



European  
Social  
Charter

Charte  
sociale  
européenne



21/12/2017

RAP/Cha/GBR/37(2018)

## **1961 EUROPEAN SOCIAL CHARTER**

37<sup>th</sup> National Report on the implementation  
of the European Social Charter

submitted by

**THE GOVERNMENT OF THE UNITED KINGDOM**

Articles 2, 4, 5 and 6  
for the period 01/01/2013 - 31/12/2016

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21 December 2017

**CYCLE XXI-3 (2018)**



**COUNCIL OF EUROPE**

**THE EUROPEAN SOCIAL CHARTER**

**THE UNITED KINGDOM'S REPORT**

**December 2017**

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**Article 2, Paragraph 2 Right to just conditions of work: Public holidays with pay**

***In Conclusions XX-3, the Committee of Social Rights concluded that the situation in the UK is not in conformity with Article 2§2 of the Charter on the ground that the right of all workers to public holidays with pay is not guaranteed.***

**United Kingdom**

The position remains as previously described with the following developments. In its previous Conclusions, the Committee asked about entitlement to paid public holidays and whether employees are entitled to time off in lieu and, or increased remuneration. It also wished to be informed of the impact of any change to the Working Time Regulations. The introduction in 1998 of the right to 4 weeks' paid annual leave gave workers an entitlement to paid annual leave. The UK Government was however aware that some people, particularly the lowest paid, had to include time taken off on bank and public holidays against their annual holiday entitlement. The UK Government considered this unfair and has extended the statutory holiday entitlement beyond that required by the European Working Time Directive to 5.6 weeks – for someone working 5 days a week this would mean an entitlement of 28 days, guaranteed in law. This change was introduced by the Working Time (Amendment) Regulations 2007 SI 2007/2079<sup>1</sup>. Workers cannot forego their right to 5.6 weeks leave for financial compensation.

There is no entitlement to take leave on bank and public holidays – inevitably some people are required to work on bank and public holidays. If someone works on a bank or public holiday they will still be entitled to 5.6 weeks leave and so leave might be taken on an alternative day or days - the rate of pay and circumstances in which work may be performed is a matter for individual contracts. About one per cent of workers work all bank or public holidays.

The Labour Force Survey shows that 79 per cent of employees were paid at least their basic rate for all bank holidays not worked, with a further 3% paid at least basic rate for some bank holidays not worked. Of the 18% who said they were not paid for bank holidays not worked, around 15% said they hadn't started their current job at the time of the relevant bank holidays, while 20% received paid annual leave (excluding bank holidays) of 28 days or more. It is very unusual for workers to work on all of the UK's public holidays. 87% of those working at least three public holidays got at least 20 days paid annual leave (excluding bank holidays).

The UK Government notes the negative conclusions reached by the Committee about the UK's response on Article 2, paragraph 2. However we remain of the view that we conform with the measures contained in this paragraph

**Article 2, Paragraph 3 – Annual holiday with pay**

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<sup>1</sup> [http://www.opsi.gov.uk/si/si2007/uksi\\_20072079\\_en\\_1](http://www.opsi.gov.uk/si/si2007/uksi_20072079_en_1)

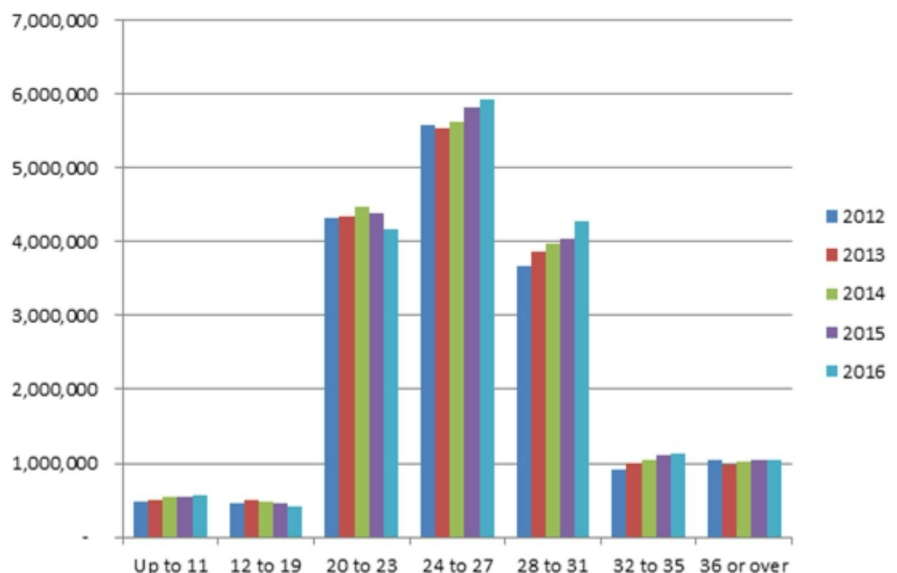
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As noted in the Committee's conclusions, the situation in the UK about the interaction of sick leave and annual leave is in conformity with Article 2, paragraph 3.

The UK Government undertook an extensive campaign to raise awareness of the increased legal entitlement to annual leave. Acas - the UK Government funded Advisory, Conciliation and Arbitration Service provides individual help and advice in relation to wider employment rights. Acas is also responsible<sup>2</sup> for the Pay and Work Rights helpline which provides information and guidance of workplace rights enforced by UK Government.

The tables below set out the current position on the annual leave entitlement in the UK.

*Days of annual paid leave excluding public holidays (number of full-time employees)*

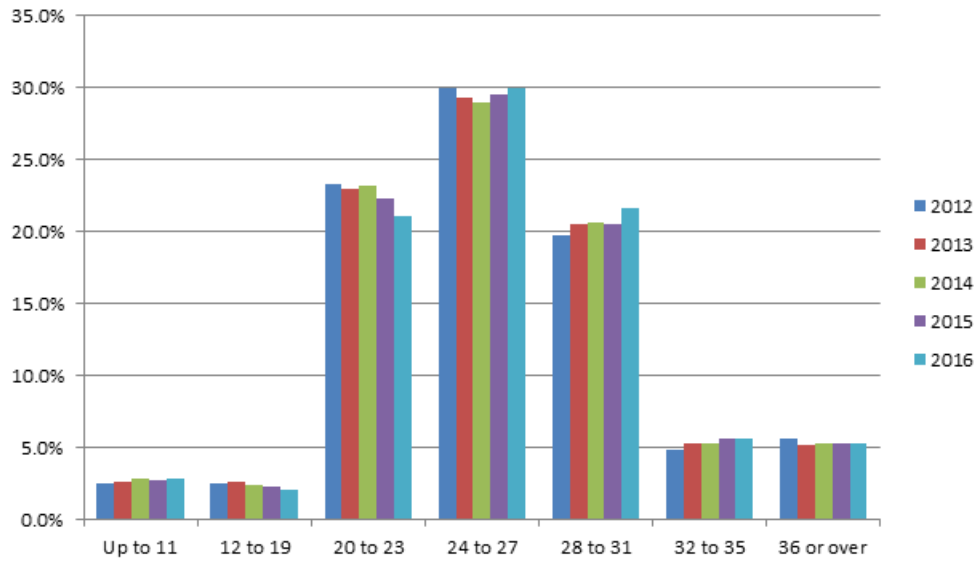


Source: Labour Force Survey, employees 17+

*Days of annual paid leave excluding public holidays (proportion of full-time employees)*

<sup>2</sup> <https://www.gov.uk/pay-and-work-rights>

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Source Labour Force Survey, employees 17+

### Isle of Man

The position remains as previously described.

#### **Article 2, Paragraph 4 - additional paid holidays or reduced working hours for workers engaged in dangerous or unhealthy occupations**

- **The Committee takes note of the information provided on the measures taken to minimise the risks to health and safety at work. It notes that, in the absence of specific rules that create an obligation to compensate workers dealing with residual risks, for example by reduced working hours or additional holidays, the non-binding guidance that is currently being applied does not allow to establish that the situation is in conformity with Article 2§4 of the 1961 Charter.**
- **The Committee concludes that the situation in the United Kingdom is not in conformity with Article 2§4 of the 1961 Charter on the ground that it has not been established that workers exposed to occupational health risks, despite the existing risk elimination policy, are entitled to appropriate compensation measures.**

#### **United Kingdom**

The UK Government, respectfully, continues to disagree with the Committee's conclusions on Article 2, Paragraph 4 (Elimination of risks in dangerous or unhealthy occupations). The approach taken by the UK Government, (outlined in the 33rd report), is explicitly focused on reducing exposure to occupational health risks in line with a set of principles enshrined in legislation. The UK has a robust framework for reducing risk that is focused on reducing exposure under the established principles of elimination, reduction, assessment and control of risk. In the UK Government's continuing view, this goal-setting approach presents the potential for higher levels of risk control than simply focusing on reducing the time of exposure to the risk or by providing additional leave once the workers have been exposed to risks to their safety or health at work.

#### **Isle of Man**

The position remains as previously described.

#### **Article 2, Paragraph 5 – weekly rest periods**

- **The Committee concludes that the situation in the United Kingdom is not in conformity with Article 2§5 of the 1961 Charter, on the ground that there are inadequate safeguards to prevent that workers may work for more than twelve consecutive days without a rest period.**

#### **United Kingdom**

The position remains largely as previously described.

The table below shows that the overwhelming majority – 84 per cent of those in employment in the most recent data - benefit from a Sunday off work. Due to availability of data we are using Sunday, as in previous reports, as a benchmark.



<b>Table 1: Those in employment, UK, who work Sundays</b>			
	<b>Report usually working Sunday</b>	<b>on</b>	<b>Those who report usually working on Sunday as a % of those in employment</b>
			<b>Those who report usually working on Sunday as a % of employees</b>
Q2 2006	4,609,395		15.84%
Q2 2007	4,574,522		15.60%
Q2 2008	4,458,434		15.00%
Q2 2009	4,607,346		15.84%
Q2 2010	4,795,446		16.43%
Q2 2011	4,771,919		16.21%
Q2 2012	5,065,920		17.08%
Q2 2013	4,901,940		16.37%
Q2 2014	5,102,521		16.62%
Q2 2015	5,164,398		16.60%
Q2 2016	4,940,621		15.57%
Q2 2017	5,166,530		16.11%
Source: Labour Force Survey			

- In Conclusions XX-3(2014) the Social Rights Committee concluded that the situation in the UK is not in conformity with Article 2§5 of the Charter on the grounds that there are inadequate safeguards to prevent that workers may work for more than twelve consecutive days without a rest period.***

The situation where a person might work more than 12 days between rest is where a special case under Regulation 21 of the UK Working Time Regulations applies, e.g. there is a need for business continuity, unusual or unforeseen circumstances etc. In such cases compensatory rest is due under Regulation 24. These cases are in keeping with Article 17 of the EU Working Time Directive.

The Working Time Regulations are quite clear that workers should not normally work for more than 12 consecutive days. Workers are usually entitled to one whole day off a week. There are some exceptions to this, for example to deal with emergency situation, but these are limited and subject to the condition that workers get compensatory rest. Days off can be averaged over a two-week period, meaning workers can take two days off a fortnight. Days off are taken in addition to the paid annual leave entitlement. Different rest break periods apply to young workers – for example, young workers are usually entitled to two days off each week. This cannot be averaged over a two-week period and should normally be two consecutive days.

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The Committee may wish note the ruling in the CJEU case C-306/16 (*Marques Da Rosa*). In this case, the CJEU have decided that EU law does not require the minimum uninterrupted weekly rest period to be provided no later than the day following a period of six consecutive working days, but requires it to be provided within each seven-day period. . The consequence of this interpretation is that a worker may in principle work up to 12 consecutive days (if the weekly rest period is granted on the first day of the first seven-day period and the last day of the following seven-day period).

The UK Government notes the negative conclusions reached by the Committee on the last report, but we remain of the view that we conform with the measures in Article 2 paragraph 5.

**Isle of Man**

The position remains as previously described.

## **Article 4, Paragraph 1 – right to decent remuneration**

### **United Kingdom**

#### **The National Minimum Wage (NMW) and National Living Wage (NLW) legal framework**

The NMW describes the statutory minimum wage that applies to workers aged 16 – 24 and those in the first year of an apprenticeship. Its objective is to maximise pay of workers without damaging their employment prospects.

The NLW was introduced in 2016 and is the statutory minimum wage for workers aged 25 and over. The UK Government has an established policy to set the NLW rate such that it reaches 60% of median earnings by 2020.

As mentioned in our previous report, all workers in the UK, except the genuinely self-employed, are entitled to be paid at least the NMW / NLW. Further information on who is covered can be found on the Government website<sup>3</sup>. There are detailed requirements relating to the NMW / NLW rates, the method of calculation and exclusions or modifications. A worker's right to the NMW / NLW is enforced by Government who have the power to inspect employers and, if they find that workers are not being paid the NMW/NLW, take action to require employers to pay arrears to underpaid workers, and to pay a further financial penalty.

#### **How the Low Pay Commission recommends the NMW / NLW rate**

The Low Pay Commission (LPC) was established by the UK Government in July 1998 to advise the Government on what the NMW/NLW rates should be. It is independent of Government and comprises of nine Commissioners, three of whom have a trade union background, three with an employer background and two academic labour market specialists and an independent Chair. The LPC's task is to make recommendations on the minimum wage to Government. The LPC undertakes extensive consultation (including with worker and employer representatives), which supplements their research and analysis of official data and economic evidence. They receive written submissions and take oral evidence from a wide range of representative organisations. They also make visits across the UK to enable them to have direct contact with businesses in low paying sectors and areas with unemployed and low-paid workers and their representatives.

#### **National Living Wage (NLW) rates**

The NLW was introduced for the first time in April 2016 at £7.20 and resulted in over 1.3 million people receiving a pay rise. In April 2017, the NLW increased to £7.50 per hour. Over 1.5 million people benefited from the increase. An increasing number of workers will be covered by the NLW as the rate increases towards its target of 60% of median earnings by 2020, subject to sustained economic growth.

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<sup>3</sup> <https://www.gov.uk/national-minimum-wage>

### **National Minimum Wage rates**

For the NMW rates and its coverage in 2016 please see tables 3 and 4.

### **Real Increase in NMW/NLW between 1999 and December 2016**

In April 2016 the NLW came in to force at the introductory rate of £7.20. This is double the NMW rate which applied to workers aged 22+ when it was first introduced in April 1999. In real terms the main rate of the minimum wage (now the NLW) has increased by around 25% compared to RPI and 44% compared to CPI over the same period.

The LPC estimates that the NLW was equivalent to 56.4% of median earnings (the bite) in April 2016. This compares with 45.6% for the NMW when it was introduced in April 1999. According to OECD data the UK minimum wage bite was similar in 2015 to the OECD average but was forecasted by the LPC to be higher than the average as the NLW reaches its 60 per cent median earnings target in 2020.

### **NMW/NLW alongside other policies to support the low paid**

The NMW/NLW is just one part of the UK Government's agenda of moving to a higher wage, lower tax, lower welfare society. For example, the tax system supports people by allowing the low paid to take home more of their earnings, through tax credits for example. We are also cutting income tax for the low paid and **31 million** individuals will see their income tax bill reduced in 2017-18 (compared to 2015-16). Furthermore, a person earning the NLW and who worked 29 hours or under in a week did not pay income tax in 2016.

### **Measures taken to implement the legal framework**

HM Revenue & Customs (HMRC) officials act as enforcement officers for the purposes of the NMW / NLW. HMRC's enforcement of employers' obligations to pay workers the NMW / NLW is focussed on the workers' right to receive what they are entitled to. Enforcement is initiated either by a complaint from workers or third parties, or as a result of risk assessment by HMRC. The purpose of an investigation is to determine whether or not an employer has complied with the requirement to pay workers the NMW / NLW. Where a compliance officer discovers that the NMW / NLW has not been paid to a worker or group of workers, the officer's aim is to ensure that workers receive what they are entitled to as soon as practicable.

The UK Government is committed to cracking down on employers who break NMW / NLW law. We are absolutely clear that anyone entitled to be paid the NMW / NLW should receive it. Therefore, we have:

- increased the enforcement budget to £25.3m
- run a Naming Scheme, where employers who owe over £100 in arrears to workers are named publicly on a Government website
- written 'nudge letters' to employers in sectors with high rates of non-compliance to encourage them to comply with the NMW / NLW

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- doubled the fines for firms who break the rules from 100% to 200% of the arrears owed to the worker, up to a maximum of £20,000 per worker. The aim of these measures is to strengthen the NMW enforcement regime is to encourage compliance.

**NMW / NLW rates historically**

Table 1,2 and 3 below provides information on NMW / NLW rates by age band over time

**Table 1: UK NMW rates 1999 - 2009**

<b>UK NMW rates (Source: Low Pay Commission)</b>			
	<b>Adult Rate (for workers aged 22+)</b>	<b>Development Rate (for workers aged 18-21)</b>	<b>16-17 Year Olds Rate</b>
01-Apr-99	£3.60	£3.00	=
01-Oct-00	£3.70	£3.20	=
01-Oct-01	£4.10	£3.50	=
01-Oct-02	£4.20	£3.60	=
01-Oct-03	£4.50	£3.80	=
01-Oct-04	£4.85	£4.10	£3.00
01-Oct-05	£5.05	£4.25	£3.00
01-Oct-06	£5.35	£4.45	£3.30
01-Oct-07	£5.52	£4.60	£3.40
01-Oct-08	£5.73	£4.77	£3.53
01-Oct-09	£5.80	£4.83	£3.57

**Table 2: UK NMW rates 2010 - 2015**

<b>UK NMW rates (Source: Low Pay Commission) 2010 until 2015</b>				
	<b>Adult Rate (for workers aged 21+)</b>	<b>Development Rate (for workers aged 18-20)</b>	<b>16-17 Year Olds Rate</b>	<b>Apprentice rate</b>
01-Oct-10	£5.93	£4.92	£3.64	£2.50
01-Oct-11	£6.08	£4.98	£3.68	£2.60
01-Oct-12	£6.19	£4.98	£3.68	£2.65
01-Oct-13	£6.31	£5.03	£3.72	£2.68
01-Oct-14	£6.50	£5.13	£3.79	£2.73
01-Oct-15	£6.70	£5.30	£3.87	£3.30

**Table 3: UK NMW / NLW rates 2016 to 2017**

<b>UK NMW rates (Source: Low Pay Commission) 2010 until 2015</b>					
	<b>NLW (25+)</b>	<b>Adult Rate (for workers aged 21-24)</b>	<b>Development Rate (for workers aged 18-20)</b>	<b>16-17 Year Olds Rate</b>	<b>Apprentice rate</b>
01-Apr-16	£7.20	£6.70	£5.30	£3.87	£3.30
01-Oct-16	£7.20	£6.95	£5.55	£4.00	£3.40
01-Apr-17	£7.50	£7.05	£5.60	£4.05	£3.50

**Table 4: Coverage of the number of workers covered by the NMW and NLW rates**

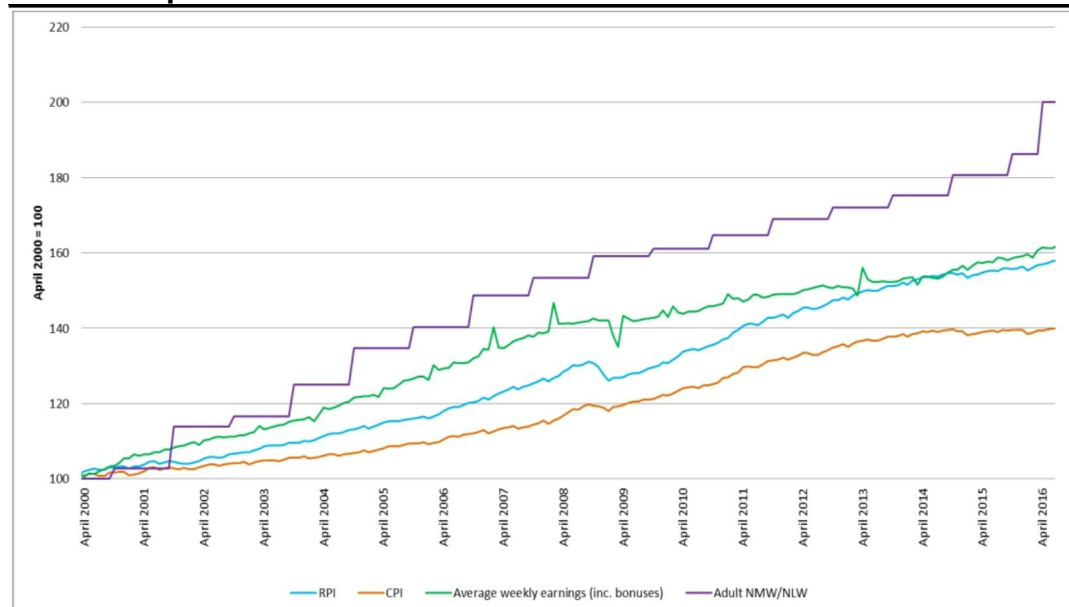
Rate	2015	2016	2017(estimated)
NLW (25+)	-	1,590,000	1,900,000
Adult (21+, 21-24)	1,300,000	170,000	230,000
Development (18-20)	100,000	115,000	135,000
Youth (16-17)	20,000	26,000	40,000

Source: Low Pay Commission 2015 autumn report , 2016 autumn report

### **NMW increases and earnings growth**

Since it was introduced, the NMW rate has increased substantially faster than both average earnings and prices (chart 2). Since it was introduced in April 1999 the main NMW rate, now the NLW, has doubled to £7.20 in April 2016. In comparison, the rise in Average Weekly Earnings between April 1999 and April 2016 has risen around 60 per cent (chart 2). The increase in the Retail Price Index (RPI) is estimated to be around 58 per cent, and the Consumer Price Index (CPI) around 40 per cent over the same period.

**Chart 1: Adult NMW increases compared to earnings growth and inflation Index to April 2000 = 100**

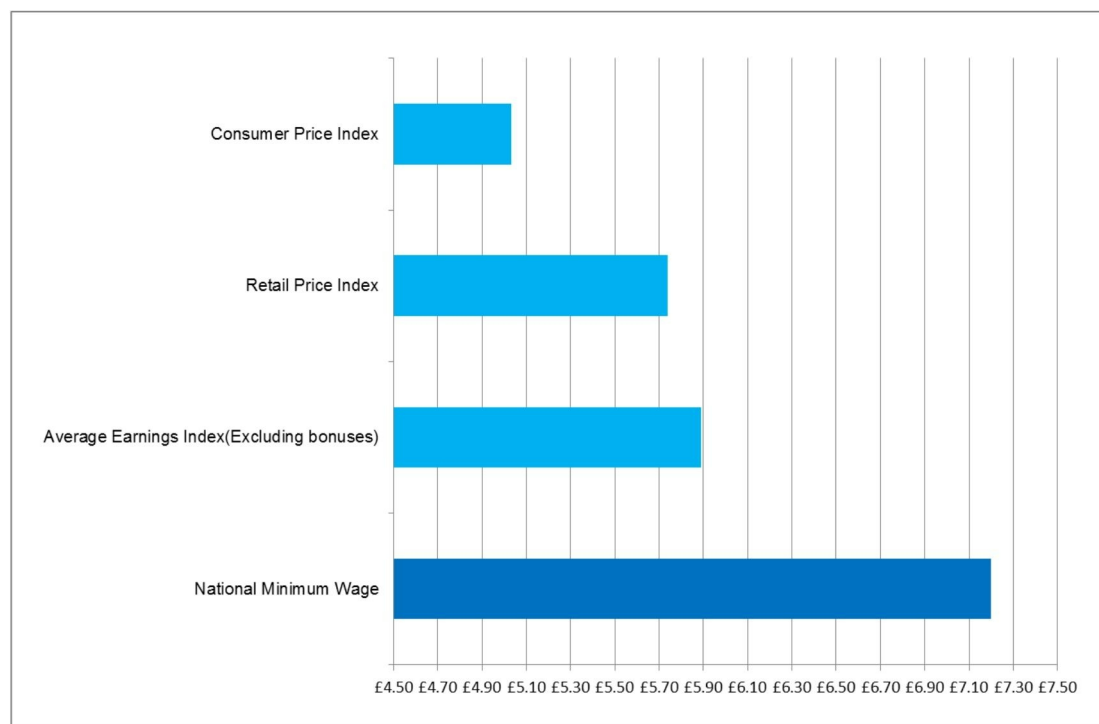


Source: Office for National Statistics; Retail Price Index, Consumer Price Index and Average Weekly Earnings

### Low Pay Commission; National Minimum Wage

Another way of looking at NMW / NLW growth is to compare the actual NMW / NLW with what it had been had it grown in line with average earnings or prices. In April 2016 the introduction of the NLW meant the adult minimum wage in the UK increased to £7.20. If the initial minimum wage rate of £3.60 in 1999 had been indexed to average earnings, this rate would have been £5.89 [by 2016]. If indexed to the Consumer Price Index it would have been £5.03 and if indexed to the Retail Price Index it would have been £5.74.

**Chart 2: Adult NMW indexed to earnings growth and inflation\***



Source: BEIS estimates; Office for National Statistics

\*AEI Index as at end of September 2016, RPI and CPI Index as at end of October 2016. Adult NMW rate as at October 2016.

### The bite of the NMW / NLW

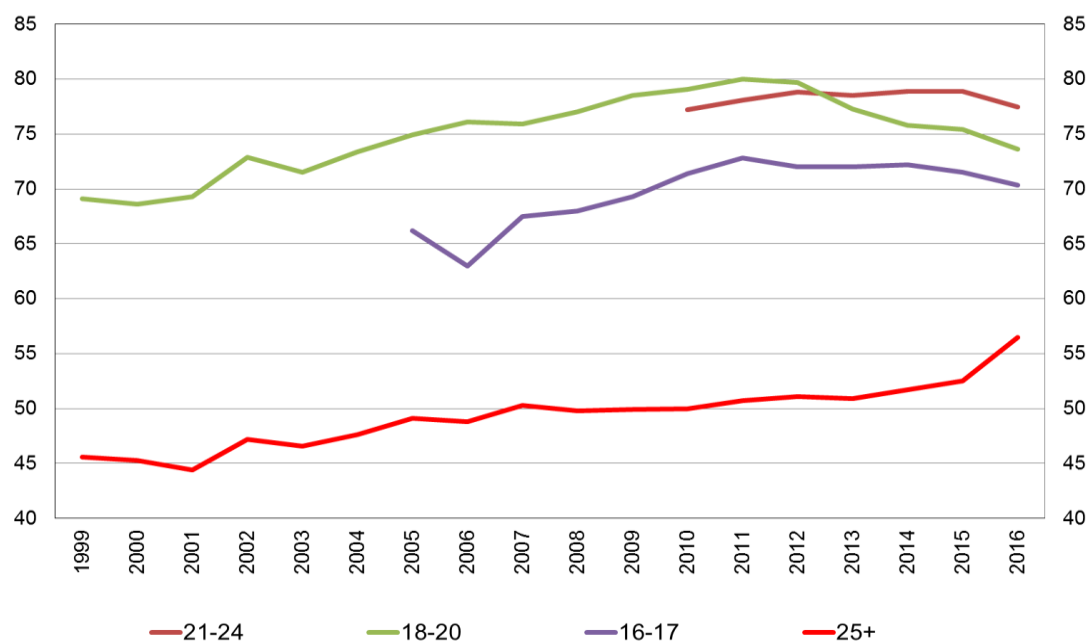
The minimum wage as a proportion of earnings is often termed the 'bite' and is a measure of how high up the distribution curve the minimum wage cuts in. Usually median earnings are the preferred measure of average earnings. Since its introduction, the bite for all NMW rates / NLW rate has increased from 45.6 in April 1999 to 56.4 per cent in April 2016 accounting for the introduction of the NLW (see Chart 4).

The bite has therefore increased by around 11 percentage points. The policy objective is for the bite of the NLW to reach 60 percent by 2020, subject to sustained economic growth. It increased by 4.4 percentage points between April 2015 and 2016, reflecting the introduction of the NLW in 2016 which increased the top NMW rate by 50 pence for workers aged 25 or over.

The bite of all NMW rates remain above 70% of median earnings but has seen a small decline in recent years as median earnings have grown. The relative performance of the NMW and NLW can be seen in chart 4.



**Chart 3: The bite of the NMW / NLW**  
NMW / NLW as a per cent of median earnings



Source: Office for National Statistics, Annual Survey of Hours and Earnings  
1999-2004 ASHE data - excluding supplementary information  
2004-2006 ASHE data - old methodology  
2006-2017 ASHE data - new methodology

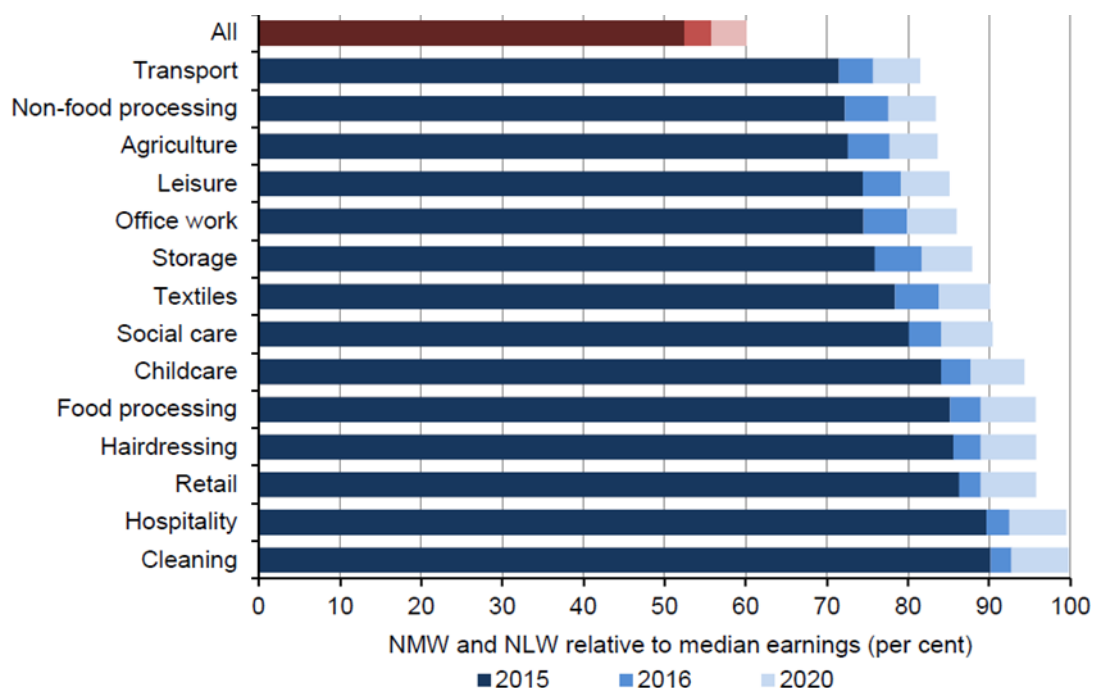
### The NMW / NLW and low paid sectors

The NMW / NLW is more likely to impact in sectors that are more reliant on low-wage workers. The LPC defines a number of sectors as being 'low-paid', which employ relatively large proportions of people earning near the NMW / NLW<sup>4</sup>. The bite of all the NMW / NLW rates is higher than average in these sectors, with an average bite of over 70 in these sectors as estimated by the LPC. The bite ranges from 71 per cent of the median in transport to 90 per cent in cleaning (see Chart 4). In addition, some of the largest low-paid sectors (in terms of employment) such as retail and hospitality have some of the highest bites at 85 per cent and 89 per cent respectively.

<sup>4</sup> Defined as hotels and restaurants; cleaning; hairdressing; retail; agriculture, forestry and fishing; investigation and security activities; manufacture of textile products; food processing; social care; leisure; and travel and sport. Technical definition accessed in the LPC report 2016.

**Chart 4: The bite of the NMW / NLW in low-paid sectors**

NMW / NLW as per cent of median wage, 2015 , 2016 , 2020(forecast)



Source: The Low Pay Commission, Annual Survey of Hours and Earnings  
Those aged 25+

**Table 5 Hourly pay – Excluding overtime (£) - For all employee jobs: United Kingdom, 2016**

Description	Code	Median (£)
<b>ALL EMPLOYEES</b>		13.59
<b>AGRICULTURE, FORESTRY AND FISHING</b>	A	9.43
<b>MINING AND QUARRYING</b>	B	16.29
<b>MANUFACTURING</b>	C	13.31
<b>ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY</b>	D	18.52
<b>WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES</b>	E	13.05
<b>CONSTRUCTION</b>	F	13.46
<b>WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES</b>	G	10.85

<b>TRANSPORTATION AND STORAGE</b>	H	12.54
<b>ACCOMMODATION AND FOOD SERVICE ACTIVITIES</b>	I	8.37
<b>INFORMATION AND COMMUNICATION</b>	J	18.76
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>	K	19.51
<b>REAL ESTATE ACTIVITIES</b>	L	13.64
<b>PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES</b>	M	16.81
<b>ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES</b>	N	10.50
<b>PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY</b>	O	15.76
<b>EDUCATION</b>	P	16.57
<b>HUMAN HEALTH AND SOCIAL WORK ACTIVITIES</b>	Q	13.42
<b>ARTS, ENTERTAINMENT AND RECREATION</b>	R	11.06
<b>OTHER SERVICE ACTIVITIES</b>	S	12.17

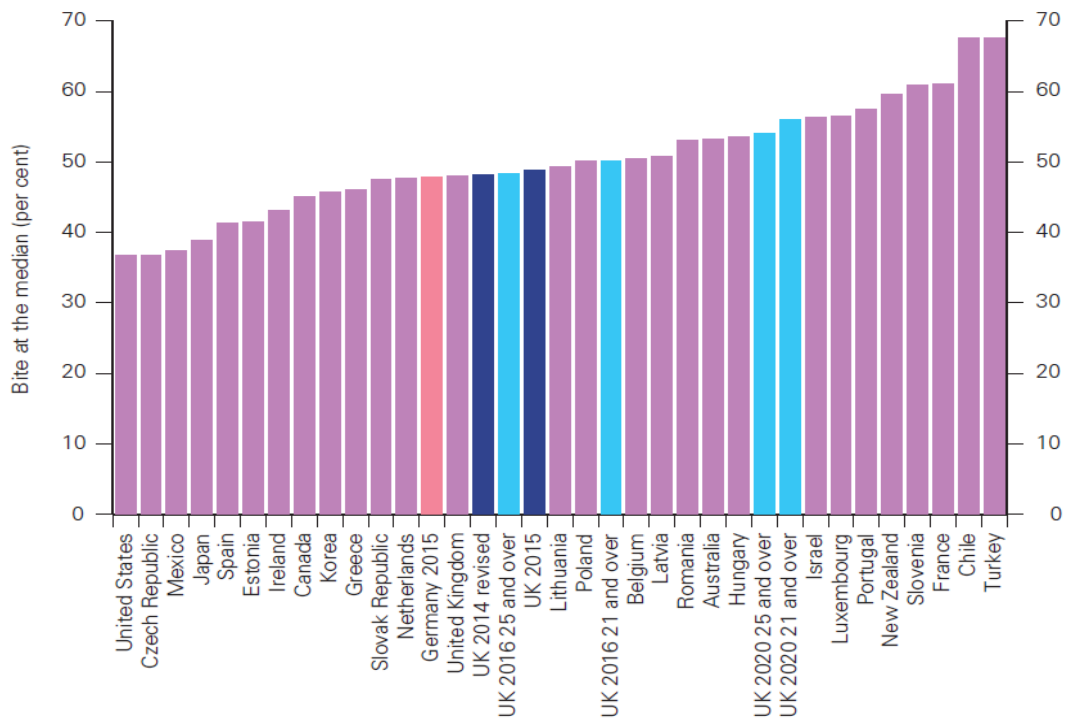
*Source: Annual Survey of Hours and Earnings, Office for National Statistics.*

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**International comparisons of NMW / NLW bite** Chart 6 provides a comparison of the bite with other countries. These comparisons are limited by differences in data methodologies. To be properly understood, this kind of data needs to be interpreted alongside wider Labour market evidence on employment, unemployment wages and wider economic conditions.

However on the available evidence using the countries identified the UK remained in the middle of the OECD average in 2016 but with the NLW expected to push the UK into the upper middle and forecasted to be in the top ten by 2020.

**Chart 5: International comparisons of the minimum wage bite**  
 Per cent of median earnings



Source: Low Pay Commission, Based on: OECD 2014 & Annual Survey of Hours and Earnings 2015

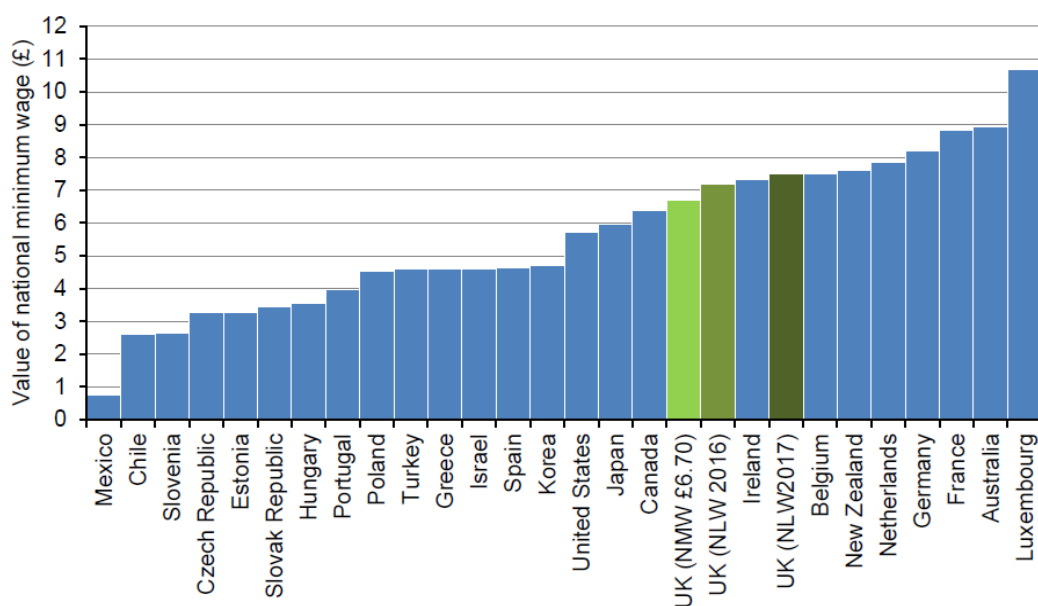
**Chart 6 shows LPC analysis of international comparisons of the minimum wage relative to the pound in purchasing parity terms. This suggests that the value of the National Living wage continues to increase in relative value to other countries minimum wages.**

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**Chart 6: International comparisons of the minimum wage**

NMW/NLW in pound sterling (£) Purchasing Power Parity (PPP) terms

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Source: Low Pay Commission , National Minimum Wage report 2016

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Purchasing power parity is a method measuring the relative purchasing power in different countries' currencies over the same type of goods and services. Because goods and services may cost more in one country than in another, PPP allows us to make more accurate comparisons of standards of living across countries.

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### Data collection

The UK Office for National Statistics (ONS) collects and publishes wage data. The ONS Annual Survey of Hours and Earnings (ASHE) provides information

about the levels, distribution and make-up of earnings and hours paid for employees within industries, occupations and regions.

- **In Conclusions XX-3, the Committee of Social Rights concluded that the situation in the UK is not in conformity with Article 4.1 of the Charter on the ground that the minimum wage applicable to workers in the private sector does not secure a decent standard of living.**

The UK Government is committed to building an economy that works for everyone. Through the NMW and the NLW the Government is ensuring that the lowest paid within our society benefit from their contribution to our economy.

By seeking expert and independent advice from the LPC when setting the minimum wage rates we are able to ensure that the right balance is struck between both increasing the NMW / NLW rate to meet the needs of workers, and ensuring the rates are affordable for businesses and do not lead to job losses.

The NLW was introduced for the first time in April 2016 at a rate of £7.20 in line with the LPC's carefully considered recommendation, which resulted in a pay rise of 6.9% from the previous NMW rate of £6.70. The NLW was then increased to £7.50 in April 2017, where a full time worker earned £546 more per year compared to the previous year. The LPC will continue to recommend the path of the NLW going forward, aiming to increase the NLW to 60% of median earnings by 2020, subject to sustained economic growth.

There have also been substantial increases for the NMW. For example, from April 2016 to April 2017 the NMW for 21-24 year olds went from £6.70 in April 2016 to £7.05 in April 2017. This was a 5.2% increase or a £637 annual increase for a full time worker.

The tax system also supports people by allowing the low paid to take home more of their earnings, through tax credits for example. We are cutting income tax for the low paid and **31 million** individuals will see their income tax bill reduced in 2017-18 (compared to 2015-16). Furthermore, a person earning the NLW and who worked 29 hours or under in a week did not pay income tax in 2016.

Since the introduction of the NMW / NLW, there is no evidence of a negative impact on unemployment. In fact our employment rate is at a high of 75.1%.

### **Isle of Man**

The position remains as previously described, with the following additional information.

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During the reporting period statistics on minimum wage rates for workers aged 18 or over were as follows:

Year	National net average wage £ per hour	National net average minimum wage £ per hour	Net national minimum wage as % of net average rate	% at or below NMW
2013	13.26	6.07	46%	2.4
2014	13.77	6.16	45%	3.8
2015	14.35	6.46	45%	5.5
2016	14.5	6.69	46%	4.3
Notes:				
These figures are calculated using historical Earnings Survey results				

Working families and disabled workers with incomes below prescribed levels may also be eligible to receive a social assistance benefit known as Employed Person's Allowance (EPA). Eligibility for EPA is subject to, inter alia, the claimant (or in the case of a couple, at least one member of that couple) working for a prescribed minimum number of hours each week. For single disabled workers, lone parents and couples<sup>5</sup> at least one member of which is severely disabled or is caring for a severely disabled person the prescribed minimum is 16 hours a week. For couples with a child(ren), neither member of which is severely disabled or is caring for a severely disabled person the prescribed minimum is 30 hours a week. A premium is payable if the claimant (or at least one member of a couple) works for at least 24 hours a week. EPA is not available to single able-bodied people nor to couples without child dependents neither member of which is severely disabled or is caring for a severely disabled person.

The following table sets out the minimum weekly income guarantees at April 2013 and April 2017 for certain families, taking account of EPA and net of tax and National Insurance contributions, but excluding Child Benefit, and confirms the percentage increases in real terms between those dates:

Weekly minimum income guarantees			
Family type <sup>6</sup>	April 2013	April 2017	Percentage increase in real terms <sup>7</sup>
Single disabled worker, part-time <sup>8</sup>	£182.57	£191.89	2.00%
Lone-parent with one	£233.29	£244.32	1.63%

<sup>5</sup> Married couple or civil partnership, unmarried heterosexual couple or same-sex couple

<sup>6</sup> All workers are assumed to be aged 25 or over

<sup>7</sup> IOM CPI increased by 3.1% between April 2013 and April 2017

<sup>8</sup> Part-time work is assumed to be 16 hours per week

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child, part-time			
Couple with one child, full-time work <sup>9</sup>	£288.80	£305.44	2.66%
Couple with two children, full-time work	£331.26	£348.73	2.17%

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<sup>9</sup> Full-time work is assumed to be 35 hours per week.



#### **Article 4, Paragraph 2 - increased remuneration for overtime work**

- **In Conclusions XX-3, the Committee of Social Rights concluded that the situation in the UK is not in conformity with Article 4.2 of the Charter on the ground that workers do have no adequate legal guarantees to ensure them increased remuneration for overtime.**

#### **United Kingdom**

As stated in our previous report, the minimum standards are set out in law, and employers and employees are free to negotiate terms and conditions that go above and beyond the requirements set out in legislation. The worker and the representative or trade union are free to, and often do, negotiate better terms for inclusion in the contract of employment and welcome the flexibility provided to ensure these terms meet the worker's specific needs.

As the enforcing body, HM Revenue and Customs ensures the NMW / NLW is paid for the hours worked, but does not consider any enhancements above this for extra hours. It is for employment tribunals to consider contractual issues.

#### **Isle of Man**

The position remains as previously described.

#### **Article 4, Paragraph 4 – Reasonable notice of termination of employment**

- **The Committee concludes that the situation in the United Kingdom is not in conformity with Article 4§4 of the 1961 Charter on the ground that notice periods are inadequate below three years of service.**

#### **United Kingdom**

##### **The legal framework**

Under the Employment Rights Act 1996, employees are entitled to receive at least a week's notice from their employer after one month's service, increasing to at least two weeks after two years' service. For each year of service over two years and up to twelve years an employee is entitled to an extra weeks notice for each year of service, for example if they have 4 years service their minimum notice shall be 4 weeks. For service of 12 or more years the minimum notice is 12 weeks.

As expressed in its previous report, the UK Government remains firmly committed to ensuring that there is a framework of fair minimum standards in the workplace. The UK Government is satisfied that it has achieved this balance on notice periods. Under the Employment Rights Act 1996, for each year of service over two years and up to twelve years an employee is entitled to an extra week's notice for each year of service. The law does not restrict employers from giving a longer notice period and both parties are free to negotiate and agree longer periods depending on the particular circumstances of the workplace

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situation.

**Isle of Man**

The position remains as previously described.

#### Article 4, Paragraph 5 – Limits to wage deductions

- **In Conclusions XX-3, the Committee of Social Rights concluded that the situation in the UK is not in conformity with Article 4.5 of the Charter on the ground that it has not been established that the limits on deductions from wages equivalent to the national minimum wage are reasonable.**

#### United Kingdom

UK legislation protects workers and requires that wages never fall below NMW / NLW. There are only a limited number of specified circumstances where deductions can be made which would bring wages below the level of the NMW / NLW. These permitted deductions are as follows:

- Accommodation offset: This provides a mechanism to enable employers to offset the cost of providing accommodation for workers against the NMW / NLW, up to a daily maximum limit. Where an employer charges more than the offset, the difference between the offset rate and the charge deducted will reduce the worker's pay for minimum wage purposes. Information on the accommodation offset and rates for the reference period can be found on the government website<sup>10</sup>;
- Penalties. An employer may deduct a sum from a worker's pay because of some event related to misconduct, as long as the employer is permitted to make the deduction under the terms of the worker's contract;
- Advance of wages. An employer may deduct a sum for repayment of all, or part of, an advance of wages;
- Purchase of shares or securities. An employer may deduct the purchase price of shares or securities in the firm which have been bought by the worker;
- Accidental overpayment of wages. An employer may make a deduction from a worker's pay to recover an accidental overpayment of wages; and
- Deductions not connected with the employment. An employer may make other deductions from a worker's pay as long as they are: A. not required expenditure in connection with the worker's employment; or B. not for the employer's own use or benefit. This would cover, for example, trade union subscriptions, maintenance payments or pension contributions.

In each of these limited cases the deductions are fair and proportionate for employers and workers, and the terms and conditions for the deductions are transparent. The deductions are also only made where a worker has or is benefiting from a certain situation or has committed an act at a cost to the employer.

The accommodation offset is the only deduction where it is difficult to quantify the amount to be deducted. Hence the UK Government only sets the amount in this case to provide protection to workers from unreasonable charges and provide some level of recognition of the value and cost of accommodation.

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<sup>10</sup> <https://www.gov.uk/national-minimum-wage-accommodation>

- **The Committee also found that the determination of deductions from wages higher than the national minimum wage is left at the disposal of the parties to the employment contract.**

Beyond the minimum statutory standards, which protect workers through setting a minimum pay threshold, employers, workers and their representatives are free to negotiate terms and conditions beyond their legislative requirements; and in fact often negotiate better terms for inclusion in the contract of employment and welcome the flexibility provided to ensure these terms meet their specific needs.

We believe that it is essential for employers to ensure that their terms and conditions are competitive, and reward staff for their work in order to retain and develop the workers who are fundamental to their success.

Employers should be planning ahead, taking steps to boost their productivity and maintaining an effective workforce.

#### **Isle of Man**

The position remains as previously described.

## **Article 5 – The right to organise – The legal framework**

### **United Kingdom**

During the reporting period of 1 January 2013 to 31 December 2016, the UK Government introduced measures concerning the right to organise in the Trade Union Act 2016 (the Act). The Act which received Royal Assent in May 2016 and is being implemented in a phased approach.<sup>11</sup> The Act modernises the UK industrial relations framework to better support an effective and collaborative approach to resolving industrial disputes, balancing the interests of unions with the interests of the wider public. Strikes and other forms of industrial action should be regarded as a last resort after all other attempts to resolve their differences through dialogue have been exhausted.

The measures do not ban strikes. The UK Government recognises that trade unions can play a constructive role in maintaining positive industrial relations. The Act strikes a fairer balance between the rights of unions and the needs of employers and the wider public.

The Trade Union Act 2016, which amended the relevant provisions of the Trade Union and Labour Relations (Consolidation) Act 1992, established:

- requirements for a 50 per cent threshold in strike ballot turnouts
- requirements for a 40 per cent support threshold in strike ballots for industrial action in important public services
- that ballot papers sent to members will give a summary description of the matter (or matters) in dispute, as well as stating exactly what type (or types) of industrial action is proposed, and an indicative period action will take place in;
- that trade unions will give 14 days' notice to an employer where they intend to take industrial action, but can be reduced to 7 days where the union and employer agree
- that mandates for industrial action will expire at the end of the period, beginning with the date of the ballot, of six months or of such longer duration not exceeding nine months as is agreed between the union and the employer
- that trade unions, in their annual return to the Certification Officer, will include details of any industrial action taken during the period of the return
- union supervision of picketing to ensure that picket lines are peaceful
- that the UK Government will commission an independent review of electronic balloting in trade union industrial action ballots within 6 months of the passing of the Act, and then publish its response to that review

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<sup>11</sup> <http://www.legislation.gov.uk/ukpga/2016/15/contents/enacted>

- reforms to the Certification Officer (the trade union regulator).

Details of the new measures for each of the provisions are described below. The explanatory notes to the 2016 Act also provides further details.<sup>12</sup>

**i) The Trade Union Act 2016 sets out two thresholds in relation to strike ballots.**

The UK Government considers that industrial action supported by a small minority of a unionised workforce can trigger a disproportionate level of disruption to business and to ordinary people and should only ever happen as a last resort.

The Act makes two significant changes to the legal framework on when a union can call a strike lawfully. To make a strike legitimate, a union will still be required to obtain a majority in favour of strike action out of those who have voted and, in addition:

- At least 50 per cent of those entitled to vote in a ballot must have voted in all cases
- Where those involved in the dispute work in an 'important public service' there will be a requirement that 40 per cent of those entitled to vote in the ballot have voted 'yes' to strike action

The 50% threshold ensures that strikes are only ever the result of a clear, positive decision by those entitled to vote. The Act will provide ordinary union members with more control over how their union undertakes industrial action.

Section 2 of the Act introduced a new requirement that in all ballots for industrial action, at least 50% of the trade union members entitled to vote must do so in order for the ballot to be valid. It continues to be the case that a simple majority (i.e. more than half) of the votes cast must be in favour of industrial action in order for action to go ahead.

The 50% participation threshold came into force for all ballots on 1 March 2017. Ballots which had already opened prior to this date were not subject to the new requirements.

Section 3 of the Act also established a 40 per cent support threshold of those entitled to vote in strike ballots for industrial action in important public services (IPS) in the fire, health, education, transport, border security and nuclear decommissioning sectors.

The UK Government consulted in the summer of 2015 on which occupations and functions within the health, education, fire, transport, border security and

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<sup>12</sup> [http://www.legislation.gov.uk/ukpga/2016/15/pdfs/ukpgaen\\_20160015\\_en.pdf](http://www.legislation.gov.uk/ukpga/2016/15/pdfs/ukpgaen_20160015_en.pdf)

nuclear decommissioning services should be subject to the 40% threshold, and published its response on 21 January 2016<sup>13</sup>.

For all the IPS, except nuclear decommissioning, regulations implementing the 40% threshold came into force on 1 March 2017. This is outside this report's reporting period. The regulations define more precisely what services in each IPS are in scope. This has ensured a proportionate approach.

The Act focused the threshold on those services where the impact of strike action is most significant. This will mean that for important public services, as well as requiring the participation of at least 50 per cent of eligible members, at least 40 per cent of eligible members must support industrial action, before it can go ahead.

## **ii) Information required on ballot papers**

Section 5 of the Trade Union Act 2016 makes changes to the information that must be included in a ballot paper. A trade union has now to specify in the ballot paper the type or types of industrial action that amount to action short of a strike and to provide an indication of the time period during which it is proposed that those specific types of action are to take place.

The UK Government introduced this measure to enable a member to make an informed decision about whether or not to support the proposed action when deciding how to vote. This increased clarity about why the industrial action is proposed should also help ensure there is no misunderstanding between a trade union and employer. This should enable more effective negotiations to continue between the employer and the union and, if possible, without recourse to industrial action.

The law also provides a trade union with the flexibility to decide whether the type or types of industrial action are best expressed as part of the question in the ballot paper or set out elsewhere on the ballot paper.

## **iii) Information to members about the result of the ballot**

Section 6 of the Act requires trade unions to specify how many members were entitled to vote and whether the new minimum thresholds of 50% and (if it applies) 40% are met. Trade unions should have this information readily to hand in order to know whether or not they have secured a valid mandate for industrial action. As they were previously required to report the outcome to eligible members, and employers, the UK Government considers that the new requirements should not be burdensome. On the contrary, this will ensure consistency in the transparency of union balloting for the benefits of union members and the wider public.

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<sup>13</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/493880/bis-16-15-consultation-on-ballot-thresholds-in-important-public-services-government-response](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/493880/bis-16-15-consultation-on-ballot-thresholds-in-important-public-services-government-response)

#### **iv) Two weeks' notice to be given to employers of industrial action**

Section 8 of the Act extends the period of notice that a trade union must provide an employer of industrial action from 7 days to 14 days. The UK Government considers that extending the notice for industrial action to 14 days will give the employer and trade union more time to negotiate a settlement of the dispute, and may help parties avoid industrial action. However, the Trade Union Act 2016 also establishes that a seven day period can be retained by mutual agreement of the trade union and the employer.

#### **v) Expiry of mandate for industrial action six months after date of ballot**

Section 9 of the Act specifies the duration of ballot mandates to make sure that industrial action is based on a current mandate on which union members have recently voted. The Act prescribes that ballot mandates will last up to six months, with an additional three months if there is agreement between the union and the employer. The aim of this is to ensure that employers will no longer be subject to strike threats for which the original balloting took place some years before. To ensure that any industrial action is based on a current mandate, members' agreement to a union's proposed industrial action will expire six months after the last ballot voting day, extendable to nine months by mutual agreement between the employer and the trade union. A limit will encourage disputes to be resolved earlier and where possible via dialogue, and not industrial action.

As a result of the measures established by the Act, there will no longer be a need for the previous requirement that there must be some industrial action within a period of 4 to 8 weeks following a ballot in order for the mandate to remain valid. The UK Government consider that the new requirement will increase the time available for dialogue so that, if possible, strike action can be averted.

#### **vi) Information to Certification Officer about industrial action**

Section 7 of the Act requires a trade union to include details of any industrial action taken in the reporting period in its annual return to the Certification Officer. This should include the nature of the trade dispute relating to the industrial action, the type of industrial action, when the industrial action was taken, as well as confirmation that the relevant thresholds. The UK Government introduced this measure to ensure transparency for union members and the wider public.

#### **vii) Union supervision of picketing**

Section 10 of the Act establishes a statutory requirement for union supervision of picketing to ensure that this is peaceful. The essence of the requirements is not new as they derive from the sensible guidelines in the 1992 Code of Practice on Picketing. By making the Code's key aspects a legal requirement the Act will



ensure consistency across all picketing activity, improve union accountability and public confidence.

The new requirement provides that when picketing, trade unions must comply with additional requirements. These requirements are largely based on the relevant paragraphs of 54 to 57 of the Code of Practice on Picketing issued by the Secretary of State under section 203 of the 1992 Act. Unions are required to appoint a picket supervisor. This person should be familiar with the Code of Practice. The new measure provides that where two or more unions are organising a picket or encouraging members to take part in picketing, then the new requirements can be complied with by any one of those unions. The Code of Practice has been updated to reflect the provisions in the Trade Union Act 2016 and supersedes the 1992 Code of Practice<sup>14</sup>.

### **viii) E Balloting**

On 3 November 2016 the UK Government announced that Sir Ken Knight was appointed to lead an independent review on electronic voting for industrial action ballots. A call for evidence was published on 1 March 2017<sup>15</sup>.

Sir Ken Knight's report will be published shortly.

### **viii) Reforms to the Certification Officer**

Sections 17-20 of the Act updated the investigatory and enforcement powers for the Certification Officer. The reforms aim to modernise the CO, giving him up-to-date investigatory and enforcement powers in line with similar regulatory authorities in the UK. It also gives the Certification Officer the power to impose financial penalties on unions for non-compliance with statutory requirements of up to £20,000 and the power to impose a levy on trade unions and employers' associations to fund the expenses of the Certification Officer on a cost recovery basis.

The UK Government will be implementing these measures outside the reporting period. The UK Government firmly believes that none of these reforms affects the workers' freedom of association and their right to organise, to establish and to join a trade union. The reform of the Certification Officer enhances transparency for the benefit of union members and the wider public.

### **Conclusions XX-3**

In Conclusions XX-3, the Committee of Social Rights requests the Government to confirm that the UK legal system provides judicial protection against the decision to exclude or expel trade union members where this decision is

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<sup>14</sup>

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/594788/Code\\_of\\_Practice\\_on\\_Picketing.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/594788/Code_of_Practice_on_Picketing.pdf)

<sup>15</sup> <https://www.gov.uk/government/consultations/electronic-balloting-for-industrial-action-knight-review-call-for-evidence>

motivated by the fact that the member has taken part in the activities of or belongs to a political party. The Committee also concluded that the situation in the UK is not in conformity with Article 5 of the Charter on the ground that legislation which makes it unlawful for a trade union to indemnify an individual union member for a penalty imposed for an offence or contempt of court, and which severely restricts the grounds on which a trade union may lawfully discipline members, represents unjustified incursions into the autonomy of trade unions.

### **Government response**

In relation to the Committee's request, the UK Government confirms that the UK legal system provides judicial protection against the decision to exclude or expel trade union members where this decision is motivated by the fact that the member has taken part in the activities of or belongs to a political party.

The UK Government has carefully considered the Committee's conclusions that the UK is not in conformity with Article 5 of the Charter. However, the UK Government respectfully reiterates its views expressed in the previous reports that the measures are in compliance with the application of article 5. The UK Government continues to maintain that its application of section 15 of the Trade Union and Labour Relations (Consolidation) Act 1992 about trade unions ability to lawfully discipline members and section 65 of TULRCA which makes it unlawful for trade unions to indemnify a union member for a penalty imposed for an offence or contempt of court continues to meet the right balance of protecting the rights of trade union members whilst respecting the freedom of others.

### **Isle of Man**

The position remains as previously described.

## **Article 6 Right to bargain collectively**

### **Article 6, Paragraph 1 – Joint Consultation**

The Committee noted in its previous report that the UK was in conformity with Article 6, paragraph 1.

#### **United Kingdom**

The UK Government appointed Matthew Taylor, Chief Executive of the Royal Society of Arts to undertake an independent review of working practices in the UK in November 2016. His report Review of Working Practices was published on 11 July 2017 and can be accessed on the GOV.UK website<sup>16</sup>.

Among the recommendations were that the UK Government should examine the effectiveness of the Information and Consultation Regulations in improving employee engagement in the workplace. In particular, it should extend the Regulation to include employees and workers and reduce the threshold for implementation from 10% to 2% of the workforce making the request. The UK Government should, work with Investors in People, Acas, trade Unions and others with extensive expertise in this area to promote further the development of better employee engagement and workforce relations, especially in sectors with significant levels of casual employment.

The UK Government is considering these recommendations, along with a number of others from Matthew Taylor's review, and will respond in due course.

### **Article 6, Paragraph 2 – Negotiation procedures**

#### **United Kingdom**

There is no change to the information given in the previous report.

- **In Conclusions XX-3, the Committee of Social Rights asks the Government to indicate what measures it has taken or planned to take to facilitate and encourage the conclusion of collective agreements. The Committee also concluded that the situation in the UK is not in conformity with Article 6.2 of the Charter on the ground that workers and trade unions do not have the right to bring legal proceedings in the event that employers offer financial incentives to induce workers to exclude themselves from collective bargaining**

With regard to the Committee's request on collective agreements, the UK Government is of the view that the present legal framework adequately facilitates and encourages the conclusion of collective agreements. Collective agreements are a matter for the parties themselves to negotiate and agree,

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<sup>16</sup> <https://www.gov.uk/government/publications/good-work-the-taylor-review-of-modern-working-practices>

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according to their own particular circumstances. The legal framework freely allows parties to bargain collectively if they wish. Collective bargaining and agreements are also supported by provisions of the Trade Union and Labour Relations (Consolidation) Act 1992 (at chapter 1 of Part IV of that Act). Moreover the 1992 Act provides a statutory mechanism to ensure unions may achieve recognition for the purposes of collective bargaining. The UK's arbitration and conciliation service, Acas, can also help the parties on collective bargaining agreements.

The UK Government respectfully continues to disagree with the Committee's conclusions that workers and trade unions do not have the right to bring legal proceedings in the event that employers offer financial incentives to induce workers to exclude themselves from collective bargaining. Protection against inducements is accorded under section 145A and 145B of the 1992 Act. This provides that an employer must not make any offer to an employee to induce them to give up (or take up) union membership, or to give up union activities, services or collective bargaining). Furthermore under section 145E of the 1992 Act, an employment tribunal must make a mandatory award where a claim is upheld. The UK Government firmly reiterates its earlier position that the current state of domestic law relating to collective bargaining does give sufficient protection to the rights of workers and trade unions under the provisions of Article 6 of the European Social Charter.

### **Article 6, Paragraph 3 – Conciliation and arbitration**

The Committee noted in its previous report that the UK was in conformity with Article 6, paragraph 3.

#### **United Kingdom**

Further to the details given in the previous report concerning Acas conciliation there has been a change to the legal framework within which conciliation services are provided in the UK.

The UK Government introduced early conciliation in April 2014. Potential claimants must notify ACAS and consider early conciliation before they can make a claim to an employment tribunal. The aim is to encourage parties to try to reach a settlement (it could be a paid settlement) without the need to progress to an employment tribunal. Whilst employees are required to contact Acas before making a tribunal claim, they only need to take part in discussing the matter and attempt to resolve it if they want to, and they or their employer can stop the process at any time. The employer is also asked if they are willing to participate in early conciliation.

Acas has one calendar month in which to try to achieve a settlement. This time limit can be extended by an extra two weeks if there is a reasonable possibility of a settlement, providing both parties agree. Acas has the discretionary power to continue conciliating throughout the tribunal process if settlement is not

reached initially.

- In 2016/17 Acas received 92,000 employee notifications (88,000 from employees). Around 18% of notifications completed in 2016/17 were formally settled through Acas. 63% did not proceed to employment tribunal (including those that were informally settled between the parties). The remaining 19% proceeded to Employment tribunal.
- Around 65% of employee notifications led to early conciliation taking place. In 38% of cases that participated in early conciliation, the issue was resolved either formally through Acas or informally between the parties: around three quarters of these were resolved formally.
- In 2016/17, the number of conciliation cases received by Acas following the submission of an employment tribunal claim was 18,647. This is a decline of 7% on the previous year, but up slightly from the year before. Just over half of the post-claim conciliation cases that were disposed of in 2016/17 were formally settled through Acas.

During 2016/17, Acas received 744 requests for assistance in collective conciliation and were able to resolve matters or help the parties move towards resolution in nine out of ten cases. The disputes Acas worked on were pay-related or conditions of employment issues (60%), followed by recognition, changes in working practices and other trade union matters, which accounted for 13%, 11% and 7% of cases, respectively. During 2016/17, Acas received 17 cases that were referred to collective arbitration, which over recent years has become less common as the basis for resolving disputes. More than half of these cases related to pay and conditions of employment.

Acas funding, via Grant in Aid, in 2016/17 amounted to £50 million. The current Chair of Acas, Sir Brendan Barber, was appointed on 1 January 2014 when his predecessor, Ed Sweeney, retired. Sir Brendan Barber's current term expires on 31 December 2019. Following the retirement of John Taylor, Anne Sharp was appointed as Acas' Chief Executive in early 2013 and continues to serve in post.

Full details of ACAS' activities and a copy of their annual report 2016-17 can be viewed on its website<sup>17</sup>.

### **Isle of Man**

In 2016 the Manx Industrial Relations Service was restructured. There are 2.5 full time equivalent Industrial Relations Officers.

Otherwise the position remains as previously described.

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<sup>17</sup> <http://www.acas.org.uk/media/pdf/e/s/Acas-Annual-Report-2016-2017.pdf>

## **Article 6, Paragraph 4 – collective action**

### **United Kingdom**

The UK Government encourages all unions and employers to resolve their differences around the negotiating table. Strikes should be a last resort. The UK Government introduced the Trade Union Act 2016 to ensure industrial action only takes place as a result of the clear and democratic decision of union members. This is to protect working people from unsupported disruption being caused by a small proportion of union members. 300,350 working days were lost to industrial action in the 12 months to September 2017. This is a slight increase from 298,800 in the same period a year earlier, but a fraction of the disruption of the 1970s and 1980s.

***In Conclusions XX-3, the Committee considered that the situation in the UK is not in conformity with Article 6.4 of the Charter on the grounds that:***

- ***the possibilities for workers to defend their interests through lawful collective action are excessively limited;***
- ***the requirement to give notice to an employer of a ballot on industrial action is excessive; and***
- ***the protection of workers against dismissal when taking industrial action is insufficient.***

The UK Government respectfully continues to disagree with the Committee's conclusions in these areas for the reasons expressed in the previous reports. It continues to firmly believe that its provisions comply with article 6.4

### **Isle of Man**

The position remains as previously described with the following additional information.

Industrial action in the reporting period:

- In 2013, up to 90 workers took discontinuous industrial action over fourteen days.
- In 2014 there were no instances of industrial action.
- In 2015 there were no instances of industrial action.
- In 2016 1 person took industrial action of 24 hours per month, over a 6 month period.
- There were no lockouts in the reporting period

## **Annex – responses to general questions**

### **Article 1 paragraph 1 - Prohibition of discrimination in employment**

- ***As for the Isle of Man, the report indicates that in 2014 the Government's Cabinet Office brought forward a new Equality Bill which is based, with some modifications, on the United Kingdom's Equality Act 2010. The Bill is intended to provide comprehensive protection against any discrimination in both employment and the provision of goods and services on the following grounds: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The Committee notes that the consultation process has already taken place, but the new Equality Bill has not been adopted yet. It asks information on any developments on this matter in the next report.***

#### **Isle of Man**

Since the previous report an Equality Bill has passed through the Island's legislative branches. Royal Assent of the Equality Act 2017 was announced on 18th July 2017.

The Act will deal with discrimination comprehensively in respect of both employment and the provision of goods and services on various grounds including race; religion; sexual orientation; age; disability; and gender reassignment. Work on bringing the new Act into operation is being led by the Cabinet Office but with support from the Department of Economic Development (DED).

The Act is to be phased in, with all of the provisions expected to come into operation by January 2020. It is envisaged that an appointed day order, which will set out implementation dates for many of the main equality provisions in the Act, will be made later in 2017. It is also planned to recruit an officer to brief employers, workers and other interested parties on the effects of the Act and to advise of any necessary preparations well in advance of the Act's main provisions coming into force.

Copies of the Act and Explanatory Notes to the Act can be found on the government website<sup>18</sup>.

#### **Article 1 paragraph 4**

The UK Government refers the Committee to the additional information below on articles 9, 10 and 15.

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<sup>18</sup> [https://www.legislation.gov.uk/cms/images/LEGISLATION/PRINCIPAL/2017/2017-0005/EqualityAct2017\\_1.pdf](https://www.legislation.gov.uk/cms/images/LEGISLATION/PRINCIPAL/2017/2017-0005/EqualityAct2017_1.pdf)

<https://www.gov.im/media/1358197/equality-act-2017-explanatory-notes-18th-august-2017.pdf>

## Article 9 – the right to vocational guidance

- ***The Committee asks the next report to provide updated information on the initiatives taken throughout the country to ensure access to vocational guidance in the labour market, including the respective legal basis for the provision of such guidance and the means deployed to disseminate information on vocational guidance (page 17).***

Schools, further educational colleges and sixth forms are legally required to secure independent careers guidance on the full range of education and training options, including apprenticeships and technical education. Statutory guidance explains what they must do to comply with the duty and provides examples of good practice. Statutory guidance underpins the careers duty and was updated in 2014.

New legislation under section 2 of the Technical and Further Education Act will also require schools to give education and training providers the opportunity to talk directly to pupils in years 8-13 about approved technical education qualifications and apprenticeships that they may offer. This measure will come into force on 2 January 2018. The Department for Education (DfE) will publish further guidance before the requirement comes into force.

The UK Government established The Careers & Enterprise Company in 2014 and it began its operations in 2015. The Careers & Enterprise Company is a community interest company which is employer-led and funded by UK Government. The Careers & Enterprise Company is making excellent progress in helping to transform the provision of careers, enterprise and employer engagement experiences. The UK Government funds The Careers & Enterprise Company to manage investment to scale-up careers and enterprise programmes, mainly in cold-spot areas. It also manages a mentoring fund to support young people at risk of underachieving or dropping out. The Company has made rapid progress in its first two years of operation. Its Enterprise Adviser Network has grown to over 2,000 schools and colleges across England – over 50% of all mainstream secondary schools; and, over 450,000 young people will benefit from its investment in over 100 careers, enterprise and mentoring providers – 250,000 have already benefitted.

The National Careers Service provides free, up to date, impartial information, advice and guidance on careers, skills and the Labour Market in England. It helps customers make informed choices about their career options, whatever their age, ethnic group and background, and ensures that customers are aware of the full range of learning and work opportunities that are available to them. Adults 19 years and over (or 18 and over if in custody or out of work and on benefits) can access the service through face-to-face and telephone advice, webchat and through the National Careers Service website. The UK Government is currently procuring a new service that will be available from October 2018. National Careers Service is delivered by around 1,200 careers



advisers. Between April 2016 and March 2017 the National Careers Service area based Contractors had nearly 474,000 customers. Follow up by National Careers Service contractors between April 2016 and March 2017 indicates that: 159,131 people in priority groups (unemployed, in custody, ex-offender, at risk of redundancy, LDD, NEET) progressed into jobs or learning, 6,973 not in priority groups progressed to jobs or learning, 6,124 job or learning outcomes for customers in (or just leaving) custody. The National Careers Service website has received 20 million visits between April 2016 and March 2017. Between April 2016 and March 2017 the National Contact Centre carried out 211,000 activities (these include phone calls, web chat and emails.)

- ***The Committee asks whether careers guidance is provided within the educational system by Skills Development Scotland and Careers Wales respectively and what specific guidance initiatives are taken in this respect. It also asks the next report to describe the legal basis, functioning, expenditure, staffing and number of beneficiaries respectively involved in the provision of careers guidance within the education system in Scotland and Wales (page 16)***

Careers Choices Dewis Gyrfa Ltd is the company which delivers the Careers Service in **Wales**. It trades under the name 'Careers Wales'.

Careers Wales is a wholly owned subsidiary of the Welsh Government which was formed on 1 April 2013 (trading as Gyrfa Cymru Careers Wales) and delivers careers information advice and guidance to young people and adult clients. Careers Wales helps clients to develop the skills needed to manage their careers and make decisions in a complex and changing world. Their work supports clients to move smoothly and successfully into employment and to be inspired to take control of their careers. Services include:

- For clients in education: Young people, and their parents, have support through key transition points up to the age of 19, resulting in better and more sustainable outcomes.
- Young people aged 16-17 who are unemployed; Careers Wales support unemployed 16-18 year olds to access and maintain further education, employment and or training.
- Support to individual clients (adults) in greatest need, to help them re-enter the labour market quickly and efficiently.
- For Providers of Education and Training; Careers Wales provide training and resources to help schools and colleges deliver careers education.
- For businesses; Careers Wales have established and coordinated mechanisms for businesses to engage with young people and support schools.

Careers Wales's core function is to provide individuals with access to careers information advice and guidance and related support through one to one guidance interviews, group works, web access and a bilingual telephone service/helpline. Careers Wales's support clients to become more effective at planning and managing their careers, recognising that career management no

longer consists of a one-off occupational choice, but rather a series of lifelong career transitions. Through improving career management skills and competencies, clients are able to make these transitions more smoothly, enjoy a higher level of career satisfaction and play a more active part in the economy. Underpinning the Careers Wales offer to all client groups is a digital service offer available and offering greater access to impartial careers information, advice and guidance. Live webchat service can be accessed from the website or Facebook page and, 'Careers Wales Connect' telephone helpline, provides personalised information and support.

### **Statutory Background**

As a Teckal company, Careers Wales is effectively an 'operational' arm of Welsh Government. The company's articles of association along with the annual remit letter, framework document, and Careers Wales's business plan (approved by Ministers) effectively form the contract between the company and Welsh Government. Board members are public appointments and the Chair is directly responsible to Welsh Ministers. The objects of the Company are specifically restricted to discharging the functions of the member (Welsh Ministers) by providing comprehensive careers, education and guidance service to individuals and organisations, linking education and business including in particular the member's legal powers under:

- Section 2 of the Employment and Training Act 1973 (ETA);
- Sections 8 and 9 of the ETA 1973;
- Section 10 of the ETA 1973;
- Section 60 of the Government of Wales Act 2006;
- Section 70 and 71 of the Government of Wales Act 2006;
- Section 83 of the Government of Wales Act 2006;
- Sections 33 and 40 of the Learning and Skills Act 2000 (LSA);
- Section 12 of the Industrial Development Act 1982; and
- Section 14 Education Act 2002

With regard to careers information, advice and guidance services (as currently delivered by Careers Wales), Welsh Ministers have a statutory duty in respect of the provision of careers information, advice and guidance to people in schools and colleges.

### **Funding**

During the 2017-18 financial year Welsh Government will provide Careers Wales with £23.7m of funding. As shown in the table below, this includes funding for specified projects to the value of £4.9m.

<b>Funding Source</b>	<b>£m</b>
Welsh Government – Core	18.8
Welsh Government – Individual Skills Gateway	2.6
Welsh Government – Strategic Projects	1.2
Welsh Government - React	1.1
<b>Sub-total Welsh Government</b>	<b>23.7</b>
European Funding – ESF	1.5

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Other contract Income	0.5
<b>Estimated total income 2017-18</b>	<b>25.7</b>

Careers Wales's core grant (£18.8m) is provided to support key functions as defined in the remit letter from the Welsh Government which details Careers Wales's objectives. In 2016-17 the remit letter focused on the following areas:

- Supporting young people aged 11-18 in school, colleges or work based learning, to develop their understanding of careers management competencies and employability skills; be aware of and able to access Careers Wales resources; be building their understanding of the labour market and labour market information (LMI); and be aware of all post-16 education, employment and training opportunities and how to access them.
- Ensuring that young adults in education or training are able to: make informed decisions about their future and next steps; apply career management competencies and employability skills; sustain engagement with education, employment or training; and make realistic decisions about future career and learning options.
- Strategic Support to the Youth Engagement and Progression Framework. This framework aims to reduce the number of young people not in education, employment or training (NEET). Careers Wales identify those most at risk of becoming NEET or who are already NEET and provide the support they need to get them back on track.
- Supporting an all age Careers Information Advice and Guidance services through the provision of a telephone and web-based services accessible and relevant to all.

The majority of the Careers Wales core funding goes on staffing which currently stands at 80% of all fixed costs. The company employ around 510 full time equivalent staff.

Headlines from the 2016-17 annual report showed that Careers Wales supported all maintain secondary, special schools and Further Education colleges in Wales. During the year 38,480 young learners benefited from one to one support and 70,818 young people attended a group session to develop awareness and application of careers management skills. Over 37,000 young people participated in Opportunity Awareness activities aimed at raising awareness of apprenticeships and work based learning opportunities.

In **Scotland** the national skills body, Skills Development Scotland, delivers an all age careers service. There is a key focus in helping young people in school develop their career management skills, are aware of career options and pathways. The Scottish Government published their Youth Employment Strategy , this is the Scottish Government's response to the Commission for Developing Scotland's Young Workforce (DYW) and work is already underway across Scotland to make sure all children and young people develop a greater

understanding of the world of work and the opportunities on offer. This includes much earlier access to career information advice and guidance, increasing employer involvement with schools and increasing opportunities for young people to learn about work within school and in work placements.

In line with DYW recommendations, the Scottish Government published the Career Education Standard 3-18. This ensures young people receive the right support to consider all the future career options available to them. The Standard sets out entitlements for young people and expectations of practitioners and others.

- ***The Committee asks the next report to provide updated information on the initiatives taken throughout the country to ensure access to vocational guidance in the labour market, including the respective legal basis for the provision of such guidance and the means deployed to disseminate information on vocational guidance (page 17) Clients in the labour market.***

Through the core funding grant Careers **Wales** provide online and phone support to those adults who self-refer asking for careers information, advice and guidance. The principal services delivered to adults in 2017-8 will be through ReAct (a service to support those facing or under threat of redundancy) and the Individual Skills Gateway (ISG) which are both funded through separate strategic project funding.

#### **16-18 year olds in the labour market.**

Careers Wales have a successful track record in supporting clients 16-18 who are unemployed. Their services aim to re-engage unemployed 16 and 17 year olds with education, employment and training through developing their employability and career management skills. The 2016-17 annual report showed that 7,261 unemployed 16-17 year olds benefited from personalised support, tailored to their needs through 15,201 interactions. Staff supported 3,400 unemployed 16-17 year olds and 4,575 unemployed adults into employment or skills training.

#### **Strategic Projects**

**Individual Skills Gateway 18+** - This project allows unemployed individuals aged 18 plus to get professional help and support from Careers Advisers to support them to achieve their career goals and overcome barriers to employment. Careers Wales help individuals find training and courses suited to their needs. During 2016-17 advisers conducted 27,144 face to face interviews with clients 18+ and 15,757 unemployed clients ages 18+ benefited from Individual Skills Gateway services to assess their skills and explore careers options via 953 group sessions.

**Apprenticeship Matching Service** – Careers Wales currently provide an on-line tool to help employers find suitable apprentices and aspiring apprentices to find opportunities in a business that is right for them. All Welsh Government funded apprenticeship programmes are accessed through careers.wales.com.

**Jobs Growth Wales** – This project allows unemployed 18-24 year olds living in Wales an opportunity to gain work experience for up to six months in a job which pays at least the minimum wage. The vacancies for Job Growth Wales can be accessed through [careerswales.com](http://careerswales.com).

**ReAct** - redundancy and support services are available to individuals who have been made redundant or are under the threat of redundancy. Support is available for eligible applicants to increase their skills and remove barriers to learning, or returning to work. All applicants have their training needs assessed by Careers Wales who will advise on suitable training courses and training venues. The 2016-17 annual report showed that advisors supported 4,594 individuals facing redundancy with 2,280 applications for funding being approved.

**Scottish Union** Learning works within the structure of the STUC to engage with trade unions to develop a strategy for union-led learning in Scotland. With dedicated funding from the Scottish Government, Scottish Union Learning has supported unions in developing and embedding an infrastructure to encourage and support lifelong learning and workforce development in the workplace.

Scottish Union Learning has two distinct funds; the Development Fund and the Learning Fund. The Development Fund supports trade unions to develop infrastructure to improve access to skills and learning for Scottish workers and to work with employers and external agencies to drive skills and innovation within the workplace. The Learning Fund finances collective learning provision. During this financial year, the Learning Fund will support around 3,000 learners throughout Scotland on courses ranging from Women in Leadership to Social Media and Social Networking. The learning takes place in a range of workplaces throughout Scotland, and employers often release learners to attend or provide a venue and facilities for the courses to take place.

### **Isle of Man**

The Isle of Man Government's Department of Economic Development (DED) Careers Service works in partnership with schools and the Island's Department of Education and Children (DEC) to provide information, advice, and guidance concerning academic and vocational options, as well as having dedicated advisors who work with adults (particularly the long term unemployed). The service has two advisors working in Island schools, University College Isle of Man (UCM) and the Isle of Man Prison; and two others working with the unemployed.

Island schools and UCM also have staff members who take on a careers advisory responsibility, so that all Island students should have advisory input – whilst maintaining independent guidance from the DED Careers Service, who visit schools and mostly target those in their final year of compulsory education – Year 11 (Average year group cohort is 900 – 1000).

Final year students are also taken to the UCM to be made aware of various vocational options available; and an Island-wide Employment & Skills Conference is held every year and is open to all schools, as well as adults,

looking for further information about employment options.

In **Northern Ireland**, a statutory duty to deliver careers guidance was placed on the Department for the Economy through the Employment Act (Northern Ireland) 2016. (The Employment Act (Northern Ireland) 2016 amended the Employment and Training Act (Northern Ireland) 1950 and the changes can be found on the website<sup>19</sup>.

The Department complies with this duty through the Careers Service, providing free and impartial careers information, advice and guidance to young people and adults of all abilities. Careers advisers provide impartial advice and guidance on the full range of options available including vocational training opportunities. The service is delivered by professionally qualified careers advisers based in Careers Resource Centres, Jobs and Benefits Offices and Job Centres throughout Northern Ireland as well as by phone, email and webchat. The Careers Service delivers face to face careers information, advice and guidance to young people at key transition points, in post- primary schools across Northern Ireland. Careers information and support is also made available via the website<sup>20</sup>.

**Article 10 - Right to Vocational training.**  
**Paragraph 2 - Apprenticeship (page 21)**

- ***The Committee asks what is the length of the apprenticeship and division of time between practical and theoretical learning.***

In the UK apprenticeships are considered to be a devolved matter and as such the conditions may vary with respect to the devolved administrations.

In England, the Department for Education continues to focus on the quality of apprenticeships by insisting that all apprenticeships must be real paid jobs. All apprenticeships must last a minimum duration of 12 months and involve substantial new training and clear skills gain including off-the-job training; and must include English and Maths for those who haven't achieved good GCSEs in those subjects. Duration of each apprenticeship will depend on the actual apprenticeship being undertaken and the time expected to reach occupational competence.

One of the core principles of a quality apprenticeship in England is the requirement that at least 20 per cent of an apprentice's time is spent on off-the-job training. This refers to training that takes place away from an apprentice's normal working duties (although not necessarily away from the workplace) which teaches them the knowledge, skills and behaviours they need to successfully achieve their apprenticeship.

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<sup>19</sup> <http://www.legislation.gov.uk/nia/2016/15/crossheading/careers-guidance/enacted>

<sup>20</sup> [www.nidirect.gov.uk/careers](http://www.nidirect.gov.uk/careers)

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The definition of off-the-job training is set out in the Funding Rules<sup>21</sup> and is deliberately broad as it has to apply to all sectors and being too prescriptive could stifle innovation in meeting the employer's needs.

As for the provision of apprenticeships in Wales, each apprenticeship is different and therefore they vary in length. An apprenticeship can take between one and four years to complete, depending on the level of the programme, qualifications being undertaken, the industry sector and the apprentice's ability and prior learning.

A Foundation Level 2 Apprenticeship usually takes around 12 to 18 months and an Apprenticeship Level 3 around 24 months.

Individual published apprenticeship frameworks may set a minimum recommended duration.

Regarding the division of time between practical and theoretical learning, this would depend on the individual qualifications being undertaken, the industry sector and the requirements set out by individual awarding bodies.

As apprenticeship policy is a fully devolved matter, in Scotland we have committed to developing a distinctly Scottish approach to apprenticeships and wider skills development and drive closer engagement with industry in our efforts to enhance productivity and economic growth. We already support people into employment through our range of programmes including Modern Apprenticeships (MA), skills, training, employability and work experience through private, public and third sector. We remain both flexible and responsive to needs of business and the economy and seek to remove barriers to employment.

In Scotland there are over 80 Modern Apprenticeship frameworks – from healthcare and financial services to construction and IT. These have been developed by sector skills councils, in consultation with their industry. We have also introduced and are growing our Foundation and Graduation Level Apprenticeships.

This means that MAs can build valuable work experience from day one and gain an accredited qualification which is recognised by industry. They'll develop skills and expertise for their current and future jobs. Modern Apprenticeships are available at four different levels, some equivalent to a degree.

In Scotland MAs vary in length and can be completed on a part time basis which makes them more accessible. They have no mandatory fixed target for percentage of time spent on off the job training.

In Northern Ireland to be eligible for the Apprenticeships NI programme the apprentice must be in:

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<sup>21</sup><https://www.gov.uk/government/publications/apprenticeship-funding-and-performance-management-rules-2017-to-2018>

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- Permanent remunerative employment for the apprentice from day one, i.e. a minimum of 21 contracted hours per week with one employer, which includes day release / off-the-job training (directed training must be paid as part of the apprentice's contracted hours).
- Paid a wage commensurate with the industry rate for that job and in accordance with the National Minimum Wage (NMW) regulations.
- Following an apprenticeship framework for the specific occupational area agreed with the relevant industry-led representative body, comprising directed training, related knowledge, appropriate Essential Skills, and structured workplace training.

The learning hours for the qualification itself would be dependent on the components laid down in the framework.

**Paragraph 3 – Vocational training and retraining of adult workers (page 22)**

- ***The Committee asks the next report to provide information about the labour market training and retraining measures specifically for unemployed persons, as well as the numbers participating and the activation rate. The Committee considers that if this information is not provided in the next report, there will be nothing to establish that the situation is in conformity.***

The responsibility for vocational training is shared between the Department for Education (DfE) and the Department for Work and Pensions (DWP).

In **England**, benefit claimants are eligible for subsidised further education training funded by the Department for Education via the Education and Skills Funding Agency (ESFA). Further education and skills policy and delivery in Scotland and Wales is the responsibility of the Scottish and Welsh Governments.

Jobcentre Plus is a UK Government-funded employment agency and social security office that can be found in most cities, whose aim it is to help people of working age find employment in the UK. It is a part of the Department for Work and Pensions (DWP). Jobcentre Plus Work Coaches personalise the support they provide to claimants to help them find, keep, and progress in work. Jobcentre Plus has the freedom and flexibility to support claimants based on their individual need. Opportunities include sector-based work academies (which provide training and work experience linked to a guaranteed job interview), English for Speakers of Other Languages (ESOL), other literacy and numeracy training, short job-focused learning, traineeships and apprenticeships. As part of the Jobcentre Plus offer to its customers, Skills Conditionality is a policy that mandates claimants receiving Jobseeker's Allowance, Universal Credit (all work-related requirements) or Employment and Support Allowance (work-related activity group) to undertake activity to address



an identified skills need which will aid their movement into work. From August 2011 – May 2017, there have been 669,980 Skills Conditionality (Initial Provider Interview) starts, 791,520 Skills Conditionality (Training) starts and 862,960 Skills Conditionality (National Careers Service) starts<sup>2223</sup>.

Identifying skills needs (sometimes called skills screenings) are an integral part of Work Coach meetings with claimants. This process involves observation and discussion to gather evidence on skills, qualifications, previous training and work history. The information gathered will help determine whether the claimant has any potential skills gaps in relation to job goals, a job readily available in the local labour market, or to progression.

Where further investigation is needed for potential essential basic skills needs (English/maths/ICT) claimants can be asked to complete the paper-based Fast Track Screening Tool. The tool is a short series of questions completed by the claimant and marked by the work coach to indicate potential basic skills needs. Where a potential skills need is identified, they are referred to an initial assessment with a learning provider (DfE funded through the Adult Education Budget) to confirm their skill level or can be referred for a more detailed assessment with the National Careers Service or equivalent in Scotland and Wales.

Claimants can also be signposted to learning opportunities where it is not a specific skills barrier but would improve their chances of finding, progressing and keeping jobs in the labour market. For example, National Careers Service's online offer includes a range of information and support including a course finder and skills check tool. In addition, especially for those who need individual help identifying what type of work they can do, professional advisers can give information, advice and guidance on careers and training. Many advisers are co-located in Jobcentres.

Claimants are also made aware of Careers Information, Advice and Guidance which enables individuals to prepare for and make effective decisions about their future in learning and in the labour market. It can offer support in a range of ways including:

- Information on job types
- Help with identifying transferable skills
- Personal action planning
- Funding information
- A discussion of available options
- Course information
- Help with CV preparation.

In addition to this, the UK Government's digital strategy applies the principles of the industrial strategy to the digital economy. The Department for Work and

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<sup>22</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/640511/employment-schemes-statistics-to-may-2017.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/640511/employment-schemes-statistics-to-may-2017.pdf)

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Pensions (DWP) is working with the Department for Digital Culture Media and Sport (DCMS) to help give everyone access to the digital skills they need. To do this, adults in England who lack core digital skills will not have to pay to access the basic digital skills they need, mirroring the approach taken for adult literacy and numeracy training.

The UK Government announced in January 2017 a critical part of the plan for post-Brexit Britain: a modern industrial strategy, with the objective to improve living standards and economic growth by increasing productivity and driving growth across the whole country. One pillar supporting the strategy is 'developing skills' by ensuring everyone has the basic skills needed in a modern economy; building a new system of technical education; boosting Science, Technology, Engineering and Mathematics (STEM) skills, digital and numeracy; and by raising skill levels in lagging areas.

The following programmes are available in **Wales**:

- **Jobs Growth Wales:**

Jobs Growth Wales is aimed at unemployed young people aged 16-24, giving them valuable work experience for a 6-month period, paid at or above the National Minimum Wages between 25 and 40 hours per week. The ambition for the programme is that the job opportunities will be sustained by the employer after the 6 months has completed.

Participant numbers between 2011 and 2014 were:

Number of participants (since start of programme) – 14,989

Success/completion rate – 75% completers with positive outcomes

- **Jobs Growth Wales II:**

Jobs Growth Wales is aimed at unemployed young people aged 16-24, giving them valuable work experience for a 6-month period, paid at or above the National Minimum Wages between 25 and 40 hours per week. The ambition for the programme is that the job opportunities will be sustained by the employer after the 6 months has completed.

Participant numbers from 2015 to date are:

Number of participants (since start of programme) - 2839

Success/completion rate – 84.87% completers with positive outcomes

- **Employability Skills Programme:**

The aim of the Employability Skills programme is to support unemployed adults to get a job and to stay in work by improving their employability skills. The core content of the programme is a high quality work placement or employer specific training which is combined with work preparation training, and essential skills provision if required. Providers have the flexibility to bring these elements together in the best way to engage and support individual participants. The programme is aimed at unemployed adults who have a reasonable chance of being ready for employment within six months.

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Participant numbers from 2015 to date are:

Number of participants (since start of programme) – 1790

Success/completion rate – 36% completers with positive outcomes

- Traineeships:

Traineeships is a non-employed status training programme for 16-18 year olds not otherwise engaged in post-16 education or employment. The primary objective of the programme is to equip young people, including those from disadvantaged backgrounds, with the skills, qualifications and experience to enable them to progress to learning at a higher level or to employment.

The starts for the following periods are:

2012/13: 8645

2013/14: 9040

2014/15: 8735

**The Scottish Government** is using new powers on employability devolved through The Scotland Act 2016 to help support people furthest removed from the labour market into better employment outcomes. Services are tailored to individual need and are underpinned by our guiding principles of dignity and respect.

Assured Skills is a joint programme between the Department for the Economy and Invest **Northern Ireland** which seeks to ensure the delivery of a range of activities and interventions guaranteeing potential inward investment companies, or existing companies wishing to expand, that NI has the ability to satisfy their future skills and training needs.

Since its inception, (2011) the programme has promoted over 6,600 jobs. Once all jobs have been realised it will bring an additional £156m into the NI economy. The programme targets unemployed graduates usually with a 2.2 or above qualification in any discipline. The programme has provided training to over 700 graduates since its inception in areas such as Cyber Security, Software Engineering, Software Testing, Software Development, Data Analytics, Financial Services, Legal Services, Salesforce, Human Capital and in other areas also. Of the 700 graduates who have been trained through the Assured Skills programme, over 85% have successfully gained employment.

Skills Focus is an up-skilling and re-skilling programme for Northern Ireland businesses with fewer than 250 employees. The programme, which is delivered by the six regional Further Education Colleges aims to increase the skills level of the working population by offering accredited qualifications at level 2 and above. The programme is 75% funded by the Department for the Economy and employers make a 25% contribution towards the cost of the training.

Since the introduction of the programme in April 2015, the FE Colleges have worked with over 1,400 businesses and over 4,000 employees have been up-skilled or re-skilled.

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Bridge to Employment was launched in 1997 and incorporated into the Employer Skills Branch in 2015. The Bridge to Employment programme provides customised pre-employment training courses to equip unemployed people, in particular long-term unemployed people as well as those returning to the labour market, with the skills necessary to compete for new employment opportunities. The programme is also available as an employer incentivised intervention supporting priority sector companies with the early stages of induction training providing their trainee was previously unemployed.

Nine Bridge to Employment projects have been commenced in 2017 with six completed so far. Of the 100 people called for training so far 89 have completed training and 85 have been offered employment. Three training courses are ongoing at present with 14 people being trained. The cost of training provided so far this year, including the courses not yet completed is £145,509.72.

In addition, the Department for the Economy provides a guaranteed training place on its Training for Success (TfS) programme for all 16 to 17 year old unemployed school leavers, with extended age eligibility for young people with a disability or from an in-care background (up to ages 22 and 24 respectively). The programme aims guarantee training up to 104 weeks (156 weeks for those with a disability) to help young people gain recognised skills and qualifications to help them progress in their chosen career.

As of April 2017, 4554 young people were participating on Training for Success. The annual budget for the programme (17/18) is just over £32m (£32,135,000). The annual budget for the programme 2013/14 TfS £27.4m. The programme is delivered through a range of contracted training suppliers and Further Education Colleges, the latter being arms-length bodies of the Department.

- ***The Committee asks the next report to provide information about the legislation on individual leave and its remuneration. It wishes to know how the burden of the cost of vocational training is shared among public bodies, unemployment insurance systems, enterprises and households as regards continuing training.***

Individual leave and remuneration for employees undertaking additional training is governed by a combination of the EU's Working Time Regulations 1998 and the contract of employment, which is arranged between the employer and the employee.

Information on government funding is included below. Further information on individual burden will be included in the next report.

The UK Government has invested heavily in skills in **England**. Funding details from 2012 to 2015 are shown in the table on page 15 of the Skills Funding

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Agency statement<sup>24</sup>. In academic year 2017/18, the Department for Education (DfE) is investing £1.9bn to fund participation in apprenticeship training for all ages, plus £1.5bn to support participation in adult further education through the Adult Education Budget. The Spring Budget 2017 set out steps to help give individuals the opportunity to retrain and up-skill at all points in their life, and to develop skills at the highest levels, including: Lifelong learning pilots – the changing nature of work makes retraining and reskilling essential and the UK Government will spend up to £40m by 2018-19 to test new approaches. DWP is working with DfE and other departments on the design and implementation of these pilots.

**Northern Ireland** provides £4.5 million per annum in ring-fenced funding to further education colleges through the Additional Support Fund (ASF) to support students with learning difficulties and/or disabilities enrolled in FE provision. This funding helps to cover the cost of both technical support, such as IT adaptations and specialist software, as well as personal support including specialist tutors and classroom assistants. It also facilitates the provision of discrete classes with higher staff to student ratios and more intensive support for students who, by the degree or nature of their learning difficulty and/or disability, are unable to access mainstream FE provision. A total of 3,444 FE funded students at level 3 and below were assisted through the ASF in 2015/16 academic year (latest data available).

The following is an estimate of all EU funded projects for unemployed people in **Wales** for 2011-14:

• Number of projects supported	33
• Total cost of Projects	£281,447,158
• of which EU grant	£147,235,850
• Number of participants reported	174,048
• Number of job outcomes reported	37,003

The Employer Skills Survey 2011 shows that UK employers spent £45.3bn on training over a 12 month period. On-the-job training accounted for 52% of this cost, with trainee labour costs accounting for 33% (of the total training cost) and trainer's labour costs accounting for 20%. Off-the-job training accounted for 48% of the total training cost. Of this, trainee labour costs were the greatest proportion, around 17%, followed by training management at 13%. Fees to external providers covered around 8% and costs relating to on-site training centres were 6%.

The 2013 Employer Skills Survey shows that UK employers spent £42.9bn on training over a 12 month period. On-the-job training accounted for 50% of this cost, with trainee labour costs accounting for 32% (of the total training cost) and trainer's labour costs accounting for 18%. Off-the-job training also accounted for 50% of the total training cost. Of this, trainee labour costs were the greatest

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<sup>24</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/82774/bis-12-p172x-skills-funding-statement-2012-2015.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/82774/bis-12-p172x-skills-funding-statement-2012-2015.pdf)

proportion, around 18%, followed by training management at 15%. Fees to external providers covered around 8% and costs relating to on-site training centres were 6%.

The Employer Skills Survey 2011 shows that employers in Wales spent £1.5bn on training over a 12 month period. On-the-job training accounted for 53% of this cost, with trainee labour costs accounting for 33% (of the total training cost) and trainer's labour costs accounting for 20%. Off-the-job training accounted for 47% of the total training cost. Of this, trainee labour costs were the greatest proportion, around 16%, along with training management, which was also 16%. Fees to external providers covered around 8% and costs relating to on-site training centres were 5%.

The 2013 Employer Skills Survey shows that employers in Wales spent £1.6bn on training over a 12 month period. On-the-job training accounted for 49% of this cost, with trainee labour costs accounting for 29% (of the total training cost) and trainer's labour costs accounting for 21%. Off-the-job training accounted for 51% of the total training cost. Of this, training management was the greatest proportion at 17%, followed by trainee labour at around 14%. Costs relating to on-site training centres were 11% and fees to external providers covered around 7%.

**The Scottish Government** is using all of Scotland's per capita share of the Apprenticeship Levy receipts in a range of skills, training and employability measures. This is clearly laid out in the Scottish Government response to the introduction of the Levy and includes apprenticeships; the employability fund; individual training accounts and the pilot Flexible Workforce Development Fund.

#### **Paragraph 4 – Encouragement for the full utilisation of available facilities**

- ***The Committee asks the UK's next report to confirm that to be eligible for student loans and tuition fee support, both UK nationals and non-EEA nationals, who are legally entitled to enter and reside in the UK, must be ordinarily resident in the UK throughout the three-year period, on an equal footing. In the meantime, the Committee reserves its position on this issue.***

Eligibility for student finance is a complex matter and is governed by a range of criteria. The criteria includes where a student lives, what type of course a student is undertaking, where and how a student is studying, previous study and whether or not a Higher Education qualification is held. Generally, during 2011-2014, to meet the requirements a student should be resident in England, have "settled" status on the first day of the first academic year of the course and must have been a resident of the UK and Islands (Channel Islands and the Isle of Man) for the three years prior to that date.

In **England**, EU students are able to apply for a tuition fee loan, and be charged the home rate of fees, so they can access Higher Education. They need to have been resident in the European Economic Area (EEA) or Switzerland for the three years prior to the first day of the academic year of the course. EU nationals who have been resident in the UK and Islands (Channel Islands and Isle of Man) for three years could also apply for maintenance support, the same as for home nationals.

For non-EEA nationals who have been granted Refugee status are uniquely allowed to access student support immediately. For those granted Humanitarian Protection they will be eligible, like UK nationals, to obtain student support after three years' ordinary lawful residence in the UK. For those with a form of discretionary leave to enter or remain are not eligible for automatic home fee status or student support.

Although **Wales** do not operate precisely the same scheme, the eligibility criteria related to residency are very similar to England. Other than in the case of refugees, where immediate access to support is allowed, individuals must have three years residence preceding the first day of the first academic year of the course.

In **Scotland**, Eligibility for student finance is a complex matter and is governed by a range of criteria. The criteria includes where a student lives, what type of course a student is undertaking, where and how a student is studying, previous study and whether or not a Higher Education qualification is held. Generally, during 2011-2014, to meet the requirements a student should be resident in Scotland, have "settled" status on the first day of the first academic year of the course and must have been a resident of the UK and Islands (Channel Islands and the Isle of Man) for the three years prior to that date.

In Scotland EU students are able to apply for a tuition fee loan, and be charged the home rate of fees, so they can access Higher Education. They need to have been resident in the European Economic Area (EEA) or Switzerland for the three years prior to the first day of the academic year of the course. EU nationals who have been resident in the UK and Islands (Channel Islands and Isle of Man) for three years could also apply for maintenance support, the same as for home nationals.

For non-EEA nationals who have been granted Refugee status, Humanitarian Protection or another form of leave to remain, as a result of an application for asylum, are uniquely allowed to access student support immediately.

The only difference in **Northern Ireland** policy is regarding "Discretionary leave" (Temporary Leave). Discretionary leave can be granted in Northern Ireland for a maximum of 3 years and then be subject to review. Leave is awarded where a claim for asylum or on humanitarian grounds has been made, but the student does not meet the criteria for Refugee status or Humanitarian Protection status. Northern Ireland will award student financial support and home fee status to students who have been ordinarily resident in Northern

Ireland and on the first day of the first academic year of a course been ordinarily resident in the UK and islands throughout the three years.

- ***The Committee asks what measures are taken to evaluate vocational training programmes for young workers, including the apprenticeships. In particular, it wishes to be informed of the participation of employers and workers' organisations in the supervision process. The Committee notes that if this information is not provided in the next report, there will be nothing to establish that the situation is in conformity with the Charter.***

In UK there are various different vocational programs, all of which have an element of evaluation. During policy development a range of stakeholders are involved including employer and worker representatives.

Apprenticeships - The Department for Education published a benefits realisation strategy in March 2017<sup>25</sup> that set out the objectives and benefits for the apprenticeship reform programme and a summary of how these benefits would be measured. These included how the programme would evaluate the benefit to employers and apprentices. This strategy outlined a range of high-level indicators of success for the apprenticeship programme measured in positive outcomes for participants.

Supported internships were introduced in England in September 2013 for young people aged 16-25 with an Education, Health and Care plan. Before their introduction as a national programme, a trial<sup>26</sup> of supported internships was conducted in 2012/13 and found an employment rate of 36% (versus the employment rate for adults with moderate to severe learning difficulties known to social services of only 5.8% (Adult Social Care Outcomes Framework Department of Health, 2016<sup>27</sup>). Additionally, Project Search, who have run their own evaluation<sup>28</sup> of Project Search programmes (a type of supported internship based at a large employer, often a hospital) concluded that the average employment rate at the end of a Project Search supported internship was 52%. Employers and young people were involved in both evaluations.

Traineeships are an education and training programme for those aged 16-24 in England, consisting of a work experience placement, work preparation training and English, and maths training for those without L2 qualifications in these subjects.

There are robust evaluation procedures for Traineeships. The Traineeships Year Two Process Evaluation published in July 2017<sup>29</sup> (based on a sample

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<sup>25</sup> <https://www.gov.uk/government/publications/apprenticeship-reform-programme-benefits-realisation-strategy>

<sup>26</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/263205/DFE-RR314.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/263205/DFE-RR314.pdf)

<sup>27</sup> <http://www.hscic.gov.uk/catalogue/PUB18657>

<sup>28</sup> <https://www.base-uk.org/knowledge/project-search-evaluation-august-2014>

<sup>29</sup> <https://www.gov.uk/government/publications/traineeships-evaluation>



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rather than administrative data) found that: 66% of trainees progressed into a positive destination after their traineeship; 20% to apprenticeships; 34% to other employment; and 12% to further learning. 82% of trainees reported they were satisfied with their traineeship and 83% of trainees perceived the programme to have helped them improve their chances in future job applications.

The Department for Education (DfE) has published outcome based success measures for traineeships for those who started or completed a traineeship in academic year 2014/15. This uses HMRC data to track learner destinations and shows that, of those who completed a traineeship, 53% progressed in to sustained employment, 34% in to sustained learning, of which 22% were in an apprenticeship. The overall sustained positive destination rate was 65%. Further data are available online<sup>30</sup>. An impact analysis of traineeships is due to be published in early 2018.

There is regular engagement with a range of stakeholders including a quarterly Sector Dialogue Steering Group, which includes members from the Association of Colleges, the Association of Employment and Learning Providers and the Employment Related Services Association. There are also quarterly employer roadshows run through the National Apprenticeship Service, which are a mechanism for employer participation and feedback. Employer account managers complete regular insights reports to record employer experiences back to policy teams.

The DfE works with Unionlearn, the Trade Union Congress' learning and skills organisation, which supports workplace learning and directs the level and type of learning activity that should be supported by the Unionlearn Fund. There will be an exercise in November and December 2017 to evaluate the potential of the programme involving interviews with a range of employers and providers.

Apprenticeship frameworks in **Wales** are only developed where demand exists for an apprenticeship and where the occupation/job role for the apprenticeship meets current/emerging skills needs. This ensures that the apprenticeship has credibility and is well-regarded across the industry or sector, as well as giving it longer term value. Legislation defines relevant occupational competencies as the competencies required to perform the skill, trade or occupation to which the framework relates at the level required in the framework.

Sector bodies work with employers to develop and revise apprenticeships so that they maintain industry relevance. They identify where there is a substantial skills need within an industry sector(s) for the programme. There should be evidence of sufficient demand for the apprenticeship among employers over a sustained period of time.

Consequently, the skills needed for an apprenticeship is identified through the application and combination of several research methods arrived at through

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<sup>30</sup> <https://www.gov.uk/government/statistics/further-education-outcome-based-success-measures-2014-to-2015>

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both quantitative and qualitative input. Groups representing particular industry sectors and employers play a role, drawing on data and research from the industry as well as from national and regional sources.

Apprenticeship qualifications are underpinned by National Occupational Standards (NOS), which are developed in consultation with employers through sector representative bodies (including SSCs) which operate across the UK. NOS provide a detailed specification of the knowledge, skills and competences required for a job role. They are a fundamental part of the quality of Apprenticeships in Wales and valued by employers and training providers.

The three Regional Skills Partnerships have a role in advising Welsh Government on future national prioritisation of skills funding in line with employment and skills need. This includes intelligence on the need to update apprenticeship frameworks and where appropriate develop new frameworks. Skills Development Scotland currently manages the commissioning process for National Occupational Standards and Apprenticeship Framework system on behalf of Scotland, Northern Ireland and Wales.

Recently, the Wales Employment and Skills Board has agreed to establish the independent Wales Apprenticeship Advisory Board (WAAB). The WAAB will be enterprise-led with representatives from business, trade unions, further education bodies and the Welsh Government. They will be tasked with the expansion of apprenticeship into new sectors of the economy, identifying sectors where new / revised apprenticeships can make a real difference to both employers and employees and reviewing existing apprenticeships.

The WAAB would approve/reject frameworks. In carrying out its role, the WAAB would take account of ongoing and future skills needs, including through data and reports produced by the Regional Skills Partnerships in Employment and Skills Plans and Labour Market Research. They will advise on apprenticeship framework developments with the aim of delivering a maximum of 30 high performing Apprenticeship frameworks to drive forward the Welsh economy.

The Welsh Government commissions all new / revised framework products (either directly or through its agent), ensuring that are meeting sector needs and compliant with any statutory requirements. The Welsh Government sets the funding rate.

The apprenticeship programme is highly valued by both employers and apprentices and framework success rates are consistently over 80 per cent. The last learner survey found that more than 90 per cent of apprentices thought that their overall experience was 'good' or 'very good'<sup>12</sup>. However, the Welsh Government recognise the need to do more.

Apprenticeship delivery is inspected by Estyn and is subject to ongoing monitoring by the Welsh Government. While the overall programme outcomes are good, providers need support to improve some aspects of delivery, including literacy and numeracy teaching; the quality of marking and feedback;

and upskilling trainers and assessors to support and challenge every learner to achieve their potential.

To help build capacity in the work-based learning sector, a dedicated Head of Quality has been appointed by the National Training Federation for Wales (NTfW) (the representative body for work-based learning providers in Wales). Their role involves co-ordinating continuing professional development for the sector, sharing good practice, and developing a clear vision of what excellent work-based learning looks like. Further opportunities will be provided by the registration of work-based learning practitioners with the Education Workforce Council from April 2017, which will provide, for the first time, comprehensive information on the workforce, levels of qualifications, and development needs.

Measures of success should be linked to the core purpose of apprenticeships, that is, getting people into meaningful employment. The National Assembly's Enterprise and Business Committee Inquiry into apprenticeships has recommended that the Welsh government 'publish the number of apprentices that progress into employment at the end of their apprenticeship, according to destination sector.' In taking this forward, there is an agreement in principle from the UK Government to take part in their data linking programme in England. Known as the Longitudinal Education Outcomes Study (LEOS), it matches learner records to the Department for Work and Pensions' data on employment, earnings and benefits, giving a more comprehensive picture of learners' destinations than has previously been possible. The Welsh Government are working with UK Government colleagues to agree details of our involvement and intend to undertake a pilot in Spring 2017, which will lead to an ongoing programme of data linking to enable us to monitor learners' progress and destinations.

Skills Competitions offer apprentices a chance to challenge, benchmark and raise their skills by taking part in competitions across a range of sectors. They allow apprentices to develop and showcase their skills at a UK and world level, improve self-confidence and self-esteem. They increase their motivation, raise aspiration and help young people to prepare mentally and technically for their chosen career. We will continue to work to ensure Apprenticeships feature highly in Skills Competitions across Wales.

In **Scotland** the measures taken to evaluate training programmes are as follows:

#### Modern Apprenticeship Group

The Modern Apprenticeship Group (MAG) in Scotland approves and reviews the quality of all apprenticeship Frameworks and it takes its authority from Scottish Ministers. It has a formal constitution and its members are organisations that are members of MAG. The Scottish Government is chair and the group is made up of representatives from; Skills Development Scotland, Colleges Scotland, Scottish Qualifications Authority, Scottish Training Federation, Scottish Trade Union Congress and Sector Skills Council Qualifications group.

MAG key function is to scrutinise framework proposals that have been developed by sector skills bodies in partnership with employers. It ensures that proposals are well developed and have strong evidence of employer demand.

#### Scottish Apprenticeship Advisory Board (SAAB)

Originating from the recommendations of the Commissioning for Developing Scotland's Young Workforce, the new Scottish Apprenticeship Advisory Board (SAAB) has been set up to provide employer leadership and contribution to the development of apprenticeships in Scotland; ensuring they are aligned with industry and economic need, Fair Work and job opportunities. It is responsible for providing advice and making recommendations on the guiding principles, operational policy, systems and structures supporting apprenticeships in Scotland.

#### Modern Apprenticeship Employer Survey 2015

Skills Development Scotland commission a report every 3 years which is designed to explore employers' use and views of Modern Apprenticeships and to assess the benefits and impact that MAs bring to employers. The 2015 survey was based upon the analysis of a telephone survey of 2,505 employers who had an employee leave a Modern Apprenticeship in the last three years at the time of the survey. This includes employees who completed as well as those who did not complete the Modern Apprenticeship.

The research was conducted by an independent market research company, IFF Ltd, for Skills Development Scotland (SDS) in the early part of 2015. The results presented have been reweighted to ensure that they are representative of MA employers as a whole. The research forms part of a wider SDS programme of research and evaluation to inform continuous improvement work and delivery of MAs in Scotland.

A similar study was carried out by SDS in 2012.

Overall the headline results show:  
Benefits of offering MAs

- 96 per cent of employers reported that MA completers were better able to do their job as a result of the MA, and 92 per cent reported they were better able to work with others as a result of their MA. This was the same findings as the 2012 survey.
- Three-quarters (75 per cent) of employers reported improved productivity, 72 per cent reported improved staff morale, and 71 per cent reported improved product or service quality as a result of offering MAs. The proportion of employers reporting benefits has increased significantly from 2012.
- Skill improvements were higher across the board for completers compared to non-completers. For example, 90 per cent of employers

reported an improvement in problem solving skills due to completing the MA compared with 68% for non-completers.

### Use and Views of the Programme

- Overall 84 per cent of employers were satisfied with the relevance of the training. 62 per cent of employers reported that they were very satisfied with the relevance of the training, with a further 22 per cent satisfied. Only five per cent were dissatisfied with this.
- Overall 84 per cent of employers were satisfied with the quality of training delivered by the provider. 64 per cent of employers reported that they were very satisfied with the quality of training, with a further 20 per cent satisfied. Only five per cent of employers were dissatisfied with this. The overall 2015 findings show very little change from 2012.
- Satisfaction with MAs differed by the framework. Overall the percentage of employers who were very satisfied considerably exceeded the percentage dissatisfied across all elements and frameworks.
- Employers were less satisfied with their chance to be involved and influence decisions made about the structure, content, delivery and duration of the MA prior to training (49 per cent satisfied) with one fifth (21 per cent) dissatisfied. However, the majority of employers indicated they were satisfied/very satisfied with this element.

### Education Scotland Modern Apprenticeship Reviews

The external review of MAs by Education Scotland builds upon and complements Skills Development Scotland's (SDS) current quality assurance arrangements. These arrangements require all non-college training providers to demonstrate they are meeting SDS quality standards as set out in the SDS Quality Assurance Framework. SDS takes assurance of delivery within colleges from Education Scotland's college inspections. The external review arrangements encompass off-the-job training approaches within MA programmes and focus solely on the contribution made by training providers and the quality of the training they deliver. The review team evaluated the work undertaken by a sample of colleges and independent training providers.

A team of Her Majesty's Inspectors (HMI) from Education Scotland, and Associate Assessors (AA) from SDS, colleges and independent training providers, conduct external reviews. Associate Assessor input ensures that each review team has the expert knowledge and industry-related experience to ensure a full and well-informed review process.

External review approaches incorporate:

- observation of training activities
- discussions held with provider managers and staff
- discussions held with employers and apprentices

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Upon conclusion of the external review, a short written report is provided to each training centre by Education Scotland. This includes the grades awarded for each of the six high-level questions posed during the review. This report is not published, but is shared with SDS, although centres can choose to publish their individual reports after the main report is published. The findings from each of the visits are brought together to generate a national report which is published by Education Scotland on behalf of the Scottish Government.

These national reports are designed to inform Ministers on the quality of the off-the-job training element within specific MA programmes. The report will also assist providers in preparing and implementing their quality improvement and enhancement agendas and identify examples of excellent practice.

As part of the ongoing reform of apprenticeships in **Northern Ireland**, the Department has established an interim Strategic Advisory Forum (made up of employers and other key stakeholders including) to advise on the implementation of our Apprenticeship Strategy published in 2014. As the reforms become embedded, this interim Forum will be replaced by a new group who will be charged with providing advice to the Economy Minister and Department on the operation of the local apprenticeship system and on key policy issues. Employers, trade unions, FE Colleges, Higher Education Institutions and non-statutory training providers will all be represented on this group. This group will be supported by a range of employer led Sectoral Partnerships who are charged with reviewing and agreeing the content of Northern Ireland traineeships, apprenticeships & higher apprenticeships for each relevant occupational role. Sectoral Partnerships will include employers, education/training experts, trade union reps and other key stakeholders. The workings of these groups will be regularly evaluated to ensure they remain fit for purpose.

### Higher Level Apprenticeships

All Higher Level Apprenticeships (HLA) have at their core a higher educational or professional qualification. This is evaluated in accordance with the associated quality assurance requirements of each qualification. Separately, the Department's Quality Improvement Team evaluates HLA provision, engaging with apprentices, employers and training providers to assure quality and consistency of apprenticeship experience. Additionally, in early 2017 the Department commissioned a strategic evaluation of Higher Level Apprenticeship provision, conducted by Professional Associates of the Council for Curriculum, Examinations and Assessment. There are plans to commission further strategic evaluations of the HLA programme in coming years.

### Apprenticeships NI

In relation to becoming a contracted training provider this can only occur through the government procurement process and procurement of ApprenticeshipsNI/Training for Success training is managed with the support of Central Procurement Directorate.

There is a Service Level Agreement (SLA) between Finance and Commercial

Services Division and Youth Policy and Strategy Division for the provision of Contract Management services required to support Training for Success and Apprenticeships NI.

The following activities and services are included in this SLA;

- Monitoring and Assessing the Compliance and Performance of Contractors against agreed performance indicators and standards and the provision of feedback to contractors
- Processing Payments, Recovery of Funding and Providing Payment Assurance

#### Apprenticeships NI Targets and Performance from April 2017

- The Performance Indicators for ApprenticeshipsNI relate to the percentage of participants who achieve their full Level 2 Framework, their NVQ Level 2, or their full Level 3 Framework by the Target Year.
- The Target Year for achievement of qualifications is 2 years after the financial year a participant starts on the programme, except in cases where someone does a combined Level a and 3 (known as a "Level 3 with 2 En Route"), when the Target Year can be up to 4 years after a participant starts on the programme.

#### **LEVEL 2 APPRENTICESHIPS**

<b>FINANCIAL YEAR</b>	<b>TARGET</b>	<b>PERFORMANCE (as at 30 August 2017)</b>
<b>2013/14</b>	<b>56% to achieve Level 2 Framework by 31 March 2016</b>	<b>68% 12%</b>
<b>2014/15</b>	<b>58% to achieve Level 2 Framework by 31 March 2017</b>	<b>65% 7%</b>
<b>2015/16</b>	<b>60% to achieve Level 2 Framework by 31 March 2018</b>	<b>48% and counting</b>

#### **LEVEL 3 APPRENTICESHIPS WITH 2 EN ROUTE**

<b>FINANCIAL YEAR</b>	<b>TARGET</b>		<b>PERFORMANCE (as at 30 August 2017)</b>
<b>2013/14</b>	<b>65% to achieve NVQ Level 2</b>	<b>by 31 March 2016</b>	<b>68% 3%</b>
	<b>57% to achieve Level 3</b>	<b>by 31</b>	<b>23% and counting</b>

	<b>Framework</b>	<b>March 2018</b>	
<b>2014/15</b>	<b>65% to achieve NVQ Level 2</b>	<b>by 31 March 2017</b>	<b>68% 3%</b>
	<b>59% to achieve Level 3 Framework</b>	<b>by 31 March 2019</b>	<b>6% and counting</b>
<b>2015/16</b>	<b>65% to achieve NVQ Level 2</b>	<b>by 31 March 2018</b>	<b>42% and counting</b>
	<b>62% to achieve Level 3 Framework</b>	<b>By 31 March 2020</b>	<b>7% and counting</b>

### **LEVEL 3 APPRENTICESHIPS**

<b>FINANCIAL YEAR</b>	<b>TARGET</b>	<b>PERFORMANCE (as at 30 August 2017)</b>
<b>2013/14</b>	<b>53% to achieve Level 3 Framework by 31 March 2016</b>	<b>66% 13%</b>
<b>2014/15</b>	<b>55% to achieve Level 3 Framework by 31 March 2017</b>	<b>66% 11%</b>
<b>2015/16</b>	<b>62% to achieve Level 3 Framework by 31 March 2018</b>	<b>34% and counting</b>

The onus is initially on the Contractors to ensure that apprentices and employers adhere to the contractual requirements (including the completion and implementation of the Delivery Agreement) and the employer must be in attendance at the 8 week mandatory reviews with the Contractor and Apprentice.

Contractors, in conjunction with employers, must ensure that the ratio of Level 2 / Level 3 apprentices to other employees within a company is appropriate to ensure that the apprentice receives adequate training support while on the job. The recommended ratio is:

- 1-5 employees: 1 apprentice in any one location by occupational area.
- 6-10 employees: 2 apprentices in any one location by occupational area.
- 11-15 employees: 3 apprentices in any one location by occupational area.

#### Training For Success

The Department has put in place both internal and external measures to monitor and report on the Training for Success programme as well as to evaluate the quality of teaching and learning provided to learners.



**Article 15 - Right of physically or mentally disabled persons to vocational training, rehabilitation and social resettlement.**

**Paragraph 1 - Education and Training for persons with disabilities (page 28)**

- ***The CoE report (page 30) states that in England the “Residential Training Colleges” support approximately 800 people with disabilities per year. In 2011/12 around 850 people started courses at Residential Training Colleges and 317 subsequently found employment. The Committee asks that the next report provide information on the conditions under which persons with disabilities can take advantage of this programme and whether this type of programme exist in Scotland, Wales and Northern Ireland and, if not, whether people from Scotland, Wales or Northern Ireland may follow such a programme of study at a college in England.***

Residential Training Colleges, providing training for adults, no longer operate in England. This provision is now comprised of specialist post-16 institutions (SPIs) and specialist employment support (SES).

SPIs provide education provision and learning support for students in England with high needs where provision is not possible within mainstream educational settings. Many SPIs offer both residential and day settings and primarily deliver vocational education. They cater for young people from the age of 16, and up to 25 where outcomes in Education, Health and Care (EHC) plans are being worked towards.

SES is a voluntary programme which has replaced Residential Training Colleges (see answer to Article 15 paragraph 2). It focuses on helping those furthest away from the employment market and who are not suitable for any other programme, such as Work Choice or Work Programme. It can be an important part in helping them to move into other suitable provision or into employment. Although it is not routinely offered on a residential basis, this can be arranged in cases where the participant's disability would require it. A person with disability is entitled to take advantage of this programme providing they:

- are not in employment
- are of working age
- have a disability as defined by the 2010 Equality Act definition
- have complex employment support needs, not necessarily arising primarily from their disability and need support to help them move nearer to, or into, the open labour market.
- are not suitable for the Work Programme
- are not suitable for Work Choice
- are not suitable for other provisions available locally, either DWP or non-DWP.

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Since the introduction of SES there have been vast improvements in the way we support the harder to help. In fact the programme has become more targeted, supporting a more distinct group of customers who have multiple and complex needs. Also, the number of referrals is significantly more than the 800 a year through its predecessor (Residential Training Colleges). In addition to that, a genuine National delivery has been achieved with a fair distribution of referrals from all parts of Great Britain.

SES is a national programme. Suitable and eligible residents of Scotland and Wales can be referred to it and are able to access residential provision in England if appropriate and if the individual is willing to travel and be away from their family. However, SES is not available in Northern Ireland.

Parkanaur College is the residential training college in Northern Ireland for people with significant disabilities. It is committed to promoting and delivering vocational education and personal development to people with a range of learning difficulties and disabilities. Within 2011/12 Department for Communities (DfC) provided funding to support up to 15 residential training places from Parkanaur College, for those people for whom this specialist provision and environment was deemed to be suitable, and met the needs of the individual and their families or carers.

Also in Northern Ireland, Training for Success programme (TfS) is designed for young people aged 16 – 17 who have reached statutory school leaving age. The programme also offers extended age eligibility for young people with a disability up to age 22 and up to age 24 for those from an in-care background. It guarantees training entitlement of up to 104 weeks (or 156 weeks for those with a disability) to help young people gain the recognised skills and qualifications to progress in their chosen career or into employment, apprenticeships or further education/training. Disability Support Contractors are also contracted separately to provide appropriate and high quality information, advice and support to participants who have a disability both prior to entering and whilst participating on the Training for Success and/or Apprenticeships NI. This support will ensure that appropriate arrangements are put in place for these participants during their training to help them achieve the best possible outcomes. It should be noted however that not every participant with a disability will require such support. Workable (NI) also provides the necessary support so that eligible disabled people can progress in a wide range of jobs including apprenticeships and Access to Work (NI) helps by providing support to overcome work-related obstacles resulting from disability; enabling disabled clients to work on a more equal basis with their non-disabled colleagues and encouraging employers to recruit and retain disabled people by offering practical help.

Under Section 140 of the Learning and Skills Act 2000 (“the 2000 Act”), Careers Wales, as part of their remit with Welsh Government, carry out an assessment of a young person with a statement of SEN in their final year of schooling, where they intend to leave school to access further education/training. The assessment, which is to identify a young person's education and training needs and provision required to meet those needs, culminates in a written report

known as a 'Learning and Skills Plan'.

Welsh Government expects that mainstream FE establishments will normally meet the education and training needs of the majority of young people who have a learning difficulty. However, Welsh Government recognise that in some cases specialist provision, which may be located in Wales or England, is necessary to meet the needs of learners with more complex learning difficulties. Specialist Further Education (FE) establishments are specifically set up to cater for the complex needs of young people requiring specialist provision. Specialist FE establishments are responsible for identifying a clear, reasonable and realistic programme of study that meets a young person's identified education and training needs.

Access to specialist further education provision for learners in Wales who have learning disabilities is subject to Welsh Government having regard to the needs of persons with learning difficulties and, in particular, to any report of an assessment the Welsh Government arranges under section 140 of the 2000 Act. Such reports/assessments will include the identified programme of study.

DWP replaced Residential Training College provision at a GB level (covering Scotland and Wales) with Specialist Employability Support, a series of GB wide contracts offering support to those disabled people for whom more mainstream provision is not suitable. We believe SES will be devolved to the **Scottish** Government on expiry of current contracts but await confirmation of this. We are considering how we might offer the type of support this customer group requires post devolution but there is no fixed decision on this at this time.

## **Article 15 - Right of physicality or mentally disabled persons to vocational training, rehabilitation and social resettlement.**

### **Paragraph 1 - Education and training for persons with disabilities**

- ***In its previous conclusion (Conclusions XX-1 (2012)), the Committee asked to be informed in the next report of any progress made in legislation to prevent discrimination on grounds of disability in the Isle of Man. The report explains that the Government of the Isle of Man no longer intends to bring the Disability Discrimination Act 2006 into operation as it would have dealt with discrimination on the grounds of disability in the provision of goods and services, but not in employment. In 2014, the Government of the Isle of Man presented a new equality act based on the UK Equality Act 2010 which will deal with discrimination in both employment and the provision of goods and services on various grounds including disability. This law should come into force in 2015. The Committee asks that the next report provide all the necessary information on this subject.***

## **Isle of Man**

Following a decision by Tynwald in July 2015, the Department of Health and Social Care is bringing the Disability Discrimination Act 2006 (DDA) into effect in four phases. The first phase commenced on 1 January 2016 allowing for the making of Guidance and a Code of Practice, and other foundation regulations.

From 15 December 2016, the DDA created rights for a disabled person not to be discriminated against in:

- the provision of goods, facilities and services;
- the selling or letting of property and land;
- education; and
- transport.

Later phases coming into effect from 1 December 2018 and 1 December 2020 will place a duty on service providers to provide auxiliary aids and services in order to facilitate access to services and change physical features to premises that make it impossible or unreasonably difficult for disabled persons to access goods and services.

The Equality Act 2017 will deal with discrimination comprehensively on the ground of disability in respect of employment as well as goods and services. It is planned to repeal the DDA in due course once the Equality Act is fully in operation.

### **Paragraph 2 – Employment of persons with disabilities (page 30)**

- ***The CoE report (page 31) refers to the Committee taking note of the report of the Independent Advisory Panel set up by the Minister for Disabled People in August 2012 to review residential training provision. The report, which was published in July 2013, made a number of recommendations, which the Department is working to address. The Committee asks that the next report contain information on the progress made with regard to the application of the recommendations of the Independent Advisory Panel.***

As a result of the independent advisory panel review, otherwise known as the Sayce review, and in order to take into account its recommendations, in July 2014 the Minister for Disabled People instructed the department to review the Residential Training Colleges (RTCs) provision and explore options for developing a more cost-effective successor. On 30th January 2015, following a stakeholder engagement and strategy exercise, DWP issued an Invitation to Tender for a competitive commercial procurement exercise for Specialist Employability Support (SES) contracts. The winning bidders were announced by Written Ministerial Statement on 24 March 2015, with contracts signed with providers in April 2015.

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Although SES operates within the same funding as the RTCs it replaced RTCs to:

- Learn more about the best ways to support the most disadvantaged disabled customers;
- Achieve better value for money and support more individuals - it was estimated that SES could support double the participants of the previous RTC programme at a similar cost.
- Provide a wider geographical reach and coverage – RTCs were concentrated in particular regions and many customers were discouraged by the requirement to stay residentially.
- Improve links through outreach and partnership working and forge stronger links with a range of other programmes including Work Choice and Work Programmes – RTCs delivered a discrete end-to-end offer and had few links with other contracted providers.