

**National Assembly for Wales
Communities, Equality and Local Government Committee
Task and Finish Group on the future outlook for the media in Wales**

**Skillset Cymru Submission
07 November 2011**

1.0 Who we are

Skillset Cymru is the Welsh arm of Skillset, the Sector Skills Council (SSC) for the Creative Industries which have been identified as a priority growth sector in the Welsh Government's *Economic Renewal Programme* and the UK Government's *Plan for Growth*.

Our work in Wales is overseen by our National Industry Board, which is made up of representatives of the independent sector, broadcasters, unions, trade associations, sector support agencies and Welsh Government departments (see Annex 1). It is a dynamic and influential Board, Chaired by John Geraint, Creative Director of Green Bay Media and member of the Welsh Government's Wales Employment and Skills Board (WESB).

Our sector footprint includes TV, film, radio, interactive media, animation, computer games, facilities, photo imaging, publishing, advertising and fashion and textiles. We are an independent, employer-led organisation, recognised by the government as a private sector body and licensed by government across the UK to support skills and training for people and businesses in the Creative Industries.

2.0 Our response to the Key themes

Key Theme 1 and 3 (we have dealt with these jointly as they cover similar areas in terms of skills)

-The current state of the media in Wales and how new technology and other developments are impacting on this, in the context of continuing concerns about the future of the Welsh broadcast and print media.

-The opportunities for new media business models to be built in Wales

Skillset Cymru's work is informed by a comprehensive, industry endorsed programme of research about the industries and the training provision available to them. We are the leading specialists in providing research for the Creative Industries in Wales and across the UK. Skillset estimates show that over 30,000 people and an estimated 3,300 companies (the vast majority of which are small) operate within the Creative Industries we represent in Wales. 29% of the sector is made up of freelancers.

The Creative Industries in Wales faces many of the same major challenges as the rest of the UK, such as exploiting intellectual property in a digital environment in creative media and a lack of technical skills in fashion & textiles.

The Hargreaves' review of the Creative Industries in Wales recommended a move away from the service model and an increased focus on the generation and exploitation of intellectual property. This was of particular relevance for those parts of the Creative Industries that were most dependent on public spending.

A vital part of Skillset's work is to look to the future of the Creative Media Industries so that we can prioritise our investment in ways that seek to help our industries maximise opportunities and avoid pitfalls. Skillset research needs to continue to measure current and future skills demand to ensure a constant flow of evidence to inform priorities and decisions.

Our research is also fundamental to our role as the voice of the industries on skills issues. The information does not exist anywhere else. These reports highlight the following key issues related to skills and the Creative Industries in Wales:

A sector of continued importance - while elements of the sector in Wales have undoubtedly been affected by public sector cuts and enforced spending constraints, including redundancies across the board, the sector continues to punch above its weight. In particular, it is a source of well paid, knowledge based jobs; is highlighted by the Welsh Government (WG) as being of key strategic importance in employment and skills terms; and has the invaluable asset of a well-qualified and well-motivated workforce.

A sector that performs at a global level - the sector in Wales (as in the rest of the UK) is affected by a range of global drivers, including the fast moving pace of technology and the appetite for new platforms on which to consume content. The challenge of this in a skills context is that the current and future Creative workforce in Wales has to be equipped to keep up with the pace of change and competition from elsewhere as well as improve productivity, quality and the overall contribution of the sector to the Welsh economy; Internationalisation of activities and attitudes should be across the board - from established companies to new entrants acting locally but thinking internationally.

Distinctive and localised challenges - the increasing levels of TV drama production over recent years looks set to continue. This will provide a platform on which to build and explore further commercial opportunities and entry to new markets. Key to realising these opportunities will be the need to ensure that Wales has a Creative workforce fully equipped with the skills to take maximum advantage.

Leadership and management skills – we need to generate a step change in leadership and management skills across our sub-sectors. For example, the need to reduce the dependency on a small number of key individuals within production companies and ensure that the “next generation” has the necessary skills to take the sector forward. Provision in this area must also be industry relevant, of sufficient quality and accessible.

Business acumen and entrepreneurship skills – need to be significantly improved amongst employed staff and freelancers, particularly in understanding intellectual property rights (IPR), finance generation, co-production, sales, marketing, promotion and distribution. It is necessary to build stronger and more robust creative companies in Wales innovating in their business models and practices.

Adopting transferable skills and multi-skilling within the workforce - this is essential in the context of convergence and is resulting in the blurring of conventional occupational roles across most of Skillset’s footprint in Wales.

Flexible support for freelancers – freelancers make up a substantial part of the workforce in Wales (29%) and this is set to increase. Freelancers face several barriers when it comes to accessing training (cost, time, choice of training available). We need to ensure accessible financial systems, better choice and more flexibility in addressing freelance training needs.

Developing and exploiting multi-platform skills - the onset of convergence across our sub-sectors is creating new challenges and demanding new skills from the Creative workforce. Those working within the Publishing sector for example, need the skills to develop high quality content and make sure it can be used in many different formats: in print, online, and with mobile technology. They also need to understand the implications this has on intellectual property and sales.

Improving the employability skills of new entrants – we need to ensure that new entrants are equipped with “real world” skills such as general business acumen and digital skills which employers say are of crucial importance to them in Wales.

Improve Careers Information, Advice and Guidance (IAG) within the education system - the provision of IAG from secondary school level onwards needs to be more comprehensive in Wales and needs to better inform potential new entrants of, and prepare them for, the opportunities and challenges of a career in the sector.

Education needs to keep pace with sector developments - it is vital that the education system in Wales keeps pace with the rapidly changing global drivers that affect the Creative Industries and ensures that new entrants are equipped with the best possible transferrable skills to undertake the more mixed functions and roles that will be required to improve the competitiveness of the Welsh Creative sector in the future.

Continued priority given to the Creative Industries – the Creative Industries should continue to receive attention as sectors of strategic importance by the Welsh Government, with priority placed on their skills needs and workforce development. Government and business should work more closely together, with employers having increased influence and investment in the skills system, and with government policy enabling greater tailoring of skills strategies to meet the high level skills needs of the industry.

Increased investment in Research and Labour Market Information - before the skills needs of the Creative Industries can be addressed, they must first be identified. With increased resources and the continued support of industry and Government, Skillset's Research programme can grow alongside the growth of the industry and do much more to understand the needs of employers and the workforce.

Diversifying the Industries - the Creative Media Industries both serve and draw on the talents and skills of a diverse population. In Wales, the sector is made up of a relatively young workforce; is under-represented by women and Black, Asian and Minority Ethnic members of the workforce (BAMEs); it is a highly qualified workforce with strong reliance on freelance and cross sector workers. The sector needs to harness diversity which will result in a globally successful, creative and productive industry. We need to support and value equality and diversity within the skills agenda across the industry.

Cross fertilisation within the Creative Industries - encouraging partnerships and experimentation drawing on other sectors' areas of expertise in a converged digital world is another area which should be explored.

Key Theme 2 - What the priorities should be from a Welsh perspective as the UK Government brings forward proposals for its *Communications Bill*

As an industry-led body, Skillset is only too aware that globalisation, digitisation, commercialisation and intellectual property rights are driving change in these industries. We are aware that the Communications Bill will be examining these drivers for change in order to create a framework that can support growth in the sector for the next 10 years and beyond.

Skillset considers the impact that changes to the industry have on skills and talent development but also assesses the future impact, needs and requirements that these changes will bring. For example in Wales, we are about to publish a new piece of research which examines The Future Skills Needs of the Creative Industries in Wales and compares those needs with the education and skills programmes currently being delivered by our education establishments.

The creative media industries in Wales, supported by Skillset, have progressed in recognising the importance of skills in developing and expanding their businesses as well as their competitiveness. But, in our view, more still needs to be achieved.

We would like to emphasise that a balanced ecosystem for the digital and creative industries is the one that within its arrangements provides opportunities for the development of knowledge, skills and talent.

Action on and investment in skills and talent development leads to competitive advantage by providing better content and services. Moreover, within a converged environment, investment (or not) in skills at one end of the service chain could affect (positively or negatively) performance and product delivery in other parts of the chain.

Content creation now encompasses many forms of delivery through different platforms of distribution. Therefore, people working within the digital and creative industries are already required to converge in both their practice and their professional/business environment (e.g. creating across the print, broadcast and internet, or producing for film, broadcast and web distribution). Employers operating under a changing regulatory environment need to be able to support the people and the companies as they adapt to new business environment. For example, changes to Intellectual Property rights management - as suggested by Ian Hargreaves review – *Digital Opportunity* (2011) will impact on the way people in the industries operate, create, distribute and monetise their content. These changes in practice will need to be supported by updating their knowledge and skills. In addition the development of the local media agenda has a critical link to develop the skills and talent base.

The 2011 Skillset Sector Skills Assessment for Wales (January 2011) recognised as one of the key areas of skills development the fusion of creative, business & technological skills needed to develop high quality content and exploit digital rights and new technologies. We strongly believe that addressing skills issues deriving from the development of the industry should be discussed within the context of progressing towards the new Communications Act. We also suggest that the Communications Review links with other strategic work currently in progress, such as the Film Policy Review and the deliberations of the Creative Industries Council, as there are correlations to consider.

Key Theme 4 - What the Welsh Government is doing to implement the Hargreaves report recommendations and what other steps could be taken to strengthen the media in Wales in terms of content and plurality of provision.

Skillset's industries recognise that employer-owned action, leading to increased ambition, investment and the better use of skills and talent will achieve increases in enterprise, employment opportunities and growth. No longer a 'fringe sector' but a top priority 'growth' sector, they know that now is the moment when they have to more systematically address sustainable employer ambition and investment in order to drive through their vision.

The structure of the industries makes this challenging and that is why they see the pivotal need for Skillset Cymru to strategically drive and coordinate their work and broker effectively with stakeholders and providers.

What is supportive is that the sector in Wales does seem to have an appetite for learning. The sector is characterised by a highly qualified workforce, with 68% of the workforce in possession of a degree level qualification. Approaching three-fifths (57%) of the Welsh Creative Industries workforce have also participated in training during the last 12 months. Demand for training still remains high, with 56% of the workforce indicating that they have a current training or development requirement.

The focus of the Hargreaves's review in terms of skills and education is narrowly focused on further and higher education and excludes school level education and continuous professional development. The review does note however that the:-

"picture is quite positive with regard to training issues on the media side of creative industries (the Skillset footprint), with a good supply of new initiatives and impressive examples of collaboration between employers and educational institutions".

If we focused initially on new entrants training (which is the main focus of the Hargreaves review) Skillset is tackling a number of issues raised in the report – which are listed below:-

The Skillset Cymru Apprenticeships

Skillset Cymru is currently piloting the Level 3 Apprenticeship in Creative and Digital Media in Wales with support from the Welsh Government's Sector Priority Fund Pilot and has recruited two cohorts of Apprentices, one in South Wales and one in North Wales in partnership with Cardiff and Vale College and Coleg Llandrillo.

A total of 11 apprentices have been offered placements with 10 production companies including Rondo Media, Boomerang, Green Bay, Telegop, ITV Wales, Live Tech, Fragrant Films, CC4Web, Ceidiog, Cwmni Da, It's My Shout. Over half of these Apprentices have been offered employment upon completion of the qualification in December 2011.

24 apprentices have also been confirmed for 2012 – 12 with the BBC Wales Drama Village and 12 with the independent sector.

We will also soon be offering our Fashion and Textiles Apprenticeship Framework in partnership with Training Services Wales who will soon be offering our Laundry, Dry Cleaning, Textile Care Services pathway.

Skillset Media Academy Wales and Skillset industry kite-marking of courses

There were 1,090 Higher education courses relevant to Skillset's footprint, in Wales in 2008/09 with a total of 19,040 students studying on these courses. Too many of these courses produce graduates with insufficient specialism to meet the needs of industry, and employers have voiced strong support for industry backed accreditation of courses. There is also a need for better careers advice and mentoring and better signposting and access to relevant training opportunities.

To address these issues, Skillset has devised a system of:-

- Licensing Skillset Film and Skillset Media Academies across the UK;
- Established a process of individually accrediting courses;
- Piloting the Accreditation of providers delivering Skillset Apprenticeships

Both initiatives have been taken forward in Wales.

The Skillset Media Academy in Wales was established in in 2009 and had operated prior to then in the form of the Skillset Screen Academy Wales which focused specifically on Film. The Media Academy, covering all of our sectors, was approved and licensed by Skillset in June 2009 and is made up of a partnership of four Universities - University of Wales, Newport, University of Glamorgan, Swansea Metropolitan University and University of Aberystwyth. The Academy has so far been financed with funding awarded by Skillset and the Higher Education Funding Council for Wales. The principal benefit of Media Academy status is the endorsement from Skillset on behalf of its industry stakeholders that the Academy is a centre of excellence in media education and training. It forms part of a network of 23 Skillset Academies scattered across the UK.

Skillset's accreditation of courses recognises University courses within the UK that provide exceptional standards of training. Each course undergoes rigorous assessment by industry professionals in order to be awarded the Skillset *Tick*. These courses are widely recognised as those that best prepare students for work in the industry and those that have the strongest links with industry. In Wales, 4 HEI courses have been accredited so far – these include the:-

BA Computer Animation/BA Animation and the *BA Computer Animation* at the University of Glamorgan; *BA in Animation* at the University of Wales, Newport; and the *BA (Hons) Film and Video* at the University of Wales, Newport. All these courses fall within the Skillset Media Academy Wales.

All colleges in Wales will be invited to submit their courses for Skillset accreditation in autumn 2012.

These programmes are proving to be beneficial to new entrants pursuing courses at higher and further education. Recent analysis revealed that the first cohort of students to graduate from Skillset's accredited courses were over three times more likely to gain employment in the sector as compared to students graduating from similar subjects but non-accredited.

We are also about to embark on a new programme of piloting the Accreditation of providers delivering Skillset Apprenticeships. Two of our Welsh Further Education Colleges – Coleg Llandrillo and Cardiff and Vale College have been invited to take part.

The courses in the future will be under pressure by the changes in funding for HE and learners will become more cost conscious and ask more from course providers to deliver courses which are advantageous to their future progression.

The introduction of the higher fee structure is also anticipated to drive a need for more part time, flexible and short courses to meet market demand. Skillset Cymru is currently informing a large CDP programme called Skillset Academi+ (funded by the Higher Education ESF fund), with the Skillset Media Academy Wales to meet this need. The *Build your Own MA* model devised by Skillset, will allow students to complete flexible 20 credit modules of learning, which when added together can lead to an MA.

The Welsh Government's review of the Creative Industries *The Heart of Digital Wales: a review of creative industries* makes particular reference to Skillset's work in this area highlighting the work of Skillset Media Academy Wales. The same review specifies that the Welsh Government would like to see Sector Skills Councils having a leading role in evaluating courses within their areas.

Skillset Cymru is particularly keen to take our HE agenda forward in Wales in partnership with the new Creative Industries Panel and feels that the work to be achieved this year is of particular importance.

Principal Learning in Creative and Digital Media within the Welsh Baccalaureate Qualification

Four Welsh Further Education Colleges and schools are delivering the Principal Learning in Creative and Media within the Welsh Baccalaureate qualification. This line of learning has been informed by Skillset and is a new way for students to learn the context of the creative and media industries and brings learners closer to the reality of the workplace. The aim is to enable learners to apply their knowledge and skills effectively as they progress into further and higher education and future employment.

Non main-stream new entrant training schemes

Skillset offers grants to organisations to support the delivery of structured new entrants training schemes to recruit new and diverse talents into the Welsh creative industries. These are financed via our Film Fund and our TV Funds – which are made up of industry levy and government support. In addition to these UK-wide funds, specifically in Wales, we also invest in various new entrants training schemes via our Training Framework which is made up of S4C and Teledwyr Annibynnol Cymru (TAC) funding for training, which Skillset Cymru manages on their behalf. A large percentage of these schemes have been delivered by Cyfle, a Skillset approved training provider in Wales.

The Hargreaves review does not refer to the importance of investing in workforce skills, where a great deal of work is being taken forward by Skillset Cymru in partnership with all its key stakeholders. It also does not mention the role of Sector Skills Councils in gathering LMI on sector trends and skills issues or our remit in relation to qualifications. Skillset Cymru has pressed ahead in addressing some of these issues through its various industry-informed initiatives.

These are outlined below:-

Skillset Research

Skillset's vast research programme, including its recent Futures Research is used to inform its skills investment funds, is forwarded to Welsh Assembly Departments, Further and Higher Education institutes and training providers to inform course content, provision and career advice and guidance. Skillset research is being used extensively by the Skillset Media Academy in Wales (made up of the Universities of Newport, Glamorgan, Swansea Metropolitan and Aberystwyth) to inform course provision and the delivery of its Academy+ CPD programme).

Company and Freelance support

Skillset Cymru Training Framework

Our Framework is a joint approach by Skillset Cymru, the Welsh language broadcaster S4C, the trade association Teledwyr Annibynnol Cymru (TAC) membership levy and Welsh Government, to support the skills and training needs of the Welsh independent production sector and the wider Creative Industries in Wales. It offers a collaborative and strategic approach to identifying training needs, gathering data and intelligence from the sector in Wales, and using it to fund training provision.

Managed by Skillset Cymru, the programme uses Skillset research to inform approximately £420,000 per annum of S4C and TAC funding in various training initiatives in skills priority areas. This funding is topped up by various other funds such as those from the Welsh Government and participant fees.

It also offers bursaries to freelancers to attend courses in skills priority areas and collaborates closely with the Welsh Government's Workforce Development Programme to encourage companies to develop training plans and to utilise research on skills needs gathered by that programme. In the years 2010-11, a total of £635,136 was invested in various training schemes. This funding secured approximately £350,000 in match and was used to train approximately 539 individuals.

Examples of courses financed 2010-11 are detailed below – and cover the skills priorities identified by our Sector Skills Assessment for Wales and our research examining the Future skills needs of the sector. The focus has primarily been on supporting training in the areas of digital, business and finance, production skills, co-production and technical skills and include the following:-

- Digital Delta
- Principles of Digital Archive & Digital Rights Management
- Developing & pitching multiplatform projects
- Multi-platform Symposium
- Multi-platform Development Scheme for TV
- Talent Attraction Scheme for Executive Producers
- Ideas generation and innovation
- Production Management for Junior Professionals
- High level Series Producer Scheme
- International Co-production
- Creative Business Leader Programme
- High Level TV drama scriptwriting
- Attachment for Media Asset Managers

As part of its monitoring and evaluation framework, Skillset Cymru operates a thorough impact analysis of all the courses it supports. Skillset also receives support from the Welsh Government's Business and the Economy Department and S4C to manage all the activity covered by the Framework.

Skills for the Digital Economy Project

The aim of the *Skills for the Digital Economy* project is to address the skills needs of the creative media industry across West Wales and the Valleys. The four year training programme is backed with £2.7m from the European Social Fund, through the Welsh Assembly Government, with the rest of the funds provided by the broadcaster S4C, the trade association for independent producers in film and television in Wales, Teledwyr Annibynnol Cymru (TAC) and Skillset Cymru. There are two main elements to the programme – a) research and b) support for the delivery of training. The programme is overseen by an industry Steering Group and the Skillset Cymru Industry National Board.

Skillset Cymru will be researching the skills needs of the Creative Media workforce in the target regions and will use this data to inform the development and delivery of training provision which will be tendered out to training providers and companies to deliver.

Key skills priority areas identified so far are in the areas of Multiplatform, Intellectual Property, Multi-camera, leadership and management, editing and business skills.

Qualifications

Employers within our sectors rely on a skilled and qualified workforce to help ensure their competitiveness. Skillset Cymru's role is to take this agenda forward in Wales, taking on board variations in terms of demand for different types of qualifications and addressing National Occupational Standards through the medium of Welsh, for example. This activity broadly covers the following areas:-

- Create and maintain National Occupational Standards (NOS) and addressing the development of standards through the medium of Welsh. We are currently developing a Welsh language version of an online NOS consultation tool. This will facilitate the gathering of feedback on existing NOS, NOS under review and development and will serve as a dynamic method of engaging directly with industry to ensure that NOS are accurate reflections of current best practice across the UK.
- Work in partnership with Awarding Bodies to develop and maintain qualifications – for example the WJEC in Wales and aids the delivery of the 14-19 Principle Learning in Creative Media element within the Welsh Baccalaureate Qualification.
- Develop a Sector Qualifications Strategy for Wales that identify the qualifications needs of our industries.
- Help influence the Vocational Qualifications Reform Programme in Wales – the Credit and Qualification Framework for Wales. We are aiming to collaborate with training providers and employers with non-accredited learning to examine what courses could be accredited and placed on the QALL.
- Develop Apprenticeship Frameworks - we are currently piloting the Apprenticeship in Creative and Digital Media in Wales with 14 employers and 11 apprentices in partnership with Cardiff and Vale College and Llandrillo.

In addition to the above a substantial amount of Skillset Cymru's time is spent informing and advising qualifications developed by Higher Education institutes in Wales. For example, in the areas of Foundation Degrees and Work Based Learning.

Skillset UK-wide initiatives benefiting Wales

The sector in Wales also benefits from the UK-wide initiatives Skillset delivers for new entrants, freelancers and employers. These include the Skillset Film Fund and the TV Freelance Training Fund. The sector in Wales has benefited considerably from these initiatives which offer funding to training organisations and bursaries to individuals to attend training, once again in priority skills areas.

We would like to note in particular that a large percentage of Skillset Cymru's investment in the creative industries in Wales is made up of the S4C funding and the Teledwyr Annibynnol Cymru levy. Indeed, this forms the basis of almost all CPD training that exists for the creative industries in Wales.

Its key outputs are highlighted in section 3.4 of this report and of key importance is that it is being used to match-fund our ESF funded programme *Skills for the Digital Economy*.

To note finally:-

With the recent S4C and BBC governance announcement we need to ensure that skills will remain at the top of the broadcasters' agenda and that their investment in our projects remains as it is. Our ESF project in particular, is over 4.5 years – up until 2015 and is dependent on the S4C and TAC match, so guaranteeing that is a priority and we would welcome the Welsh Government's support in this respect.

Skillset welcomes the opportunity to contribute to the National Assembly for Wales' Communities, Equality and Local Government Committee task and finish group inquiry into the future outlook for the media in Wales. We do hope that this paper has provided you with a meaningful summary of what we believe are the key skills issues for the sector in Wales and the various services and initiatives Skillset Cymru is delivering to address some of these.

Appendix 1

Skillset Cymru National Board

- Pauline Burt, Film Agency for Wales
- Roger Carter, Head of Research, Business and Communities, HEFCW
- Joedi Langlely, Business Development Officer Broadcast & Film, Welsh Government
- Aron Evans, Director, Dinamo
- Catrin Evans, Senior Producer, Tinopolis
- Rwth Foulkes, Sector Policy & Programme Manager, Department for Education and Skills, Welsh Government
- John Geraint, Creative Director, Green Bay Media (CHAIR)
- Delyth Wynne Griffiths, Director of Business Affairs, S4C (DEPUTY CHAIR)
- Stephen Hagen, Deputy Vice Chancellor at University of Wales, Newport
- Mark John, owner, Vision Thing Communications Ltd and TAC training representative
- Brian Kelly, Training Officer, BECTU
- David Mackie, Head of Production and Business Development, BBC Wales
- Alan Morgans, Director of Tinopolis Interactive, Tinopolis
- Huw Owen, owner, CC4 ltd.
- Dawn Simpson, Director for Out of London, PACT
- Nia Thomas, Head of Production, Boomerang
- Hywel Wiliam, Director at AIM Advisors in Media

Appendix 2

Skillset UK Board of Directors

David Abraham - CEO, Channel 4

Eileen Gallagher - CEO, Shed Productions

Andrew Harrison - CEO, RadioCentre

Stephen Heppell - Professor/Founder, Heppell.net

Betty Jackson - Betty Jackson Ltd.

Iona Jones - most recently the Chief Executive of S4C

Christine Payne - General Secretary, Equity

MT Rainey - Founder, Horseshmouth

Gail Rebeck DBE - Chairman and Chief Executive, Random House

Peter Salmon - *Director of BBC North, BBC*

Stewart Till - *Chair Skillset/CEO Icon Entertainment UK*

Stephen Woodford - *Chairman and CEO, DDB UK*