

UK landscape monthly update

July 2014

The policy environment within which City & Guilds works is constantly evolving and we need to keep up-to-date with it. Our external partners may appreciate a short summary of recent developments.

*Each month we will survey recent news relevant to our work, and focus on one area for a slightly broader perspective. This month's news includes an introductory focus on developments in Northern Ireland. **Headlines are highlighted in yellow.***

This month's focus: the skills landscape in Northern Ireland

The Northern Ireland devolution settlement gives legislative control over certain matters to the Assembly. Issues on which the Northern Ireland Assembly has full legislative powers include health and social services, education, employment and skills, agriculture, justice and policing: in all these sectors special provision may be needed - eg regulation and qualifications Health Social Care and Childcare differ between NI and England.

DEL (Department of Employment & Learning) is responsible for Further Education, HE and also Skills and Employment – see www.delni.gov.uk .

DE (Department of Education) is responsible for early years education and learning provision, primary, post primary, special education and Youth Services – see www.deni.gov.uk

Regulation has been under review since April 2012 but as yet no conclusion. . CCEA is both regulator and Awarding Organisation. It advises government on what should be taught in NI schools and colleges, and regulates GCSE, AS, A Level, other General and Entry Level (NQF). Ofqual regulates all other qualifications in NI

Functional skills do not apply in NI, and GCSE is increasingly diverging from the English model. Essential Skills affects all frameworks.

Apprenticeships are at present under old frameworks - Trailblazers do not apply as England only. Consultation current and one headline is apprenticeship to be Level 3 upwards. Apprentices are fully funded until their 19th birthday.

There is significant investment in supporting employment. **Skills Solutions** provides employers with a learning and skills service which identifies and meets their training needs by providing information, support and signposting to the most appropriate solution. **Made not Born** provides practical business assistance to NI businesses, enabling and advocating investment in leadership and management skills.

Youth employment schemes are important in the NI system: designed to give unemployed 18 to 24 year olds help and support to look for, find and keep a job. Parallel to it is **Training for Success**, designed for young people aged 16 - 17 (up to 24 years for those who qualify under extended eligibility) and provides training to give them the tools and skills they need to get a job.

Other news

Ofqual is proposing the **abolition of 43 separate qualifications across GCSE, AS-level and A-level**, with final exams being sat in 2017. Some 73 other qualifications are identified as

requiring significant reform, with exam boards being told to submit new syllabuses for teaching from 2017. Popular GCSEs on the list include business studies, classical civilisation, film studies, ICT, media studies, sociology, psychology and statistics. Reformed A-levels include general studies, government and politics, law, media studies and ICT. AS-level marks will no longer count towards A-level grades: AS will be a qualification in its own right. As a result, far fewer students are expected to sit the exam - with colleges offering students the traditional three A-levels route to university instead of encouraging them to take four subjects to AS-level and then drop their weakest.

Office for National Statistics revealed that there were more than 850,000 young people out of work in the three months to April. The figure means that the UK's youth unemployment rate was 18.5% over the same period in comparison, the Eurozone average in April was 23.5%, according to official research body Eurostat. But Germany, the political region's largest economy, had a youth jobless rate of 7.9% over the same period – 10.6 percentage points below the UK's.

A TUC report says young people outside full-time education are now less likely to have a job than workers aged 50-64, whereas in 1998, when they were 25% more likely to be in work than workers in this age bracket. The report says fewer than half of those who have no qualifications are in work, while the employment rate for people with basic qualifications had fallen to about 63%. It said employment rates have improved for single parents, older people, black and Asian employees and disabled people over the last 17 years - although they too remain less likely to find jobs. DWP disputed the statistics cited in the report, saying it was comparing the current situation with the economic boom years of the late 1990s. Employment minister Esther McVey said the report was "wrong, misleading and irresponsible".

Building on recent reports (2013 OECD Survey of Adult Skills, 2014 UKCES Employer Skills, NIACE's 2014 Participation Survey) which show participation in learning declining with age, employment status and socio-economic class, NIACE called for a radical new approach to reforming the learning and skills to bring a skills-led economic recovery, in a manifesto urged on the major political parties for next year's general election.

The Niace manifesto called for:

- 1) A review of skills needs and funding issues facing the UK over the next 20 years, to report by 2018
- 2) Integrated skills and economic growth strategies developed at a local level, supported by a new government department combining education, skills and work
- 3) A personal skills account, where individuals, employers and the state would contribute funding, allowing the learner to dictate how it was spent — accompanied by 'career reviews' at key times, such as returning to work after redundancy
- 4) More recognition of non-formal learning that does not lead to a public qualification
- 5) Basic skills to continue to be fully funded for all adults, with a new emphasis on supporting those with lower level skills
- 6) A new Apprentice Charter setting out the best way to combine education with skills training

All political parties have supported NIACE's call for a "new localism" integrating skills and economic growth strategies.

A new report, from the Institute of IPPR for VQ Day 2014, says that 90% of the top jobs of the future of which will be attained via vocational qualifications. In 2022, the top three in-

demand occupations will all be in health and care; nearly three million workers will be required in hospitals, care homes and the community. Economic growth will drive expansion, but further to this, the greatest influence upon job creation will be the ageing UK population, as the mid-skilled workforce retires. Traditional skilled trades will remain in high demand. Over the next eight years, nearly half a million workers will be required within skilled construction trades.

Government is calling on employers and others to support financially National Colleges, a development of the previous Government's National Skills Academies, **specialist high skills centers in key sectors**, and is making £50m match funding available over the next couple of years for this. Like the advanced centers already set up for HS2 and nuclear energy, these Colleges will operate where there is evidence of a skills gap at Levels 3, 4 or 5 and will not duplicate core FE provision but will work with colleges in a hub and spoke arrangement where possible. Expressions of interest need to be in by Sept 5.

Sir Roderick Floud, the former president of Universities UK and vice-chancellor of London Metropolitan University said the country had **"too many universities"** and that institutions in cities like London, Leeds, Oxford and Sheffield should either be **closed or merged**. The current system was "unnecessary and inefficient" because too many universities were trying to do "too many things at once. Oxford and Cambridge should concentrate on research and stop recruiting students. Universities Secretary David Willetts' has signalled an expansion in student numbers through the lifting the cap on recruitment for individual institutions.

Skills Minister Matthew Hancock has rejected calls for in-kind contributions towards **apprenticeships** to count as part of **employers' mandatory cash payments** and re-affirmed his preference for mandatory cash contributions from employers of perhaps a third of costs. CBI and AELP had both argued for other elements to be taken into account.

CBI has told the government in its **response to the funding consultation** that employers with an existing contract with SfA, or where existing arrangements with providers are working well, should be able to retain these arrangements, rather than switching to the new system, where cash would be routed through employers to buy training for their apprentices, to allow the new apprenticeship system to be introduced gradually. CBI's response stressed the importance of piloting any new funding methods.

The Low **Pay Commission (LPC)** has been asked to look at **simplifying** the rate for apprentices, which is £2.68-an-hour for those in year one before normal worker minimum rates apply. A simplified system could entail a new minimum rate for all apprentices, with **learners no longer moving up after 12 months** to the higher rates enjoyed by normal workers. The apprenticeships pay survey 2012 showed 29 per cent of learners did not receive the then-legal minimum of £2.65 an-hour in 2012, up from 20 per cent the year before. NIACE, ATL and AoC are all quoted as having doubts about **grading in apprenticeships**, seeing it as adding complexity, costs of assessment and moderation, and perhaps leading to a focus on written tests, to the disadvantage of skilled workers who struggle with exams.

Skills Minister Matthew Hancock has revealed that he wanted the **six-week overall minimum duration for Traineeships** to still be recognised and that he would use the contract management process where a traineeship was being delivered in less than that. The revised BIS/DfE rules removed the minimum duration to the programme as a whole, which had been six weeks, but did specify that the work placement element of a traineeship was expected to take "between 100-240 hours". A learner who already had their English and maths GCSEs, and so would not require further tuition on this second element of a traineeship, would therefore only need to complete the work preparation part of the programme. The total number of hours could therefore work out to 110 — or 14 days/three weeks — as a minimum.

Over 40 colleges and a total of over 60 providers have expressed interest in opening **Career Colleges**, a concept Lord Baker proposed to complement UTCs. The first two Career Colleges have been announced, while plans for at least a further 10 next year — including four from Birmingham Metropolitan College (BMet) — were also revealed. Hugh Baird College, in Bootle, Merseyside, and Oldham College were both granted licenses from the Career Colleges Trust to open in September. They will run the 14 to 19 colleges specialising in hospitality and catering, and creative and digital arts, respectively. Four were planned by BMet — with proposed specialism in health and medical, engineering/electronics, creative arts/media and professional services — and one by City of Oxford College, specialising in construction. Five other colleges were said to be working towards approval and hoped to open next year, but were not identified by the trust.

Colleges and schools will have to show **key performance data on their website home pages** under DfE proposals being consulted on. The post-16 measures will include students' progress in academic subjects or Tech Levels as well as students' average grades in each category. Colleges and school sixth forms would also be expected to show the progress made by students who joined them without a C in English and / or maths, what proportion of their students drop out, and what proportion of their students go on to further study, a job or training at the end of their courses (when data is robust enough). The consultation ends on July 4 with the proposals expected to come into force from 2016. AoC's Joy Mercer expressed concern that all colleges will have to publish them as a condition of funding, but PTPs, which are also publicly funded, will not. She was also worried about lack of clarity about the way information on student destinations.

A **ministerial letter to the FE sector** in Wales included:

- announcement of the Education Workforce Council – a reconfigured General Teaching Council for Wales as a registration body for whole FE workforce
- a focus on NEETs and care-leavers through a Youth Progression and Engagement programme – FE to notify Careers Wales of those in danger of dropping out of courses and expected to support multi-agency working and use self-assessment data to monitor effectiveness
- Literacy and numeracy assessed through GCSE English/Welsh and Maths from 2015/16. Essential Skills Wales (ESW) is appropriate for those starting programme below GCSE grade E
- Learning Programmes defined as main qualification, ESW (presumably if not at GCSE or close...?) and work experience, with a need to demonstrate clear progress to employment, apprenticeship or further/higher learning
- New Welsh Bac for teaching from September 2015 with a 3 year transition plan – expectation that numbers will be maintained with a gradual percentage increase each year until offered for all Sept. 2018 (with some specific exemptions). Welsh Bac includes employability and ESW throughout
- LLD and looked-after children post 16 transitions to be promoted through better data sharing and analysis
- Employer engagement: FE should use labour market intelligence (LMI) to demonstrate how it meets local employer needs. Employability is key – especially through work experience- and Pathways to Apprenticeship seen as an exemplar model. Plans to work toward evaluating FE through destination data.

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