1. What is the Cogent Sector Compact?

Cogent is the Sector Skills Council for the Chemicals, Pharmaceuticals, Nuclear, Polymers, Petroleum and Oil & Gas industries which contribute a GVA of £49bn to the UK economy. The annual turnover of our industries is £156bn which equates to the combined annual UK budgets for Health, Education and Training. Despite the fact that the GVA per employee vastly exceeds the UK average, the Cogent workforce still has significant skills gaps, and Cogent’s research and Sector Skills Agreement (SSA) work has indicated that there is a 25% deficit of Cogent employees qualified at NVQ levels 2 and 3. (See Annex A for more information on the Cogent Sector Background)

The compact is a non-contractual agreement between the Department for Innovation Universities and Skills, the Learning and Skills Council and Cogent SSC to work collaboratively to drive up demand for skills across England through Train to Gain. It sets out a new offer to employers in the sector within Train to Gain. The Compact sets out the detail of this agreement including the ambition and volumes of increased demand, the specific flexibilities needed to deliver this demand and the phasing of this delivery. It covers a period of up to three years and is an integrated part of the Train to Gain offer to employers, not a separate programme. The Compact is an important and highly significant new element in the Cogent Sector’s drive to raise skill levels and ensure a sustainable future for these vital and strategic science-using industries. Employers in the sector have recognised the need to offer their employees up-to-date and high quality training and development and the Sector Compact will facilitate this upskilling agenda both through funding support and through the further strengthening of relationships with both brokers and training providers, who will increasingly become part of the Skills Academy Network of assured providers.

2. What is included in the new offer for employers through the Train to Gain Sector Compact?

The support through Train to Gain already enables employers in the sector to access advice on skills and on the Skills Pledge. Train to Gain also offers funding support for a range of vocational skills and qualifications for individuals working employers of all sizes. The Sector Compact agreement introduces significant flexibilities into the Train to Gain funding system. Cogent has identified the need to upskill the current workforce as an important priority as being crucial to enable the industry to compete in world-wide markets. The compact is aimed at the specific skills needs of the science-using Cogent Sector and is designed to encourage more employers to take advantage of funding for that upskilling. The offer includes:

- First vocational qualification at full Level 2, Level 3 and Level 4 qualifications
- Apprenticeships for all ages including those specially developed by Cogent to meet Sector priorities. (See Annex B) Apprentices of all ages are supported through the LSC’s Apprenticeship Programme. The LSC funds the cost of delivering the skills needed by an apprenticeship so all LSC funding goes directly to the employer, college or training provider delivering the apprenticeship.
• Skills for Life – literacy, numeracy & ESOL (English for Speakers of Other Languages)
• Support for Leadership and Management in companies employing over 10 and less than 250 employees. This is supplemented by Development Agency funding in many regions and is accessed via the brokerage service in the relevant region.

The compact gives special flexibility for key qualifications to be available for the first time through Train to Gain as repeat qualifications – i.e. to employees who already have a NVQ Level 2 or 3 can now be supported to achieve a second full Level 2 or 3. This flexibility is focused on the most important qualifications to the sector.

Employers in the sector will now be able to access:

• Repeat Level 2: Funding to support learners’ achievement of an additional full level 2 qualification (See Annex A) as appropriate to the needs of the employer/learner:

• Repeat Level 3: Funding to support learners’ achievement of an additional full level 3 qualification (See Annex A) as appropriate to the needs of the employer/learner:

These flexibilities are focused on the demand for upskilling from industries within the Sector footprint and include Process Engineering, Chemical, Pharmaceutical, & Petrochemical Operations, Laboratory Operations, Nuclear Protection & Decommissioning & Signmaking. A number of cross-cutting qualifications will also be available through the Compact e.g. Business Improvement Techniques, Team Leading, Engineering, etc.

A full and current list of these qualifications can be found on the LSC website [http://readingroom.lsc.gov.uk/lsc/National/nat-qualificationsidentifiedforfulllevel2repeatsv55providerbriefing-mar09.pdf](http://readingroom.lsc.gov.uk/lsc/National/nat-qualificationsidentifiedforfulllevel2repeatsv55providerbriefing-mar09.pdf)

3. What is the desired outcome from the compact?

The Sector Compact will deliver real economic benefits to the Cogent science-using industries, helping them to overcome significant skills gaps and making employers more competitive. Employers will gain access to funding for important vocational qualifications and programmes like Business Improvement Techniques. These not only upskill workers in a way that meets business needs, they also put employees on the road to Continuing Professional Development and provide measurable bottom line benefits which lead to a more sustainable future for all.

The anticipated additional outputs over three years include:

• 10,500 learners achieving ‘full’ L2 qualifications of which 7,350 are first and 3,150 are repeat based on a ratio of 70% : 30 %
• 5215 learners achieving ‘full’ L3 qualifications of which 3,650 are first and 1,565 are repeat based on a ratio of 70% : 30 %:
• 1500 skills pledge commitments
• 3000 management & leadership outcomes
• 6000 apprenticeships starts
• 1500 Skills for Life outcomes
3. National Pledge & Cogent Sector Pledge

Cogent has developed a Skills Pledge that reflects the skills challenges of the science-based industries in its footprint. It is part of a Government programme to raise skills and is linked to the LSC Train to Gain initiative which provides funding for training. The National Skills Pledge is an opportunity for an organisation’s leaders to show publicly the importance they place on skills. It is a voluntary commitment by the leadership of a company to support all employees to develop their skills and work towards world-class standards.

4. How will progress be tracked?

The Learning and Skills Council already track employer engagement in Train to Gain and the Skills Pledge by sector/ SIC code, and collect learner take up of the qualifications identified within the compact from the Individual Learner Record completed by colleges and training providers. This data collection is part of the standard management information suite, and will be used to compile the progress report as part of the formal compact review every six months. Activity reports will also be collected from the regional meetings held by the Regional Engagement Teams will corroborate this evidence. The team will consist of the Cogent Regional Manager, the Academy Regional Managers and identified Broker lead for the specific region. They will co-ordinate the response to employer enquiries received from Cogent Sector employers. The core team will be supported by regional LSC at all stages plus other stakeholders as appropriate to the implementation.

5. What is the role of the National Skills Academies for Nuclear and Process Industries to in the Compact?

The Academies will support expansion of vocational qualifications in the workplace through the use of Cogent’s frameworks and qualifications delivered via quality-assured provision of training and development aimed at technical, associated professional, and management levels.

The National Skills Academies for the Process Industries and for Nuclear are a key element in the drive to upskill and will operate via a network of employer-led, world-class centres of excellence delivering the skills required by each industry. They will directly engage with employers in the Cogent Sector and, in association with Train to Gain Skills brokers, identify providers who are able to deliver identified training needs.

Importantly, they enable employers to take control of the design and delivery of learning in their industry, working in partnership with the public and private sectors, from Government through to top training providers.

6. Which companies are eligible for advice and support through Train To Gain?

All companies based in England are eligible for support through Train to Gain except for organisations in the public services sectors. This compact adds the additional
elements set out in section 2 above into Train to Gain for companies in the following sectors; Chemicals, Pharmaceuticals, Nuclear, Oil & Gas, Petroleum, and Polymers.

Funding for skills and qualifications relates to individual employees in these companies – some employees may be eligible for funding support but some may not. Both the skills brokers and colleges and training providers can advise on eligibility for funding support as part of the Train to Gain service.

7. When will the new offer in Train to Gain be available for employers?

The new offer to employers in the sector was announced on 24th October 2008 and will be available for employers via skills brokers, colleges and training providers commencing at the start of April 2009.

Each compact covers a period of up to three years and will be an integral part of the Train to Gain offer to employers, and the LSC has been working with Cogent to integrate this new offer with Train to Gain and finalise how employers can access this support.

8. How do employers choose their training provider?

Across England there are hundreds of colleges and training providers with contracts to deliver skills through Train to Gain - both sector specific vocational skills and generic skills including business administration and customer service. Academy representatives and Skills Brokers will provide information on possible training providers able to deliver the identified training needs in their area, enabling employers to choose an appropriate provider.

For employers who wish to work with a training provider who does not have a Train to Gain contract, the LSC will work with new providers providing that a minimum number of learners are engaged through the contract. All providers within Train to Gain have to meet a minimum set of requirements and success measures in order to receive, and maintain a provider contract. Without a contract in place a provider cannot receive funding through Train to Gain.

9. How much money is available?

The LSC have identified £460,000 of compact support funding and estimate that £65 million of Train to Gain participation funding will support the objectives of the compact over three years from within the current Train to Gain budget. The amount of funding in the compact relates directly to the level of demand predicted from employers by Cogent, so if this demand does not materialise from employers over the life of the compact, this funding will not be available for employers in this sector.

10. How can employers access the funding from Train to Gain including funding for skills?

For advice on training and development and on the qualifications available, employers can access support through Train to Gain from two key sources:
• National Skills Brokers - Train to Gain skills brokers can arrange a visit and start the process of analysing how a company’s performance can benefit from investment in employee skills. Visit www.traintogain.gov.uk or call 0800 0155545

• The Skills Academies – To arrange a visit from a Sector specialist call 0845 6070140, Fax 0845 6070141 or email traintogain@process.nsacademy.co.uk

When the employer has decided on their preferred provider, The Train to Gain training provider will arrange delivery of the training direct with the employer.

For Further Information

Over the following weeks LSC and Cogent will finalise arrangements for delivery of this new offer and publish this information on their website when the new offer becomes available for employers on 1st April 2009.

Information via the LSC can be found at: www.lsc.gov.uk
Information via Cogent can be found at: www.cogent-ssc.com

For additional information please contact:

Jayne Edwards- Cogent: jayne.edwards@cogent-ssc.com
Lorna Rukin- LSC lorna.rukin@lsc.gov.uk

April 2009
Skills development through training and qualifications provides the opportunity for individuals and businesses to improve their prospects, to contribute to improved business performance and national Gross Domestic Product.

Indeed we know that vocational education through the workplace can release tremendous latent value to the company and economy. For that reason, and as outlined in our Sector Qualification Strategy, the focus is on value-adding qualifications around technical skills such as engineering and processing, together with skills in business improvement and management and leadership. These latter skills are critical in ensuring that the skills development is nurtured and applied and that people are motivated, working across teams and functions. Qualifications on their own are not enough, but workforce development combined with powerful management and leadership creates real value within organisations.

It is relevant to note that in France and Germany, substantial proportions of level-3 and higher qualifications are vocational. In the UK the majority of the widening participation in qualifications has been in full-time, first-time courses for young people prior to employment. Those established in employment, typically of age thirty or more, tend to assimilate skills informally and without recognition through qualifications. Unfortunately, relatively few gain an accredited qualification above the level attained when they entered employment, and there is a lack of clear routes to vocational qualifications. The Sector Compact will bring tremendous impact to changing this situation.

The energy and chemicals industries that are part of the Cogent footprint are highly profitable sectors with substantial turnovers and a high value-added premium.

But the Cogent sector is still relatively unproductive as measured in relation to international benchmarks. In other words the industries are not producing as much value added as their capital and labour inputs would suggest. Thus investment in skills can be tremendously productive in our industries. Indeed the benefits are clear: Cogent has calculated that the increased productivity and competency derived as a result of industry upskilling is worth a staggering £1.5bn to the Cogent sector.

Investing in improving skills has its macro impact as follows:

- Raising intermediate skills by upskilling to Level 3 increases productivity.
- Raising higher skills by upskilling to Level 4 sustains business. Further, higher level skills are shown to be important for high-technology and value-added manufacturing.

The future for the Cogent sector appears potentially very bright, but it can only be maximised by action on behalf of employers, employees and public sector organisations to raise the level of skills to remain on the cutting edge.

Over 900,000 people in the UK work in the Cogent industries. Combined the industries are of huge economic and strategic importance to the UK, contributing £49bn to its Gross Added Value (GVA).

The science-using sector leads the way on a number of fronts including research and development, greener technologies and in corporate responsibility. However, these industries are undergoing major transition – they are changing; responding to a changing world. Employers now face innumerable challenges: climate change,
globalisation and emerging world economies; an ageing workforce and heightened energy insecurity. Organisations are experiencing skills gaps and shortages, which is further exacerbating this challenging global environment.

The current position shows the sector with higher profitability than UK average, but lower productivity. This is a strong driver for skills, as it suggests massive productivity gains to be had from skills investment.

There are major clusters of large employers in regions with lower qualifications attainment and employment levels than UK average. This points to a large impact for the Cogent sector on regional economies through raising skills and qualifications. As well as economic benefits, workforce development linked to skills and qualifications is also about fairness, quality of life and opportunity for all.
Annex B - Qualifications

Cogent Apprenticeships
Cogent has developed apprenticeship frameworks relevant to the Cogent industries, with more in development:

- Apprenticeship/Foundation Modern Apprenticeship in Chemical, Pharmaceutical, Petro-Chemical Manufacturing and Refining Industries Framework Issue Number 3.1 (LSC Ref 103)
- Advanced Apprenticeship/Modern Apprenticeship in Process Technology Framework Issue Number 3.2 (LSC Ref 103)
- Advanced Apprenticeship/Modern Apprenticeship in Nuclear Decommissioning Framework Issue Number 1 (LSC Ref 357)
- Advanced Apprenticeship/Modern Apprenticeship in Polymer Processing and Related Operations Framework Issue Number 4.1 (LSC Ref 111)

SEMTA Frameworks (LSC Ref 106):
- Apprenticeship/Foundation Modern Apprenticeship in Engineering for England and Wales Framework Issue Number 9 V1
- Advanced Apprenticeship/Modern Apprenticeship in Engineering for England and Wales Framework Issue Number 9 V1

NASEC (ECITB) Frameworks (LSC Ref 107):
- Advanced Apprenticeship (Craft) in Mechanical Fitting/ Pipefitting/ Plating/ Welding/ Steel Erecting/ Electrotechnical/ Mechanical Maintenance/ Electrical Maintenance/ Instrument and Control Maintenance/ Non-destructive Testing/ Design & drafting
- Advanced Apprenticeship (Technical) in Mechanical Maintenance/ Electrical Maintenance/Instrument and Control Maintenance/ Process Operation

Management and Leadership
- Action Learning for Leaders Programme
- Existing qualifications in Team Leading, First Line Supervision, or Management and Leadership as appropriate to the needs of employee/learner
- New QCF qualifications to be developed to cover Team Leading, First Line Supervision, and Strategic Management

Skills for Life
- Literacy, numeracy and language related qualifications to meet the specific needs of employees/learners.

Unit based Qualifications
Cogent, LSC and DIUS will work together to consider how best to introduce and fund unitised qualifications that appear in the Cogent SQS and the QCF. Cogent has a development programme to produce modular qualifications that support Gold Standard roles. Further information is available on the Cogent website or via the contact details in Paragraph 10.
**Cogent Sector Level 2 & 3 Flexibilities**

### Technical value-adding qualifications

<table>
<thead>
<tr>
<th>Cogent Industries</th>
<th>Second Level 2</th>
<th>Second Level 3</th>
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<tbody>
<tr>
<td>Chemical, Pharmaceutical and Petrochemicals Operations NVQ</td>
<td>Chemical, Pharmaceutical and Petrochemicals Operations NVQ</td>
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<tr>
<td>Laboratory Technicians</td>
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<td>Laboratory and Associated Technical Activities NVQ</td>
<td>Certificate in Laboratory Technical Skills</td>
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<td>Nuclear Industries</td>
<td>Radiation Protection NVQ</td>
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<td>Nuclear Decommissioning NVQ</td>
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<td>Signmaking Industry</td>
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<td>Certificate in Signmaking</td>
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<td>Petroleum Industries</td>
<td>Bulk Liquid Warehousing NVQ</td>
<td>Refinery Field Operations NVQ</td>
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<td>Refinery Control Room Operations NVQ</td>
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<tr>
<td>Polymer Industries</td>
<td>Polymer Processing and Related Operations NVQ</td>
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<td>Oil and Gas Extraction</td>
<td>Processing Operations: Hydrocarbons</td>
<td>Processing Operations: Hydrocarbons (Control Room)</td>
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<td>Packaging Industries</td>
<td>Packaging Operations NVQ</td>
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### Generic value-adding qualifications

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<tr>
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<th>Level 3</th>
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<tr>
<td>Business Improvement</td>
<td>Business Improvement Techniques NVQ</td>
<td>Business Improvement Techniques NVQ</td>
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<tr>
<td>Engineering</td>
<td>Performing Engineering Operations NVQ</td>
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</table>
**SME Flexibilities**

The SME flexibilities are interim arrangements designed specifically to support employers with less than 250 employees. At this time, these flexibilities are not part of the permanent Train to Gain offer to employers and therefore may not remain in place indefinitely.