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Further Education Beyond Covid-19 Overcoming Challenges & Identifying Opportunities

Simon Ashworth,
Chief Policy Officer, AELP



aelp.org.uk | [@AELPUK](https://twitter.com/AELPUK)

Association of Employment & Learning Providers (AELP)

- Established circa 20 years ago, AELP is a national membership body, representing the interests of 850+ organisations delivering vocational learning, assessment, sustainable employment and employability support.
- Sometimes there is a misconception that AELP is just a membership body for Independent Training Providers (ITPs).
- Over 70 FE Colleges in membership, c20% of Higher Education Institutions on the Register of Apprenticeship Training Providers (RoATP) along with a number of levy-paying employers, schools, Local Authorities, Awarding Organisations and End Point Assessment Organisations.
- Its important to recognise the range of breath that ITPs deliver in the FE sector – delivering over two thirds of all apprenticeships in England, the majority of all current traineeship provision, the majority of ESF funded provision, over 30K of Study Programme places each year to the most disadvantaged young people along with training adults through the AEB – although access to funding provides an artificial cap on this latter.

Apprenticeships - Has the pandemic reset the dial?

- Rewind back to February 2020: Jonathan Slater, the then Perm Secretary for the DfE warned the Public Accounts Committee of an impending overspend of the overall apprenticeship budget coming in FY20-21 (pre-Covid-19 pandemic) and the potential need to make some “*hard choices*” on what restrictions and rationing the government would need to make, ultimately and critically restricting employer choices.
- Perversely the pandemic has had a somewhat positive impact on the apprenticeship programme in couple of ways – both the PM and Chancellor positioning Apprenticeships as front and centre as part of the Covid recovery and post Brexit era. The impending apprenticeship overspend has been deferred, although importantly not addressed.
- However, yesterday the CIPD branded the Apprenticeship Levy a complete failure saying that “*On all key measures the apprenticeship levy has failed*” BBC News: [Apprenticeships levy 'has failed on every measure', says HR body - BBC News](#)
- The four [key objectives](#) set by the DfE for the Apprenticeship Reform Programme were to:
 - **To meet the skills needs of employers** - and the country, by being high quality, relevant programmes that result in apprentices becoming fully competent in their occupation
 - **To create progression for apprentices** - by creating high quality programmes that result in apprentices becoming fully competent with transferrable skills in an occupation that offers progression.
 - **To widen participation and social mobility in apprenticeships** - to ensure that more people from a diverse range of backgrounds have access to the benefits of apprenticeships at all levels.
 - **To create more quality apprenticeships** - through our campaign work and by creating a sustainable funding system and a high quality apprenticeships offer.

Apprenticeships: Challenges and Opportunities

- Key challenge remains about the imbalances that have developed in the apprenticeship system since the advent of the reforms in 2016:
 - Decline in participation of young people, whilst increased use of upskilling/reskilling older adults.
 - Decline in key entry level apprenticeships, whilst steep demand on high level programmes.
 - A system dominated historically by SMEs, inverted to the point of 2/3 of provision being levy provision.
- On apprenticeships the FE White Paper generally sets out refinements, rather than reform: Simplification of EQA of EPA system along with the move to having a singular regulator of quality of provision, Ofsted taking on the remit for Level 6 and Level 7 from April 2021. The sector is still though in a transition phase – especially many FE Colleges, so the Apprenticeship Workforce Development (AWD) offer, launched last month is a fantastic boost.
- Starting to see blurring of responsibilities and accountability of the apprenticeship system (again). The FE White Paper says the provider landscape is “crowded” and not all providers deliver “high quality” provision – culminating in a full refresh of the Apprenticeship Register from May 2021 onwards.
- Having a sustainable apprenticeship system also relies on having sustainable rates of funding which enable high quality training from level 2 through to level 7. We await the critical outcomes from first the ESFA and then the IfATE.
- A huge challenge coming out of the pandemic will be about ensuring the tens of thousands of apprentices delayed in the system are properly supported to complete and are able to progress – catch up / slow progress a sizeable issue.
- The stigma of the off-the-job training commitment has improved over time, however the arbitrary approach to off-the-job training requirement has not gone away and is still problematic and still remains the number one barrier for employers.

Adult Education: A complex system ripe for reform?

- The FE White paper quite rightly describes the adult education funding space as “*complex*” and in need of “*simplification*.” Single year settlements also means little incentivisation to longer terms investment in programmes, people and infrastructure.
- Whilst some part of the FE system have transitioned to being demand-led there are others restricted by “clunky” contracting or procurement arrangements. AELP supports the recent recommendation of the Education Select Committee about a move to individuals skills accounts to give learners greater choice and control of their lifelong learning.
- Has the devolution express train run out of track? Limited recognition in the FE White Paper of the role for Combined Authorities and LEPs, with employers placed centrally in the Reform of FE, along with the new Local Skills Improvement Plans and business organisations such as the Chambers of Commerce. Feels very much like Whitehall has gone lukewarm on devolution and wants to move back controlling the funds with more of an influencing model.
- The Adult Education Budget is only part devolved/delegated to Combined Authorities. This has created a post-code lottery which makes working with regional or national employers more complex and a real challenge. However, devolution has at least opened up the contracting arrangements to be more equity than the centralised approach.
- The new Level 3 Adult Offer, part of the Prime Minister's Life Skills Guarantee is a welcome ‘shot in the arm’, but frustratingly limited to firstness so no help to adults looking to retrain, has a narrow catalogue of just 379 qualifications, has been hampered by contracting arrangements and been scrapped over in the battle of regional vs national programme.
- The replacement for ESF, the UKSPF has the added complexity of straddling across the devolved nations, a step further than the devolved mayoral regions. There is also likely to be a potential hiatus between the wind-down of ESF and starting the UKSPF.

Adult Education: Balancing Productivity vs Social Mobility

- Coming for 2025 is the new Lifelong Learning Entitlement (LLE), which is equivalent to four years of post-18 education. One of the key aspects that AELP was keen to stress about the LLE concerned market accessibility and regulatory challenges for ITPs and to some extent FECs too. We are expecting a more formal consultation on the LLE in the spring of 2021.
- The LLE also at least opens up discussions about flexible and modular learning which is key to reskilling and retraining - but only at Levels 4 and 5.
- But we are also mindful about the future landscape between grant funding and loan funded provision with the National Skills Fund (NSF) being a 5 year settlement, due to end as the LLE begins.
- Whilst there is clearly a nationally recognised “missing middle” skills gap is there an obsessive focus on higher level skills at the detriment of lower level skills provision. Critically 40% of young adults are still leaving school without a pass in Maths and English and there are over 6 million adults don't have a level 2 qualification.
- Fixing the Digital Skills divide: Essential Digital Skills Qualifications (EDSQs), incoming Functional Digital Skills Qualifications (FDSQs) are a positive step forward, but more to do. EDSQs part of the new adult Traineeship requirement, will they ingress into other programmes such as apprentices? DfE also big advocates for Digital/Technical bootcamp models.
- The Government continues to have a ‘schizophrenic’ view on the role of subcontracting which currently plays a key role in the adult education space.

Traineeships: A Phoenix from the Ashes?

- Traineeships have been the almost forgotten gem in the work based suite of programmes. Originally launched back in 2013 they offer a key **pre-employment programme** to young unemployed adults between the ages of 16-24. In essence a work placement, wrapped with English, maths, work preparation skills and bite sized flexibility vocational learning.
- Somewhat fell out of fashion with previous ministers, with Apprenticeships and T-Levels being lauded as the flagship and mainstream government skills programmes for the last number of years. Pre-Covid, with previous near full employment many older adults opted for shorter interventions through DWP backed Sector Based Work Academy Programmes (SWAPs). However numbers of 16-18 traineeship participants always remained relatively stable.
- Traineeships not an easy programme to deliver, many have tried and failed, but those who have cracked the model achieve fantastically high outcome rates of over 70+%. Traineeships have also historically attracted a significantly higher percentage of BAME participants that other mainstream programme such as apprenticeships.
- Pre-pandemic the DfE was moving to make the programme more accessible to learners with a prior level 3 qualification, which has since been implemented.
- With up to £700m of new funding made available for the next 2 ½ years, the Chancellor, a strong advocate of Traineeships is certainly not seen a short term stop gap just to plug the impact of the pandemic.
- Moving forward the DfE trying to align Traineeships more with Apprenticeships as a **pre-apprenticeship programme** – this represents both a challenge and an opportunity...

Finally A Holistic View on FE Opportunities

- Seeing a growing appetite for continued or returning external investment into FE sector. Alongside this some consolidation and acquisition.
- Huge investment into DWP programmes – Kickstart and Restart. An integrated employability and skills offer is very attractive. DWP and DfE operating in silos, but will we start to see a more coherent approach between Kickstart and Skills programmes?
- As already stated the future skills landscape has become unclear in regards to the role of MCAs and LEPs. However, expect Skills Advisory Panels (SAPs) to still have a strong influence on the direction of future commissioning and prioritises.
- Another by-product of the impact of the pandemic has been the enforcing of the need to pivot and force the use of technology. Although not without its challenges and an array of starting positions across the provider base for many this represented a step change in approach to both engagement and delivery models.
- Despite the challenges, we still firmly believe that priority provision, high value sectors and supporting young people will see providers good in the long-term.



Thank You.

E: sashworth@aelp.org.uk

W: www.aelp.org.uk

T: [@AELPUK](#) & [@sashworth80](#)

