The Government has said that one of the

bwrpasau'r Bil yma yw symleiddio nifer y cymwysterau sydd ar gael yng Nghymru, ac, yn benodol, nifer y cymwysterau galwedigaethol sydd ar gael yng Nghymru. Rydych chi, yn eich tystiolaeth, ac yn awr, wrth Keith Davies, wedi dweud, 'Rydym eisiau cadw'r farchnad fel ag y mae hi, i bob pwrpas'. Wel, allwn ni ddim cael y ddau beth. Felly, sut ydych chi'n gweld y Bil yma'n gweithio, i bwrpas y Llywodraeth o symleiddio, a chadw marchnad agored?

purposes of this Bill is to simplify, or rationalise, the number of qualifications available in Wales, and, specifically, the number of vocational qualifications available in Wales. You, in your evidence, and now, to Keith Davies, have said, 'We want to retain the market as it is, to all intents and purposes'. Well, we can't have both things. So, how do you see this Bill actually working, to the Government's ends of rationalising, and retaining that open market?

[22] **Mr Protheroe:** I think the rationalisation of qualifications is a right approach, and I think, in terms of the response to Keith, it was very much about the awarding organisations that are operating in that market, not necessarily the qualifications that are being delivered. That may well be a case that some awarding organisations—as Stephen has said—which are very niche, may offer particular qualifications to a particular sector, and what we wouldn't want is for Qualifications Wales, and the whole regulatory process, to force that awarding organisation, and that offer, out of Wales, because of maybe cost-effectiveness et cetera. And, in previous sort of responses to this committee, we've said that maybe there is a role for Qualifications Wales, in the future, to pick up that slack in any sort of market failure. But the SQA case—

[23] **Simon Thomas:** The Scottish SQA does do that.

[24] **Mr Protheroe:** Yeah, absolutely. But there is certainly a case that, through regular review of qualifications, and ensuring that the fitness of purpose of qualifications, which should be an ongoing process of a regulatory body, that, you know, should remove that duplication. And I think that with the circa 11,000 qualifications on offer in Wales, which, for learner choice, you know, there is that paradox of choice—which one do they go for? So, certainly, just to clarify, in terms of the response to Keith, it is about the awarding organisations being able to operate, not wanting the same level of qualifications.

[25] **Simon Thomas:** Yeah, okay.

[26] **Mr Wright:** And I think, again, I would echo that. Do you actually want to do it? If you are going to do that, and personally I think the statement of too many qualifications is overused. Coming from the Federation of Awarding Bodies, I think you can understand that. But, equally, I think when you actually get into individual sectors, and individual roles, the range of qualifications reduces—you don't have 20,000 qualifications; you have three. And, of those three, when you look at them, they may look very similar, and you may say, 'Well, you've got three qualifications, basically the same, coming from three different awarding bodies, we'll just have one', which I think is one of the proposals in there. But the risk is those three are actually designed in the way they are delivered for different sectors. So, you do have situations where you'll have one qualification, which is particularly useful for further education, for example, and schools, and designed for delivery in that method, and another one much more suited to employers and workplace delivery. So, the other thing is that, as I say, you want to manage it—you don't want to reduce the number of qualifications just by reducing the number on offer out there; you want to make a decision as to what is going to suit the Welsh Government's requirement.

[27] **Simon Thomas:** I bob pwrpas, nid yw hynny'n digwydd ar hyn o bryd, yn nac ydy? Mae Llywodraeth Cymru yn cymeradwyo cymwysterau, fel petai—hynny

Simon Thomas: To all intents and purposes, that does not happen at the moment, does it? The Welsh Government approves qualifications, as it were—that is, it actually

yw, yn eu rhestru nhw ar y wefan, ac ati—ond nid oes proses o ddiidoli o gwbl yn digwydd ar hyn o bryd, yn nac oes? Dyna mae'n amlwg y bydd Cymwysterau Cymru â diddordeb yn ei wneud.

lists them on the website, and so on—but there is no process of actually sorting through them at all at present, is there? That's clearly what Qualifications Wales will have an interest in doing.

[28] A gaf i jest mynd un cam ymhellach, felly? Un peth penodol yn y Mesur fel ag y mae ar hyn o bryd, mae'n sôn yn y Mesur bod angen fersiwn Cymreig o'r cymhwyster. Nawr, yn y nodyn esboniadol, mae'n dweud mai ystyr hynny yw bod yn rhaid i unrhyw gymhwyster gael ei gymeradwyo yng Nghymru. Ond, wrth gwrs, yr awgrym ar wyneb y Bil yw bod yn rhaid cael fersiwn ar wahân i Gymru, ac mae'n siŵr bod hynny'n peri pryder. Yn y dystiolaeth gennych chi, Mr Wright, yn benodol, rydych chi'n sôn am rai eraill yn cael eu gwasgu mâs oherwydd y costau o weithredu ar wahân yng Nghymru. Ai dyma rywbeth y byddech chi eisïau, felly, mwy o esboniad neu eglurhad arno yn y Bil?

Can I take that just one step further? One specific issue within the Bill as it's currently drafted, is that it mentions in the Bill that there is a need for a Welsh version of the qualification. Now, in the explanatory memorandum, it states that the definition of that is that any qualification must be approved in Wales. But, of course, the suggestion on the face of the Bill is that there must be a separate version for Wales, and I am sure that would cause concern. In your evidence, specifically, Mr Wright, you mention others being pushed out because of the costs of working separately in Wales. Is this something that you would want, therefore, greater clarity on the Bill?

[29] **Mr Wright:** Well, I did discuss this with Philip, and I can see where he was coming from. I think his position was that he wanted Welsh qualifications that were his to regulate, and they wanted them as distinct from—as we say, 'No, we've got QCF qualifications'. And the conversation was that, every time you add something on, you know, what is meant by that? Because, are you just changing the QAN code—the qualification number—in which case, you have exactly the same qualification, exactly the same title, just with a different QAN code? Well, what sort of regulation is that? I mean, if, again, Philip decided, or Welsh Government decided, to make some changes, the awarding body might say, 'Well, no, we want to keep it exactly the same; it just doesn't suit us to change it.'

09:45

[30] There was a change to put 'Wales' in the title of the qualification and some of the concerns we had there was that, out in the marketplace, people would wonder, 'Well, what does that mean? Is there something particular about it?' And it might be exactly the same qualification, just with the word 'Wales' to distinguish it from some other qualification. So, I thought that the concern there was more about the impact on the learner and on the employer and it's merely on the confusion of it. Then, if it was change to the actual qualification itself, clearly you've got costs there. Before I came here, I had a chat with a few awarding organisations, which all said, in their sector, with some marginal differences, that most of the skills required in England are going to be the same as they are in Wales. Catering, for example, is going to be much the same in Birmingham as it is in Cardiff.

[31] **Simon Thomas:** We've got bigger portions in Wales. [*Laughter.*]

[32] **Mr Wright:** Yes. [*Laughter.*] In terms of the skills.

[33] **Keith Davies:** Can I just ask quickly on that one?

[34] **Ann Jones:** Yes.

[35] **Keith Davies:** At the moment, you've got DAQW, which is the database of

accredited qualifications Wales, and when you read that, you know, it just lists the qualifications; it doesn't say, 'qualification Wales'. So, if the new body sets up DAQW, then there is no problem, is there?

[36] **Mr Wright:** The current situation for an awarding body is they generally put it onto RITS, which is the Ofqual awarding body system, and tick a box for 'Wales'. So, there are no arguments there; it's not a problem. I think in there, there is talk of setting up—and I can't remember the name of the new database—. And also the approaches; there is an accreditation approach, whereas Ofqual are going to a regulatory approach. So, again, awarding bodies have got tensions there as well. I think that probably the best solution would be something along those lines, just to keep it as a separate list. My concern there is: what sort of regulation is that? Because, if it automatically goes on that list, I would imagine that you'd actually want to have some sort of control of that and to make some changes to that, if you need to do so. And, if you're doing that, then you're moving it away from just being a list into separate qualifications for Wales.

[37] **Mr Protheroe:** And I think as well the DAQW is there to serve a purpose of identifying which qualifications are available for funding within Wales as well—not just the ones that are deliverable.

[38] **Keith Davies:** Yes, well, it's more than funding, isn't it? It's also because, if you want the Welsh baccalaureate or something and you need five GCSEs or two A-levels, then you can look at DAQW and get that equivalence.

[39] **Mr Protheroe:** Equivalence, absolutely. And I think that there's work under way in terms of redesigning and sort of refreshing DAQW, but that system will be the point that providers will certainly go to to identify what can be delivered, i.e., what is approved for delivery in Wales and funding, you know, whether that's proof of funding as well.

[40] **Keith Davies:** Fine. Thank you.

[41] **Ann Jones:** Aled's got a point, Simon, before I come back to you.

[42] **Aled Roberts:** Rwy'n mynd i ofyn yn Gymraeg. Onid oes gwrthdaro yma wrth roi blaenoriaeth i'r farchnad, o achos maint Lloegr? Os ydym ni jest yn dweud, 'Wel, mae'n rhaid i Ogledd Iwerddon a Chymru dderbyn beth y mae'r farchnad yn ei roi', i ryw raddau rydym yn y sefyllfa lle bydd yn rhaid i Gymru dderbyn bob peth y mae Llywodraeth Llundain neu Ofqual yn ei fynnu, a dyna'r gwrthdaro sydd gennym ni, sef mae meddylfryd trawsbleidiol yma nad yw rhai o'r newidiadau yn Lloegr yn dderbyniol yng Nghymru neu nad ydynt yn creu beth yr ydym ei eisiau yng Nghymru. O achos hynny, mae sefyllfa—. Roedd tystiolaeth gan fwrdd Gogledd Iwerddon yr wythnos diwethaf, lle mae'n nhw wedi gwneud cymhwyster gwahanol o achos bod eu Llywodraeth nhw eisiau cario ymlaen gyda phrofion ymarferol o fewn gwyddoniaeth. Rwy'n gwybod bod y ddadl yna'n parhau yn Lloegr. Ond os ydym jest yn

Aled Roberts: I am going to ask my question in Welsh. Is there no conflict here in giving the markets a priority, because of the size of England? If we say, 'Northern Ireland and Wales have to accept what the market provides', to some extent, we'll be in a situation where Wales will have to accept everything that the London Government or Ofqual say, and that is the conflict that we have, namely that there is this cross-party thinking that some of the changes in England are not acceptable in Wales or don't create what we want in Wales. As a result of that, there is a situation—. There was evidence from the Northern Ireland board last week, where they have introduced a different qualification because their Government want to continue with practical tests in science. I know that that debate is continuing in England. But if we just say, 'The devolved countries have to accept what the market provides to some extent because of the size of

dweud, ‘Wel, mae’n rhaid i’r gwledydd datganoledig yma dderbyn beth y mae’r farchnad yn ei rhoi’, i ryw raddau, o achos maint Lloegr, waeth i ni ddweud, ‘Wel, ocê, *fine*, gadwech i bob peth gael ei benderfynu yn Lloegr a gwnawn ni jest dderbyn beth yr ydych yn ei ddewis i ni.’

England’, we might as well say, ‘Well, okay, fine, let’s have everything decided in England and we’ll just accept what you select for us.’

[43] **Mr Wright:** That is the great frustration. I mean, you know, as I say, I’ve been thinking about the problem and I have exactly the same position as you just described there, that, you know, you don’t want to be—. If you want it to be meaningful and real, you do want to have control. Again, coming back down to the art of the possible, I think that you can probably control those qualifications that you think are vital and are particularly areas that you want to change—they’re going to be economically viable for Wales to change. I think the whole scope of things, you’d have to—. The option is really spend a lot of money on it or prioritise to just those few that you actually feel that you really want to change. But you’re quite right in the sense that awarding bodies are going to be moved by the English market and that is just the reality of the situation.

[44] **Aled Roberts:** But isn’t the reality as well—. When we went to the SQA, even though they have the ability to actually regulate the whole of the qualifications market, we were told that, in reality, the vast majority of vocational qualifications in Scotland are ones that are almost accepted by the SQA on the basis that they’re in exactly the same format as offered in the rest of the UK.

[45] **Mr Protheroe:** Absolutely, yes, and I think it comes back to the point that Simon was making, really, that it may well be the case that qualifications are developed in England and they are fit for purpose in Wales. But that may not always be the case, and, where there are economies of scale, it would be very important that we do maximise those economies of scale, and particularly, certainly from a work-based learning perspective, you know, providers work across borders, learners move across borders, and we’ve got English employers working in Wales, so I guess it is important that we do recognise qualifications that are being developed elsewhere. But, with the advent of Qualifications Wales, I guess it’s that gatekeeper to ensure that they are fit for purpose for Wales. We may even want to improve them; we may want to strengthen them, you know, and there are other imperatives in Wales that we need to sort of work on. But, certainly, going to a situation where we’re developing our own qualifications, there’s a massive cost associated with that, and, you know, that could be spent on learning.

[46] **Ann Jones:** We’re still on Simon’s question, but David just—. Sorry, Simon.

[47] **David Rees:** On this point that you’ve identified that it’s what the qualifications are, and you might want to be able to use the same qualifications, is there anything in this Bill—. Never mind what the possibilities are, is there anything in this Bill that actually says you can’t do that?

[48] **Mr Protheroe:** Certainly not that I’ve seen.

[49] **David Rees:** So, the Bill actually allows you to do that.

[50] **Mr Protheroe:** Yes, absolutely. And I guess, ultimately, it’s Welsh Government, through Qualifications Wales, or Qualifications Wales, deciding what is for funding as well, and I think that will drive what’s delivered in Wales, not necessarily availability.

[51] **David Rees:** But the possibility to actually use the same qualifications is there.

[52] **Mr Protheroe:** Yes, yes.

[53] **Ann Jones:** Okay. Simon.

[54] **Simon Thomas:** Diolch. Ond rydym yn dod at y pwynt olaf roeddwn yn mynd i'w roi ac mae'r cwestiynau eraill yn ategu at hyn, a dweud y gwir. Os ydych yn creu corff newydd, mae'n mynd i chwilio am waith. Mae'n mynd i drio gosod stamp; mae'n mynd i drio dangos ei fod yn effeithlon, ac, fel rydych wedi dweud, mae'n mynd i ddangos bod pwrpas i reoleiddio cymwysterau yng Nghymru. Rydym eisoes wedi gweld, ym maes cymwysterau academiaidd, bod y Llywodraeth wedi rhestru nifer o gymwysterau—mae nhw o'm mlaen i fan hyn—sy'n cynnwys pethau amlwg fel Bioleg, Cemeg, Cerddoriaeth, Drama, Daearyddiaeth, Saesneg, Mathemateg, a Chymraeg, wrth gwrs, fel rhai fydd ar gael gan y CBAC yn unig. Felly, mae'r gwaith yna yn y maes academiaidd, o gyfyngu, os liciwch chi, y rhai sydd ar gael. Ond mae'n mynd yn ôl at eich pwynt chi, Mr Wright, bod y Llywodraeth wedi penderfynu mai dyma'r meysydd sy'n hollbwysig i Gymru; dyma'r meysydd sydd yn hanfodol a dyma'r corff dyfarnu a fydd yn delio gyda'r meysydd yma. A ydych chi'n pryderu y bydd rhywbeth tebyg yn digwydd yn y maes galwedigaethol, ac ym mha ffordd felly, jest i gloi, byddech yn gweld bod modd cymhwyso'r ddau densiwn yma o gadw nifer y cyrff ar waith yng Nghymru, ond hefyd gwneud gwaith Cymwysterau Cymru yn ystyrlon?

Simon Thomas: Thank you. But we are coming to the final point that I wanted to make and the other questions enhance this, to be honest. If you create a new body, it's going to seek work. It's going to try and put its stamp on things; it will try to show that it is effective, and, as you've said, it will show that there is a purpose to regulating qualifications in Wales. We have already seen, in the area of academic qualifications, that the Government has listed many of the qualifications—I have them before me here—which include obvious things such as Biology, Chemistry, Music, Drama, Geography, English, Mathematics, and Welsh, of course, as those that will be provided by the WJEC only. So, there is that work in the academic field, of restricting, if you like, the ones that are available. But it goes back to your point, Mr Wright, that the Government has decided that these are the areas that are crucial to Wales; these are the vital areas and this is the awarding body that will deal with these areas. Are you concerned that something similar could happen in the vocational field, and in what way therefore, just to conclude, would you see that it may be possible to balance these two tensions in terms of keeping the number of bodies working in Wales, but also making the work of Qualifications Wales valuable?

[55] **Mr Wright:** I would say that Qualifications Wales should have a pragmatic approach and have a range of qualifications that they feel that they want to put their stamp on—that there's some particular reason they actually want to do that—and another set of qualifications that are not as critical, or else probably that the provision is very small, therefore not economical for Qualifications Wales to address, and a specialisation as well. It has to be borne in mind that the organisations we're talking about are, largely, very sector-specific on the vocational side. So, you actually do get, in terms of the content of those qualifications, the best people to actually develop them; they tend to be associated with a professional body, whereas Qualifications Wales would, if they were developing a qualification in that area, apart from it being economically unviable, also not have that depth of knowledge. So, I would say for them to take a pragmatic approach with the resources that they have and focus that on the things that are top of their list.

[56] **Simon Thomas:** Just to add, if I may, there's nothing in the Bill that would stop them doing that, of course, but is there anything that you'd want added to the Bill to encourage that process, if you like?

[57] **Mr Wright:** If I was in charge of Qualifications Wales—. One of the things that SQA have done is not to be restricted by Scotland. Qualifications Wales may feel that, in order to support the work they're doing, there's a market for these qualifications outside of Wales. So, that would be one of the things that I would be looking at when I was drafting, to make sure I didn't restrict Qualifications Wales. I think, when you're setting up something as new as Qualifications Wales, the more flexibility you provide for them when things are a little uncertain the better. I mean, you would not want—. I think some of the lessons that were learnt when the Qualifications and Curriculum Authority became Ofqual were that there were some restrictions built in that had to be worked through. They had to go through Parliament and make some changes in order to make the whole thing work. So, that would probably be—. It's more of a pragmatic approach.

[58] **Mr Protheroe:** I would just echo, I guess, that there is a concern from the federation in terms of vocational qualifications coming under pressure if the regulatory function is too onerous, and certainly we wouldn't want to see that.

[59] **Simon Thomas:** Okay.

[60] **Ann Jones:** Okay, thanks. Prioritising qualifications, Angela.

[61] **Angela Burns:** We've spoken about it already, but I'm particularly taken with the evidence from the federation about the concerns you raise about priority qualifications and restricted priority qualifications. You talk about the fact that you believe that there may be better models of deciding how to prioritise qualifications. Now, while we talked about it a little bit, can you just expand on what you think those alternative models are and how they would work? I mean, you talk about labour market indicators and so on: is that what you're really driving at?

[62] **Mr Wright:** No, I think—. My experience of working with labour market intelligence is that it's not always that good. So, no. I have to say that I wouldn't like to sell a model to you. I think, if I did have a model, it would be one that, as much as anything, recognised the qualifications that you're not going to get, and you don't think there's a role to play. I know, for example, with functional skills, there is obviously a requirement for essential skills, and that has its own Welsh approach, and I think that is the sort of area where it's a general qualification that is something you can actually manage. I think, when it comes down to something like, say, in the construction industry, is there really a particular Welsh aspect to that? So, I think it's probably looking at them on a case-by-case basis.

[63] **Angela Burns:** And that's actually what you meant when you said:

[64] 'risk based approaches to regulation may present an alternative to a priority list approach.'

[65] **Mr Wright:** Yes.

[66] **Angela Burns:** Right, okay. The thing I am really interested in is how, by prioritising your skills offer, a Government may be able to drive the economic direction of a country. And we have seen it, you know, with the Isle of Man. A little blob out there in the middle of the seas—forgive me, Isle of Man-ers, I'm not being rude about you—[*Laughter.*] A lovely island, I've been there; it's fantastic; I'm so impressed with what they do. They decided to take a significant and positive step towards the space race, and they have qualifications, they have training. They have encouraged space agencies to come and set up on the Isle of Man. You know, this is a dynamic and growing industry going forward. Look at the Irish story and what the Irish did in the 1980s and 1990s with their software, their telecommunications, telephony, training people up in call centres—becoming, you know, the centre of excellence. I

was in that game those years ago, and, if you wanted a call centre, that's where you went. Both of those countries are examples of where they have driven their economy and driven the skills of their people, and that's what I'm really interested to try to explore with the prioritisation of qualifications and whether Wales is able to do it because, to be quite frank, to offer exactly the same as all the other countries, the other home nations, it doesn't give us any unique selling point.

[67] **Mr Wright:** There was a piece of work done by the SQA that looked into this. I read it fairly recently. It didn't conclude that that had an impact. Now, that was a discussion piece, so I think it was there to be thought-provoking—

[68] **Angela Burns:** Sorry, it didn't conclude that what had an impact?

[69] **Mr Wright:** It didn't have the idea that, if we build the skills into the workforce, that industry will grow. As I said, I read this, it was a thought piece, and it was quite a long while back—I think it was 2009 they did this—and they concluded that there was no evidence that that had had an effect. I personally don't have any competence in that area, other than what I picked up from the SQA experience.

[70] **Angela Burns:** No, but what economic drivers clearly show is that you can't develop an economic direction unless you have the skills underpinning it. It's a bit like any argument, you know—. There's that argument, you know, 'I will build; they will come'—

[71] **Mr Wright:** Yes, I was thinking of that—

10:00

[72] **Angela Burns:** —or there's the argument where you say, 'Actually, yes, please bring your inward investment here, but oh, by the way, not for three years, because we've got to skill up for it and build for it'. You know, it is a chicken and egg, but we need to make some macro changes to the way we drive our economy forward in Wales, and I would have thought that, as a Government, prioritising skills would be a real lever—and it's a lever within control of a devolved Parliament to try to do that. So, I am going to keep pushing you on this question, because you may say, 'Yep, you're talking absolute rubbish', or 'Yes, it can and does work', because I just don't see the point of us going through all this effort just to be exactly the same as every other Jack that's around.

[73] **Mr Protheroe:** I think there are opportunities, though, with the advent of qualifications Wales, to focus all of the stakeholders involved to deliver and develop qualifications that are deemed to be of economic importance to Wales. For example, through the sector skills priority fund and other programmes, Wales has been developing some advanced manufacturing qualifications in the carbon fibre industry. That is driving the economic development in north-east Wales, and that's being predominantly driven in Wales. Now, if we are operating in a tri-nation model through Ofqual, QCF et cetera, and those sort of qualifications, it's a bit more difficult to lever support for people to develop these qualifications. So, I would think, certainly from a vocational qualifications perspective, definitely there's an opportunity moving forward, with the focal point of qualifications Wales, to say, 'Look, this is where we want to be in three, five, 10, 15 years' time, and these are the qualifications that we need developing', through pulling together all stakeholders—and awarding organisations are obviously a critical part of that, and the sector qualifications advisory panels; definitely. So, again, from a learning provider's perspective there are certainly positive things to be looked at in developing quals fit for Wales only.

[74] **Mr Wright:** Yes, I would agree; I think I agree with that. I think, absolutely, those would be the critical ones that you'd be looking for, but not to lose sight of the hairdressers

and the building people and all the other skills that are going to be required, and which a lot of people are actually going to want to build their careers upon, from the learner's perspective, as well as having your strategic vision and your strategic requirements for skills addressed.

[75] **Angela Burns:** Do you have a fear, though, that actually Welsh Government may do that—sorry, that Qualifications Wales may do that—that Qualifications Wales may prioritise skills in a way that some niche areas or specialised learning areas get sidelined.

[76] **Mr Wright:** I've seen it before. I've seen it with, not Qualifications Wales, but other situations where, attracted by the glamorous opportunities of new technology and a lot of resource put there, and the requirements of the vast majority of learners who are going to go into things that aren't quite so, for want of a better word, 'sexy', then they're going to do things like hairdressing and those sorts of things, and the money's withdrawn, the resource is withdrawn, the support is withdrawn—not completely, but nobody's that interested. They're much more interested in aerospace, and it's always rockets and exciting things. So, I think that's a risk. I think the idea of having a strategic plan for skills is absolutely correct, but not to completely lose sight of the other qualifications that are going to be required.

[77] **Mr Protheroe:** And I would want to add to that as well. I see Qualifications Wales as the focal point. Ultimately, they will be informed by sector qualifications advisory panels who are then informed by the labour market intelligence of the regional skills partnerships, so they should be just acting as that sort of catalyst to develop qualifications, not deciding which qualifications are needed to be prioritised—certainly, if you're looking at vocational qualifications. So, they, as I would see it, would be the body to sort of draw that information in.

[78] **Angela Burns:** One last quick question, then, on the prioritisation of qualifications, and it goes back to something that Simon said earlier, because there is a plethora of skills-based qualifications, and I do take your point that, when you perhaps actually look at a sector, it may only boil down to three, and each one is specific. Do you have concerns that Qualifications Wales will then end up just saying, 'Well, actually, we're going to specialise on this only being delivered through a skills base place', or 'this only delivered through'—. Is it that kind of level of prioritisation that you're worried about, or is it the higher prioritisation that comes from saying, you know, 'Policy direction is here; this is the kind of nation we want to be, so we're not going to offer or prioritise skills-based courses for forklift truck drivers, because we're going to only do this kind of stuff'?

[79] **Mr Wright:** A little of the latter, mostly the former. I think, you know, when you get down to—. Personally, I wouldn't worry too much that there are too many qualifications. As I said, it'd take a lot of work to actually understand why you've got three qualifications for forklift truck drivers, for example, and which ones of those three you're going to withdraw. Rather, put them out there and say, 'Which one is suited to you?', and not be surprised that an employer picks one and a college picks another.

[80] **Angela Burns:** Okay, thank you.

[81] **Ann Jones:** Suzy, you had a point.

[82] **Suzy Davies:** Yes, just to elaborate on that point, really, I think what Angela was talking about, the priority qualifications, are those that the Government identify as necessary for their big ideas, but the Government also has priorities in much smaller sectors—and I'm thinking specifically of heritage skills, for example. Do you think Qualifications Wales, as described by the Bill, would be able to maintain priority for both those types of Government aim, or can you see one inadvertently being subsumed by another and that there would be Government aims that aren't going to be fulfilled by Qualifications Wales?

[83] **Mr Protheroe:** Well, I don't suppose everything can be a priority. I suppose that's the difficulty, isn't it? It would be important, however, to ensure that whatever is deemed to be a priority is going to have that impact on the economy, moving forward. So, I guess, it needs to be a balanced judgment, doesn't it?

[84] **Mr Wright:** I think also, when you have a priority, how much of a priority is that? Because if you choose to put money there, you're going to withdraw it from there; there's got to be a point where you go, 'No, actually, although that's not a priority, we need to still support that'. So, I would think that that would be my concern: that it's all or nothing. So, it's getting the balance right.

[85] **Suzy Davies:** Okay, so you are not necessarily seeing a likely issue between stonemasons versus sexy aerospace, for example.

[86] **Mr Wright:** Yes, there could be.

[87] **Suzy Davies:** Okay, thank you.

[88] **Ann Jones:** Okay. Shall we move on to restricting qualifications, then? Bethan.

[89] **Bethan Jenkins:** Rydych wedi siarad yn flaenorol—. Rydych wedi cyffwrdd ar gyfyngu ar y system, ond beth oedd yn ddiddorol i mi bythefnos yn ôl, pan ddaeth y Gweinidog i mewn, oedd y dywedodd nad oedd yn debygol y byddai gwahaniaeth rhwng tensiynau academiaidd a rhai galwedigaethol, ond nid oedd wedi edrych yn ddwfn i mewn i'r effaith ar bobl fel chi. So, o'n i jest eisiau gofyn yn glou i ddechrau pa fath o drafodaeth rydych chi wedi eu cael gyda'r Llywodraeth ynglŷn â'r effaith arnoch chi, oherwydd gyda'r system academiaidd, wrth gwrs, mae rhyw fath o fonopoli wedi cael ei greu yn barod. Felly, roeddwn am glywed eich barn chi yn hynny o beth.

Bethan Jenkins: You have spoken previously—. You've touched on restricting the system, but what I found interesting from a fortnight ago, when the Minister came before us, was that he said that it wasn't likely that there would be a difference between academic tensions and vocational ones, but he hadn't looked in detail at the impact on people such as yourselves. So, I just wanted to ask quickly to start with what sort of discussions you have had with the Government about the impact on you, because, with the academic system, of course, some sort of monopoly has been created already. Therefore, I just wanted to hear your views on that.

[90] **Mr Wright:** I haven't discussed it particularly with the Government. I've discussed it with Philip and Qualifications Wales. In terms of having a single—I think, two things really, on that. One is, why do you want to have a restriction? I think you have to think about why that is so. Is it for efficiency reasons, because you are restricting opportunities to select different qualifications? What do you actually gain by restriction? If you consider there is enough there to gain—and by gaining, what you mean is 'I'm not going to work with those people; I'm going to deliberately cut people out', you do end up with a single qualification. In the vocational area, there is a much wider range of qualification delivery methods and approaches than you get with academic. With the academic, you pretty much know that it's going to be 16 to 18-year-olds sat in a sports hall doing an exam in June. That's going to be a typical model. On the vocational side, you have people learning on the job, people learning in the workplace, taking competence-based assessment. You also have people in colleges doing vocationally related qualifications that may look very similar. Different awarding bodies have different skills in different areas. So, I could understand for some efficiency sake, but, again, I would want to know why would you want to restrict provision, if you have decided to restrict provision, you know, thinking about the implications in terms of that limitation of offer.

[91] **Mr Protheroe:** I think, certainly in terms of what I've seen within the Bill and the landscape as it's sort of evolving, the priority qualifications and the restricted qualifications tend to be on the academic side, and we're not seeing any of that scale on the vocational qualifications side. I can understand why there is need, or requirement, to prioritise academic and restrict academic, because, ultimately, the principal aims are to ensure trust and ensure people value qualifications, and that they're trusted and reliable. I wouldn't go over too much, sort of, the GCSE English position, but, ultimately, restricting and having more control of a qualification should resolve that situation in the future. But Stephen is right; if we start looking at that on a vocational qualifications element, it will take away choice and the ability to deliver within different contexts. But, certainly, we've had no conversations with the Minister at all about the restriction of qualifications.

[92] **Bethan Jenkins:** Jest i fod yn glir, felly, oherwydd natur y cyrsiau, a holl resymeg y Llywodraeth oedd i gael cysondeb yn y system, mae cysondeb yn anoddach oherwydd natur y cyrsiau. Felly, pe baech yn cyfyngu, ac y byddech chi'n cael un corff, bydden nhw'n delifro mewn ffordd hollol wahanol i'r corff arall, ac wedyn, fe fyddai'n anodd mesur, achos mai dim ond nhw fyddai'n cael y contract.

Bethan Jenkins: So, just to be clear, because of the nature of some of the courses, and the whole rationale of the Government was to have consistency in the system. Consistency is more difficult because of the courses. So, if you did restrict and you had one body, they would deliver in a completely different way to another body, so it would be difficult to measure, because they would be the only body with a contract.

[93] **Mr Protheroe:** As in, there's no comparable, sort of, organisation delivering.

[94] **Bethan Jenkins:** Well, you've got one organisation delivering then in a certain way, so the other organisation isn't delivering at all in another way, because they haven't got the—. They're being restricted by the Welsh Government. So, then, what does that mean for the learner in terms of them being restricted from accessing that particular alternative qualification that they can't have anymore?

[95] **Mr Wright:** If you think of a practical situation, you might have a qualification that is designed around competence that a learner—. It is designed particularly for people—a learner on the job—who can demonstrate their competence. So, the assessment criteria are all exactly the same, but, on the one hand, people are being observed in the workplace doing the work, they're gathering evidence and they're doing it over an extended period and they're doing it as part of their day-to-day job. That might be that that's one method of assessing exactly the same assessment criteria. The other one might be more like an OCR model, where you've got a model assignment, which is designed to be delivered in a classroom context in possibly a shorter period of time, in more of a traditionally taught method. So, on the face of them, you've got the same qualification, it's just that if you then restricted it to one or the other, you're going to—. Say, you restricted it just to the one that was delivered in a school situation, an employer would look at that and say, 'A model assignment for my staff? I don't think I'll bother'. That would be the risk.

[96] **Ann Jones:** Keith's got a point, before you move on, Bethan.

[97] **Keith Davies:** The way I read this—and I may be wrong—is that, yes, we can limit what youngsters do in school or college, but if it's work-based learning, and if the employer wants to use a qualification that is from an awarding body that is not approved by Qualifications Wales for that qualification, then the employer pays.

[98] **Mr Protheroe:** They'd have to fund it themselves.

[99] **Keith Davies:** They'd have to fund it themselves.

[100] **Mr Wright:** I'm thinking of the funded learners.

[101] **Keith Davies:** Ie, ie. Yes, yes. But I mean, as far as the employer is concerned, with work-based learning, in the end, they can decide for themselves.

[102] **Mr Protheroe:** Absolutely, yes.

[103] **Mr Wright:** Yes. You will find that, although, when I was looking at the numbers and when we looked at the numbers, these are numbers—the ones that I've been looking at; the Ofqual figures for Wales—that are funded learners, but there are a lot of qualifications in Wales being delivered, as you suggest, by employers funded entirely by themselves. So, yes, you still have that—.

[104] **Keith Davies:** They can still—.

[105] **Mr Protheroe:** I would think, in terms of Bethan's point, what we'll see, probably, in all reality, moving forward, is that the restricted qualifications would probably only be GCSEs, AS-levels and A-levels moving forward. But obviously, there is scope to restrict other qualifications and, I guess, there is a point that you have, which is right, that if you have one awarding organisation delivering that qualification solely, how do they benchmark the quality of that against other offers elsewhere in the UK? But, as part of the eight matters, there is a requirement on Qualifications Wales to ensure that qualifications delivered in Wales are comparable, not just to England, where the vast majority of the conversation is around, and where learners go, et cetera, but elsewhere—you know, Europe. So, that's important. I guess that what we shouldn't lose sight of is if, this year, the qualification is restricted to one organisation, that just is static, and it doesn't improve and it doesn't meet the needs of learners on an ongoing basis. So, there has to be that continual benchmarking and comparability studies.

10:15

[106] **Bethan Jenkins:** How would it impact on the actual delivery body? Because, if this is going to be restricted, surely that would take away competitiveness. Does that mean then that the Welsh economy would suffer in any way because of that initial process of restriction, or am I barking up the wrong tree?

[107] **Mr Protheroe:** No, I think that you are on the right tree. Certainly, from the vocational qualifications market, we wouldn't want to see that restriction because a lot of it, as Keith has said, is driven by a sort of employer choice, but if there is only one qualification on offer, that may not meet the needs of the employer or indeed the individual learner. You know, in previous evidence, we've suggested that brands such as City & Guilds and BTECs are respected by individuals. Employers talk in terms of City & Guilds 9301. There are obviously other awarding organisations, but if City & Guilds was forced out of that market, what employers and learners value would not be available.

[108] **Bethan Jenkins:** So, how would you get over this if the Bill continues as is? You know, you talked about models earlier. Are there any other ideas that you would propose that would make this situation less of an impact on the learner and on the organisations involved?

[109] **Mr Protheroe:** I would say that it would only come down to regular review, be it by the sector qualifications advisory panels, or be it other bodies that are continually ensuring that the qualifications regulated, delivered and funded in Wales are fit for purpose and are continually improving against international benchmarks.

[110] **Bethan Jenkins:** You're not convincing me at the moment though that there is a need for it. Do you know what I'm saying?

[111] **Mr Protheroe:** For a need for restriction—.

[112] **Bethan Jenkins:** Yeah, in terms of the vocational side.

[113] **Mr Protheroe:** Certainly not for vocational.

[114] **Bethan Jenkins:** Yeah.

[115] **Mr Protheroe:** No, because again, as Stephen said—

[116] **Bethan Jenkins:** Obviously, that's an argument that we'll have down the line. *[Laughter.]*

[117] **Mr Protheroe:** You know, vocational qualifications are delivered in a variety of sectors. There's a whole range of sort of technical things about purpose, the qualifications, IVETs, CVETs and all that to be sort of filtered down. But, ultimately, vocational qualifications, which are generally competence based—it doesn't mean, necessarily, that they'll assess your competence, but they're based on skills and national occupational standards et cetera—can be delivered in a variety of ways. If you're looking at academic qualifications, typically GCSEs, AS-levels and A-levels et cetera, they are driven in a schooling background.

[118] **Bethan Jenkins:** Okay.

[119] **Ann Jones:** Okay. Aled, you've got a point on this.

[120] **Aled Roberts:** Ie, jest er mwyn i mi ddeall yn iawn sefyllfa'r farchnad a'r pwynt roedd Keith Davies yn ei wneud. Roeddech yn sôn am ffigurau Ofqual ynglŷn â natur y farchnad, faint ohoni sy'n cael ei chyllido, a faint ohoni sy'n cael ei hariannu gan gyflogwyr. Beth yw'r gwahanol meintiau? Os ydym yn edrych ar effaith cyfyngu o ran polisi Cymwysterau Cymru, lle y maen nhw'n dweud, 'Wel, 'da ni ond yn mynd i gyllido un o'r cymwysterau yma', beth ydy maint y farchnad o ran y farchnad sy'n cael ei chyllido gan y sector gyhoeddus o gymharu â chyflogwyr?

Aled Roberts: Yes, just so that I fully understand the situation of the market and the point made by Keith Davies. You mentioned Ofqual's figures on the nature of the market, how much of that is funded, and how much is funded by employers. What are the ratios? If we are looking at the impact of restrictions in terms of the policies of Qualifications Wales, where they say, 'Well, we're only going to fund one of these qualifications', what's the scale of the market in terms of the market currently funded by the public sector as compared with the contribution of employers?

[121] **Mr Wright:** It's very difficult to be precise about the contribution of employers. I mean, in the funded market for Wales there was 223,600 learners in 2013, which is the latest figure that I've had; they were funded in Wales. To put that into context, and to think about it in terms of the economic model, there were 1.6 million in England, which is why, when you're an awarding body, you're looking at those two numbers in terms of the economics pressures. Of those, 142,300 were delivered by WJEC and 81,300 were delivered by other awarding bodies. So, it is the 81,300 learners who were totally funded. On top of that, how many were funded by employers? I don't have those figures. A lot more, I would say.

[122] **Aled Roberts:** Because there is already a move, isn't there, with the reductions in work-based learning budgets?

[123] **Mr Wright:** Yes.

[124] **Aled Roberts:** There's already an expectation, as far as the Welsh Government is concerned, that, in reality, employers pick up more of the tab.

[125] **Mr Protheroe:** Yeah.

[126] **Aled Roberts:** I think that the nervousness is: what is the sort of reaction of Welsh industry to that sort of policy shift?

[127] **Mr Protheroe:** Yeah, work-based learning in 2012-13 was funded to the tune of £137 million, but that is, I guess, a small element of the amount of training that is going on in the workplace, paid for commercially by organisations and other sorts of forms, I guess. But, I think it's fair to say that if employers value a qualification, they will pay for it.

[128] **Mr Wright:** I would also say that it is increasing, partly because employers are becoming more strategic about their L&D strategy and using skills and standards and qualifications within that, and partly as the funding is withdrawn and there's less funding available.

[129] **Aled Roberts:** Maybe there's a bit of a market shakeout anyway, that some of the provision has only been there because of the extent of public funding, which is now being reduced.

[130] **Mr Wright:** Yes.

[131] **Mr Protheroe:** And I guess that would be the challenge or the best test: if Wales develops qualifications that are meant to be fit for purpose and meant to meet the needs of employers, would they fund it? Because that then would be a true test of whether they actually value that qualification, which, with the review of qualifications and all of this process, is, I guess, the desired end state. However, there is a whole range of people who obviously are supported through work-based learning, be it apprenticeships, traineeships et cetera, and the employer may not necessarily fund those learners' journeys.

[132] **Mr Wright:** I think that's true. To some extent, it is about the learner. The employer will say, 'Yes, I'll fund that learner, that member of staff; I'm going to be slightly less enthusiastic to fund this other learner over here'. And, of course, we have a responsibility to all learners.

[133] **Ann Jones:** Okay. David, we'll move to your set of questions.

[134] **David Rees:** Thank you, Chair. Quite a few have been answered, but I'd like to make a couple of points. On the restriction aspects, you've identified the emphasis is definitely on academic and you're looking at the vocational questions. Are we really at the moment talking about the implementation issues around it that allows this to happen, rather than it will happen? You mentioned the sector advisory panels basically being a major feature of the way in which it can actually work to allow perhaps restriction to be limited in one sense, and to have reviews. Should therefore the Bill be strengthening the role of the sector qualifications advisory panels to consider the aspect of review on appeal, and questions on restrictions, and that's a mechanism by way in which we can actually address the restriction issues around vocational qualifications? Because I am concerned—. I'm a very strong believer in parity of qualifications, and vocational should be seen as an equal partner to a pathway if someone wants to follow it in their lives. I therefore don't want to see perhaps academic and vocational being treated differently. So, are we looking at a way in which we can set up a stronger

position to ensure the review takes place, so that there is no difference in treatment, the parity is the same, they're treated the same, considered the same, but there is perhaps a way in which we can strengthen the way in which we restrict or the Government could restrict qualifications?

[135] **Mr Protheroe:** I would say, 'yes'. In terms of the restriction of qualifications or prioritising of qualifications or just reviewing qualifications or just seeing what qualifications are available for funding, then that has to lie with the sector qualifications advisory panels, because those panels will be made up of key stakeholders who can then objectively review those qualifications, both academic and vocational qualifications, with a view to informing Qualifications Wales. So, that's certainly how I would see that model moving forward. It's just ensuring, I guess, that Qualifications Wales is doing that, and NTfW and its members are involved in some developing sector qualifications advisory panels at the moment, but that is a developing picture at the moment.

[136] **David Rees:** But, in your submission, you actually indicated that you feel that Qualifications Wales should have a stronger role in co-ordinating the panels.

[137] **Mr Protheroe:** Yes, absolutely.

[138] **David Rees:** And you think that's the way the Bill could actually be set up.

[139] **Mr Protheroe:** Absolutely, because I think what you then have is that external validation of the qualifications that Qualifications Wales will be regulating.

[140] **David Rees:** And do you think there'll also be a means by which we can ensure a greater parity of esteem and promotion of vocational qualifications?

[141] **Mr Protheroe:** I think the main thing there, David, is if people are seeing both academic and vocational as a qualification, then maybe we should stop citing them as 'academic' and 'vocational' and just call them 'qualifications'. But, parity of esteem is a much bigger thing than, you know, the route that learner chooses. But, absolutely, we advocate for parity of esteem. Qualifications Wales has a key role certainly in terms of communicating the messages to external stakeholders, parents, teachers and learners themselves.

[142] **David Rees:** And do you think the Bill currently allows it to do that?

[143] **Mr Protheroe:** Yes, absolutely.

[144] **David Rees:** Okay. Can I ask you both also in the same vein about apprenticeships? You both mentioned apprenticeships. I think your submission talked about the divergence that occurred between England and Wales, and England and Scotland, and England and Northern Ireland in one sense in that area, and you want to see a greater—. You've identified that you should be an issuing authority, but the Bill doesn't say that you should be doing that, but there are powers already with the Minister to allow for that to happen.

[145] **Mr Wright:** Absolutely.

[146] **David Rees:** Do we need to actually include that in the Bill, or should we actually be happy for the powers that are there to remain? And, should we be looking at the frameworks, and at the control of Qualifications Wales?

[147] **Mr Wright:** Well, I think you should. I think, on the work that's being currently done with trailblazers, the jury is still out, and, until that is resolved, I certainly think that

Wales should keep all options open. So, I would think, yes, I would leave that in.

[148] **Mr Protheroe:** I think, certainly, from an NTfW perspective, we strongly advocate that Qualifications Wales takes a stronger position with regard to apprenticeships, in terms of being the gatekeeper for apprenticeships within Wales. There is a huge divergence in terms of the apprenticeship offer between England and Wales, particularly, and bear in mind that we've got cross borders, and that sort of stuff. However, there is the consultation on apprenticeship frameworks that was launched by the Welsh Government last week, which is open for three months, and some of the areas that they're looking to explore within that consultation is whether or not Qualifications Wales should be taking more of an active role in becoming either the gatekeeper and/or an issuing authority. And, as you rightly say, it's down to the Welsh Minister to decide who wants to be an issuing authority.

[149] But, bearing in mind that apprenticeships are made up of qualifications, generally, there needs to be a single body that is responsible for the whole apprenticeship offer, you know, in terms of making sure that the framework is correct, in terms of the qualifications that go into the apprenticeship framework. And, again, that's a role that we feel the sector qualifications advisory panels can fulfil. But, where you've got a lot of development of apprenticeships going on by the UK Commission for Employment and Skills, that's being sort of skewed, I guess, by trailblazers and what's going on with that as well. It's about having Qualifications Wales as the body that looks after apprenticeships in Wales. So, we would strongly advocate for that.

[150] **Ann Jones:** Okay? Fine. We'll just move on then to other financial commercial issues. Aled?

[151] **Aled Roberts:** Mae'r Mesur yma yn galluogi Cymwysterau Cymru i godi tâl ar gyrff dyfarnu o ran y broses o gydnyddiaeth a chymeradwyaeth. A ydych chi'n teimlo y bydd hynny yn creu sefyllfa lle y bydd yna gyrff dyfarnu, hwyrach, ddim yn barod i fynd a thalu am y broses yna, ac y byddant yn eithrio o'r farchnad Gymreig? Neu a oes yna berygl, er mwyn iddynt aros yng Nghymru, eu bod yn pasio'r costau yna ymlaen i un ai colegau, ysgolion, neu unigolion?

Aled Roberts: This Bill enables Qualifications Wales to charge awarding bodies, in terms of the process of recognition and approval. Do you feel that that could create a situation where awarding bodies perhaps would not be willing to pay for that process, and that they would pull out of the Welsh market? Or is there a risk that, for them to remain in Wales, they would pass those costs on, either to colleges, schools, or individuals?

[152] **Mr Wright:** I think that there was also talk of a cap on fees as well, which would restrict the ability to do that. I think it goes back to the very beginning of the conversation, that, yes, there would. You could imagine yourself in the same situation: you're looking at the same figures, and every additional cost, your profitability and viability, even though you may have a will to deliver qualifications in Wales, reduces that ability. So, I think it will be a case-for-case basis; there will be a line where, below that, the qualification starts to become unviable. I can imagine that you will have awarding bodies that will—. It's not just the fee; they might withdraw because of the fee, but they might also withdraw because of the additional work required, which, in turn, has quite considerable costs for them. So, that's really just an economic decision.

[153] **Aled Roberts:** Rydych chi'n gwneud y pwynt o ran y gwaith, y broses, y bydd yn rhaid mynd drwyddi, a'r ffaith, hwyrach, fod yna ddwy neu dair proses ym Mhrydain, eu bod nhw'n penderfynu bod y farchnad leiaf

Aled Roberts: You make the point in terms of the work, the process, that will have to be gone through, and the fact, perhaps, that there might be two or three processes in Britain, where they decide that the smallest market

ddim yn un sydd yn werth cario ymlaen efo hi. O ran y sefyllfa efo Ofqual, beth ydy lefel y ffioedd? Rydych chi wedi sôn am y cap. Sut mae'r cap yn gweithredu? A oes cap o ran Ofqual, neu a ydyn nhw'n hollol fasnachol ynglŷn â—

isn't worth continuing with. In terms of the situation with Ofqual, what is the level of the fees? You've spoken about the cap. How does the cap operate? Is there a cap with Ofqual, or are they completely commercial—

[154] **Mr Wright:** No, completely commercial.

[155] **Aled Roberts:** Right. Okay.

[156] A beth ydy lefel y ffioedd yn Ofqual, felly? And what is the level of the fees in Ofqual, therefore?

[157] **Mr Wright:** They vary dramatically, from some very small—. In fact, coming to the committee, I thought you might be interested in some rough figures, so I did ring some awarding organisations.

10:30

[158] There's no collective figure that I've found, but think of roughly £50 a qualification. Some are going to be £20, £30 or very small awards; large qualifications will be a couple of £100. My rule of thumb would be around about £50 a qualification. In terms of gross profit, again, from conversations, that's somewhere in the region of 45% to 47%, down to 40%, with some as low as 30% gross profit. These are the sort of figures that they're playing with. So, additional cost on top of that is going to be different for everybody in terms of what impact that has. Some will just go, 'Well, that's fine; we can live with that'; for others, it might be the straw that breaks the back.

[159] **Mr Protheroe:** I would agree with you, Aled, that there is a risk to both the points that you raise, if you begin to, or if you do, introduce a system for charging awarding organisations. That may take them over the edge and they may withdraw, or they may pass the costs on to the providers, which then is counterproductive because, ultimately, it's Welsh Government that is paying for that learning journey anyway. I don't know what sorts of conversations are going on between Qualifications Wales and awarding organisations to see what their take on it would be. It would be a bit of an, I guess, ridiculous situation if, you know, you charge an awarding organisation £500 and then that charge gets passed down to registration fees. Again, it's Welsh Government paying for it anyway.

[160] **Aled Roberts:** Rwy'n gwybod eich bod chi wedi croesawu'r ffaith y bydd gan Gymwysterau Cymru yr hawl i weithredu'n fasnachol. Rydych chi'n dweud bod hynny yn rhoi'r posibilrwydd o gadw ffioedd i lawr, i ryw raddau. Dyna'r ffordd rwyf i wedi darllen eich tystiolaeth chi. Rwyf eisiau gofyn eich barn chi am dystiolaeth CBAC. Roedden nhw, hwyrach, yn pryderu am hynny ac yn dweud y buasai hynny'n creu rhyw fath o wrthdaro. Mae yna berthynas masnachol rhwng Cymwysterau Cymru sy'n cael ei gomisiynu gan gyrff dyfarnu, ac mae hynny'n creu rhyw fath o wrthdaro posib rhwng buddiannau masnachol a buddiannau'r rheoleiddiwr. Rydych chi wedi croesawu'r

Aled Roberts: I know that you've welcomed the fact that Qualifications Wales will have the right to operate commercially. You say that provides the possibility of keeping fees down, to some extent. That's how I've read your evidence. I want to ask your views on the evidence from the WJEC. They were perhaps concerned about that and they said that that could possibly create some sort of conflict. There's a commercial relationship between Qualifications Wales, which is commissioned by awarding bodies, and that that would create some sort of potential conflict between the commercial interests and the interests of the regulator. You've welcomed the fact about the ability to operate

ffaith am y gallu i weithredu'n fasnachol. A oes gennyh chi unrhyw bryderon ynglŷn â hynny? A ydych chi wedi gweld unrhyw sefyllfa yn Lloegr neu mewn gwledydd eraill lle mae buddiannau masnachol, hwyrach, yn amharu ar y rheoleiddiwr? commercially. Do you have any concerns about that? Have you seen any situations in England or in other countries where commercial interests have perhaps had an impact on the regulator?

[161] **Mr Wright:** I think SQA would be the obvious one, I think, and my experience there is that it works reasonably well. I think awarding organisations accept the fact that there is a divide between the two. If anything, when I talk to people totally off the record, they say, 'Actually, that is more of a steel wall than it is a paper wall'. They are actually almost harder on themselves. The challenge would be, I think, when you are a regulator, if I understand it, and a commercial provider at one and the same time. The acid test is—

[162] **Aled Roberts:** I think it's a step short of that, where there's the ability, under section 40 of the Act, to actually commission services. I think there's reference to consultancy services where Qualifications Wales could be commissioned by people to provide either consultancy services or other services.

[163] **Mr Wright:** Well, I think if you are the regulator, you have to be an honest broker. The acid test is: if that comes within your scope of regulation, would you be prepared to close yourself down if you saw that it was bad practice? That's always the challenge. It can compromise you. It's rather like the Financial Services Authority opening up an insurance company. You can protect for that by building walls, which is what happened in Scotland, and, as I said, that's worked reasonably well, but it is, as you identified, a concern and a risk.

[164] **Aled Roberts:** Perhaps the walls are not sufficiently steel-strengthened as far as this Bill is concerned at this stage.

[165] **Mr Wright:** I don't know.

[166] **Aled Roberts:** All right.

[167] **Ann Jones:** Simon, have you got a point? [*Interruption.*] Oh, sorry.

[168] **Mr Protheroe:** I was going to say, there is obviously the fact that Qualifications Wales will fulfil awarding functions at some stage in the future—obviously not within this—and there is opportunity there for a commercial side of Qualifications Wales, taking qualifications outside of Wales and across Europe. The thing to bear in mind, I think, with the awarding organisations or the qualifications market is that, you know, we talk in terms of England, Wales and Scotland, but, you know, City & Guilds and others will operate all across the world. So, there may well be opportunities there, and if that reduces the cost to the Welsh Government to run Qualifications Wales, and that money is kept within the learning provision, then that can only be a good thing. But it needs to be, you know, monitored.

[169] **Mr Wright:** Just to back that up, in terms of SQA, they're one of the most successful overseas awarding bodies.

[170] **Aled Roberts:** I think that's a debate for another time.

[171] **Mr Wright:** Yes, absolutely.

[172] **Aled Roberts:** We're more concerned at this moment regarding section 40.

[173] **Ann Jones:** Okay. Simon.

[174] **Simon Thomas:** Ie, roeddwn i jest eisiau gofyn ynglŷn ag edrych ar y sefyllfa yma o ben arall y telesgop, fel petai. Un o'r pethau rwy'n cofio o ymweliad yr SQA oedd y ffaith eu bod nhw yn gorfod camu i mewn i ddarparu cymwysterau lle nad oedd y farchnad yn barod i wneud. Yr un amlwg oedd *Harris tweed*, yntefe? Mae gyda ni frethyn Melin Tregwynt, efallai, yng Nghymru ond nid wyf i cweit yn siŵr ei fod e ar yr un lefel. Ond mae yna, efallai, sgiliau rydym ni eisiau eu datblygu yng Nghymru, neu eu cadw yng Nghymru, sydd yn bwysig y tu mewn i ryw agwedd ar yr economi, treftadaeth neu rywbeth tebyg. A ydy e'n glir i chi o'r Bil fod modd i Gymwysterau Cymru gamu i mewn a bod yn rhagweithiol i sicrhau bod cymwysterau ar gael yng Nghymru? Ym mha ffordd y maen nhw'n gallu gwneud hynny, gan eu bod nhw ddim, fel ydych chi newydd ei grybwyll, yn darparu cymwysterau eu hunain?

Simon Thomas: Yes, I just wanted to ask about looking at this from the other end of the telescope, as it were. One of the things that I recall from the SQA visit was the fact that they have to step in to provide qualifications where the market wasn't willing to do so. The obvious example was Harris tweed, wasn't it? We have Melin Tregwynt cloth in Wales, but I'm not quite certain that that is on the same level. But there may be skills that we want to develop in Wales, or retain in Wales, that are important within some aspect of the economy, heritage or something similar. Is it clear to you from the Bill that it's possible for Qualifications Wales to step in and be proactive in that sense, to ensure that qualifications are available in Wales? How could they do that, given, as you've just mentioned, that they don't provide qualifications themselves?

[175] **Mr Wright:** I think there is provision in there, and there are people who will step in and do it—it's a matter of cost. I used to work for City & Guilds, and one of the challenges I had there was dry-stone walling, which was totally uneconomic, but was there for cultural reasons. So, there are people, and if you talk to the professional bodies, again, they have a charitable ethos, and I'm sure that the majority of them would want to work to address that. I think it's an important point not to forget those learners and those workers who are in those small niches, where, for them, you know, the provision of a Harris tweed qualification is vital. It's not going to change the economy, but it's vital, you know, as much as anything, as part of the culture.

[176] **Simon Thomas:** Lime washing is often brought up.

[177] **Mr Protheroe:** Cheese making, as well, is another one.

[178] **Simon Thomas:** When milk quotas go, we'll need a lot of cheese makers in Wales. *[Laughter.]*

[179] **Mr Protheroe:** It's probably not so apparent to me that it's in there, from just reading the Bill, I guess, but there is, certainly, the sort of scope, through the sector qualifications advisory panels being drawn from employer representatives, to identify specific needs for the economy. It's about Qualifications Wales being the focal point for gathering that information, and, I guess, until such time as they, if they do, become an awarding organisation, they can commission awarding organisations to do that, because that's where the expertise is. It's just that organisation being the focal point for what qualifications are needed to fulfil the economic ambitions of Wales.

[180] **Ann Jones:** Okay?

[181] **Simon Thomas:** Diolch.

Simon Thomas: Thank you.

[182] **Ann Jones:** Mr Wright, can I just ask you: are there any unintended consequences of

awarding bodies deciding that they're being restricted on the qualifications? Therefore, with the niche ones we've just mentioned—I mean, we won't go on about the ones we've mentioned—would they not provide that qualification in Wales, if they were not allowed to provide other qualifications? Is that an unintended consequence of the way the Bill is drafted?

[183] **Mr Wright:** I think the unintended consequence would be if somebody withdraws from Wales, full stop, and takes everything with them. It'd be all or nothing, and so, say for example, with Harris tweed or the Welsh equivalent, if you went to an awarding organisation and said, 'We'd like you to provide that,' it could come with a whole load of baggage for them. You know, they'd have to get approved, and that may or may not be an easy thing to do. They'd then have to maintain it, and they'd have to make sure that they meet the general conditions of recognition for Wales, which may be different from the general conditions for England. So, by adding those things in, yes, I think the unintended consequence would be barriers to entry—each one of those things. So, I think that would probably be my main concern.

[184] The other one would perhaps be that if you restricted the more profitable qualifications as well, again, that might mean that an organisation doesn't see any point in trying to build a market in Wales, because they're only going to be left with the uneconomic qualifications. They always need to have the carrot: the potential to move on.

[185] **Ann Jones:** Okay, that's fine, thanks. Sorry I jumped in there. Has anybody else got anything?

[186] **Mr Wright:** Could I add one last thing on that, as well? If you do restrict it and then change the restrictions, so, if, for example, you say, 'We're restricting this qualification to this one awarding organisation,' and then, two years down the track, review it and withdraw it, there are implications for colleges, because, again, they will be geared up to working with a particular awarding body, which does things in a particular way and then suddenly, it brakes—halt—and the whole of Wales has to change gear in that particular range of qualifications.

[187] **Ann Jones:** Okay, fine. Thanks very much for that. Everybody happy? Yes? Okay. Thank you both very much. We've run out of time. We'll send you a copy of the transcript of this session to check for accuracy, because that forms part of our report. Thank you very much for the session this morning.

Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o Weddill y Cyfarfod

Motion under Standing Order 17.42 to Resolve to Exclude the Public from the Meeting for the Remainder of the Meeting

[188] **Ann Jones:** If the committee is agreeable, under Standing Order 17.42, we'll move into private mode.

Cynnig:

y pwyllgor yn penderfynu gwahardd y cyhoedd o weddill y cyfarfod yn unol â Rheol Sefydlog 17.42(vi).

*Cynigiwyd y cynnig.
Motion moved.*

Motion:

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order 17.42(vi).

[189] **Ann Jones:** Okay. Thanks very much.

*Derbyniwyd y cynnig.
Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 10:40.
The public part of the meeting ended at 10:40.*