Skills Research Digest
Quarter 3 2020

The **Skills Research Digest** monitors recently published skills and labour market research relevant to the work of the Department for the Economy and to the strategic and policy issues that we face in Northern Ireland.

In each case, we provide a short summary of the key points and web links to the full article or report*. A full list of sources can be found at the end of the publication.

For ease, COVID-related items are listed first within each section, are dated and are in chronological order.

Highlights this quarter include:

- Numerous items explore the ways in which the pandemic is accelerating changes to both the nature of work, and to education and learning methods and practices.

- Several items look at postgraduates, including their study, funding, preparation for careers, earnings returns and ethnicity.

- A new Europe section has been added under 'Government' to record items specific to policy for the 27 EU member states, as the UK's relationship with the EU continues to change.

Links are correct at the time of publication, however it is likely that some will break over time. The list of sources has more general links, which should help the reader to track down the original report.

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16–19 EDUCATION

COVID-related

[August] **The United Nations (UN) Sustainable Development Group published** *Policy Brief: Education during COVID-19 and beyond***, outlining policy responses for governments and stakeholders to mitigate the potentially 'devastating consequences' of the pandemic.**

- The pandemic has created the largest disruption of education systems in history, affecting nearly 1.6b learners in over 190 countries and all continents, with the closure of schools and other learning spaces impacting 94% of the world's students.
  - It is exacerbating pre-existing education disparities by reducing opportunities for many of the most vulnerable young people and adults – e.g. those in poor or rural areas, girls, refugees, those with disabilities – to continue their learning.
  - However it has also stimulated innovation within the sector, e.g. in digital learning solutions.
- Recommendations to prevent a learning crisis from becoming a generational catastrophe include reimagining education and accelerating change in teaching and learning, for example by:
  - focusing on addressing learning losses and preventing dropouts
  - offering skills for employability programmes
  - expanding the definition of the right to education to include digital connectivity and removing barriers to connectivity
  - strengthening the articulation and flexibility across levels and types of education and training.

[3 September] **The Edge Foundation published findings from a survey of 1,000 14–19 year-olds across the UK from 11 to 13 August, asking them about learning after lockdown.**

- 62% thought that COVID-19 had changed teaching and learning in schools forever; 84% thought that schooling needed to be more flexible, while 64% thought that it should include both classroom and online learning.
- 70% thought that the system needed to catch up with the real world; 76% wanted their education to be relevant, giving them the tools and skills they needed for their career.

Other research

The Nuffield Foundation published *The early take-up of Core Maths [CM]: Successes and challenges* **– research undertaken by the University of Leeds.**

- England's CM qualification was first taught in 2014, aimed at young people who had done relatively well at GCSE (at least a Grade C/4) to supplement A levels or vocational qualifications (VQs).
  - It was broadly welcomed as a way of supporting a much needed increase in post-16, level 3 maths participation in England, which is much lower than in other developed countries.
- The applied nature of CM – particularly the financial topics – is appreciated by teachers and students, and it is seen as useful in supporting other subjects with a quantitative element.
- However, national take-up remains relatively low: 11,791 in 2020 – less than 2% of the annual student cohort.
  - Female participation has grown from 33.9% to 45.2%, and is more equitable than in A level maths.
  - There has been a shift from it being studied predominantly alongside BTECs to mainly alongside A levels, with a significant minority pairing it with the Extended Project Qualification.
- The sector-led roll-out has resulted in the patchy availability of teacher training, with teachers reporting that they have had to 'fend for themselves'.
- The structure of post-16 funding in England, which supports three A levels or equivalent, leaves little room for extra courses, while the AS-like size does not fit comfortably in the new linear post-16 landscape.
  - As a result, institutions have developed a range of implementation models, while some have chosen not to engage with its complexities.

- CM suffers from a relative lack of status, exacerbated by it being half the size of an A level; awareness can be low among non-maths staff, making them unable to advise on its benefits.
  - Signalling of its value is weak from higher education institutions (HEIs), which can affect retention when students realise it will not help them into HE; employers are unlikely to have heard of it.
  - This is despite both employers and HEIs saying they are looking for fundamental maths skills and confidence in using them.
- 12 recommendations cover doing more to: signal the value of CM; support its teaching, funding and availability; develop additional CM-style qualifications, including one at A level standard and one at L2.

CESifo published *Financial Literacy, Risk and Time Preferences – Results from a Randomized Educational Intervention*.

- Following 645 16 year-olds for over six months after a four-week intervention, the researchers found evidence that teaching financial literacy made students more patient, less present-biased and slightly more risk-averse.
  - The effects on risk and time preferences were largely stable across the short and longer terms.
- Teaching financial literacy also had causal effects on the economic preferences of students.
  - This contributes to a better understanding of why financial literacy has been shown to correlate systematically with financial behaviour in previous studies.

Pearson published its second *Global Learner Survey* of over 7,000 16–70 year-olds in the UK, Australia, Brazil, Canada, China, India and the US, conducted in mid-June 2020.

- Globally, over 75% of respondents thought that education would fundamentally change as a result of the pandemic.
  - 82% in the UK thought primary and secondary education would change, with 90% expecting online learning to be a part of children's education from now on.
  - 63% in the UK predicted more primary and secondary students would attend school virtually within ten years, up from 56% in 2019, but the lowest of all countries.
- Only 59% of UK respondents felt the education system had done a good job adapting to COVID-19 (the second lowest, above Brazil), while 41% thought it had failed students (the second highest after Brazil).
  - That said, 63% trusted the system to provide quality education to all, up 9ppt.
- Globally, 47% believed that college and university were becoming more attainable for the average person; this fell to 39% in the UK, down 9ppt.
- 80% in the UK (82% globally) believed that new jobs and skills needs would arise as a result of COVID-19.
  - Only 51% were rethinking their career, the second lowest after Canada (78% in China).
- Asked at what age young people should start to learn some basic skills to help in their future careers, in the UK the mean age was 11, compared with 13 globally and 15 in China.
- 92% in the UK thought that secondary schools should teach workplace skills such as teamwork and communication, 91% practical life skills (finance, cooking, etc.) and 89% digital skills – all higher than academic subjects (87%) and preparing for further education (FE) or HE (77%).

SCIENCE, TECHNOLOGY, ENGINEERING & MATHS (STEM)

Engineering UK published *Engineering UK 2020: Educational pathways into engineering*, providing a comprehensive picture of the trends in STEM education participation and attainment up to March 2020.

- Young people's choices at each stage are influenced by a range of factors:
  - Despite broadly similar STEM and non-STEM pass rates, 62% of UK 16–17 year-olds think STEM is more difficult than non-STEM; girls in particular perceive their capability to be unrealistically low.
  - 47% of 11–19 year-olds know little or almost nothing about what engineers do and what they do know is often distorted, with engineering seen as complicated, dirty and a 'man's profession'.

- In 2019, just 39% of 14–16 year-olds knew what they needed to do next in order to become an engineer – this figure has remained fairly static over time.
- There are strong socioeconomic and gender dimensions to the STEM capital – knowledge, attitudes and capability to pursue STEM – that young people derive from their parents.
- Teachers' expectations play an important role, but misallocation in setting and streaming practices is not uncommon.
- The accuracy of predicted grades can pose barriers, particularly for disadvantaged pupils.
- Key influencers such as parents and teachers lack confidence in giving engineering careers advice.
- Schools can restrict subject options available or guide students down certain paths.
- There is still a long way to go to ensure that disadvantaged young people receive the careers advice they need.

- Qualification reform in England to raise standards and better prepare students for further study and employment has not had the intended effect.
  - Teachers say mental health has worsened and engagement in education has declined, while reforms may have led to greater inequality.
  - New STEM A level assessments – based entirely on exams – do not prepare young people for university-based project work, group work and modular assessment.
  - The English Baccalaureate performance measure has benefited STEM subjects but may be contributing to a decline in the non-STEM subjects that provide essential engineering skills.

- Boys are still far more likely than girls to study the A levels typically required for engineering degrees, although in 2019 there was an 11% increase in female chemistry entries and 5% in physics.

- Engineering has a direct presence on the Scottish secondary curriculum, unlike the rest of the UK, via National Qualifications in engineering science, and Scotland provides a wider range of STEM subjects.
  - However, there have been worrying decreases in entries in some STEM subjects that facilitate engineering, including engineering science, design and manufacture, and computing science.
  - A–C pass rates fell in almost all STEM subjects at Higher level, but rose in some Advanced Higher subjects.

- There has long been a shortage of STEM teachers in the UK, and many are not specialists in the subjects they teach, particularly in more deprived areas.

- Reforms to technical education in England offer a key opportunity for the engineering community to shape a new system that can address skills shortages.
  - The system will need to take into account the often unique and specific requirements of engineering, and address longstanding issues, such as the lack of diversity among apprentices and STEM teacher shortages.

- Engineering-related apprenticeship starts are 61% of all starts in Northern Ireland, 34% in Scotland, 26% in England and 20% in Wales; women and ethnic minorities remain severely under-represented in all nations.

- There are widespread concerns that the decision to leave the EU will make the UK's HE sector less attractive to international staff and students and that it will be harder to access EU research funding and collaborations.
  - HE engineering – which relies heavily on international students – will need to work hard to ensure that the UK remains a destination of choice for students and staff.
  - Women and those from disadvantaged backgrounds are under-represented and there are large degree attainment gaps by ethnicity.

A 'fact wall' can be found here plus all data tables and charts are available, providing additional detail. Engineering UK also published a digital resource that tracks the economic implications of COVID-19 on engineering in 'real time' as far as is possible.

The Scottish Government published *Scottish technology ecosystem review* by former Skyscanner Chief Operating Officer Mark Logan, commissioned in May 2020 to examine how the sector can support post-COVID recovery.

- The overall aim is to increase the creation of profitable tech businesses and reduce the time taken for viable start-ups to reach scale.

- The ecosystem's central dependencies are education and talent, infrastructure and funding.

- 34 recommendations are made, with 14 under the heading 'foundational talent pipeline', including:
  - Treat computing science as a subject like maths or physics and follow through on the consequences, e.g. formally teaching it from the first year of secondary school, and working with the university sector to ensure that the school and university curricula join-up effectively.
  - Establish an industry–schools partnership to give computing science pupils summer work experience.
  - Strategically support school-stage extra-curricular programming clubs.
  - Overcome gender-stereotyping in early years, e.g. by a sustained public information campaign aimed at countering role stereotyping.
  - Adjust university incentivisation and funding to improve tech-entrepreneurial focus and to improve spin-out scale and quality.
  - Increase university funding to create more locally resident software engineering and computing science graduates.
  - Fund a national, pan-university Tranzfuser-style* summer school.
  - Increase the number of start-up internships available to students.
  - Introduce a Scottish tech-visa to attract international tech talent.

Tranzfuser is a UK Government-funded competition for graduates that aims to boost future games development talent.

The Institute of Labor Economics (IZA) published *STEM Occupations and the Gender Gap: What can we learn from job tasks?*, asking what a STEM job is, and how the way we define STEM affects our understanding of the gender and racial gaps in these jobs.

- The report argues that there is no clear, robust, agreed definition of STEM occupations, even though policymakers promote the importance of STEM jobs and raise concerns about the under-representation of women and minorities in them.
  - The occupations included in definitions are highly sensitive to the cut-offs and methods used.
  - The gender gap in STEM jobs depends heavily on how STEM is defined.
- A number of occupations that should be considered STEM by task content are typically not defined as such, including: a number of medical professions, such as nurse practitioners; pharmacists; accountants; and economists.
  - However, all medical occupations should not be added to the definition, as most, including registered nurses, do not qualify as STEM even under broad task-based definitions.
- Policies promoting STEM require careful thought about what is being promoted, and at whose expense.
  - Certain policy incentives may unnecessarily exclude women if they leave out STEM-task-heavy occupations that are not traditionally defined as STEM.
  - Initiatives based on certain definitions of STEM may have unintended consequences.

EMPLOYABILITY & CAREERS

COVID-related

[3 July] **The Institute for Fiscal Studies (IFS) published *COVID-19 and the career prospects of young people*.**

- Over the last decade, young people have increasingly started their careers in relatively low-paid occupations.
  - For example, those born in the 1980s are more likely than those born in the 1970s to start in low-paying occupations such as customer service assistants and nursery workers, and less likely to start in mid-paying occupations such as metal manufacturing and secretarial work.
- Many of these low-paying occupations are in sectors hardest hit by the COVID-19 crisis, e.g. hospitality and non-food retail.
  - The proportion of 22–25 year-olds in their first full-time job employed in such sectors was 22% in 2019, up from 19% in 2007; this compares to 16% of all employees, down from 17%.

- The growing importance of 'lockdown sectors' as employers of workers at the start of their careers is primarily due to an expansion of the accommodation and food industry.
  - The share of workers starting their careers in this sector increased from 6% to 9% between 2007 and 2019.
- Around 28% of wage growth over the first five years of the careers of workers born in the 1970s could be attributed to moving into a higher paying occupation.
  - This had risen to around 50% among men born in the 1980s and women born between 1980 and 1984, and to 60% among women born between 1985 and 1989.
- Overall, sharp contractions in shut-down sectors will make it harder for young people to take their first step onto the career ladder; reduced job opportunities will make it harder for them to move into higher paying occupations.

[July] **The Institute for Public Policy Research (IPPR) published** *Guaranteeing the right start: Preventing youth unemployment after Covid-19***, recommending a fundamental rethink of labour market policy in the UK.**

- Without further government action there will be an estimated extra 620k young people unemployed by the end of the year, taking youth unemployment to the highest number on record.
- A new 'opportunity guarantee' for young people should be introduced, ensuring that every young person is either in education or work.
- Looking beyond the crisis, the Government should be aiming to eliminate all but the most temporary experience of young people being NEET (not in education, employment or training).
- Three measures are recommended for England:
  - Work with young people to reform welfare support to help them remain in (or return to) education and training or enter employment, including providing additional funding to schools and colleges for careers advice and guidance.
  - Reform the apprenticeship levy to create 200k new apprenticeships for young people, including: fully funding the training component for SMEs; and subsidising the wages of new apprentices during the COVID-19 crisis.
  - Create a 'right start fund' (RSF) to provide up to 140k subsidised, transitional new jobs for those who are not 'labour market or apprenticeship ready', with the jobs lasting six months and linked to sectors where there is economic or social benefit.

The report recommends that the relevant proportion of total funding for the RSF be devolved to Northern Ireland, Scotland and Wales, to set up their own interventions.

[6 August] **Engineering UK published** *Young people and Covid-19: How the pandemic has affected careers experiences and aspirations***, based on a July survey of 1,100 11–19 year-olds.**

- 62% agreed that finding a job would be more difficult; among 15–19 year-olds, 52% felt the same about going to university and 41% about becoming an apprentice.
- 30% said the pandemic had changed their career opportunities and 22% their career preferences.
  - 44% felt that 'having a job that you can be certain you can keep' was now more important.
  - 36% felt that 'having a positive impact on society' was more important, 34% 'helping people with the work they do' and 33% 'ethics and social responsibility'.
- There was good awareness of the role of engineers in fighting COVID-19; however, only 14% said they would be more likely to choose engineering as a result (17% of boys/12% of girls), while 10% said they would be less likely.
  - 22% (20%/24%) were more likely to choose a career in science, 9% less likely; 20% (23%/18%) in technology, 8% less likely; 24% (18%/29%) in healthcare, 19% less likely.
- 55% had taken part in a careers activity between March and July, mainly discussing options with parents (67%) or searching for information online (41%).
  - 24% had taken part in a formal activity, e.g. online advice session, employer event or work experience; 66% of these said at least one activity was related to STEM, of which 14% were employer-led.
- When asked what could help them better understand their career interests, most cited greater employer engagement such as work experience, job fairs, site visits, advice from those in the profession and internships.

[11 August] **The International Labour Organization (ILO) published** *Youth & Covid-19: Impacts on jobs, education, rights and mental well-being – Survey report 2020*, **capturing the immediate effects on 18–29 year-olds, based on 12,000 responses from 112 countries.**

- Among the findings:
  - Of those studying or combining study and work, 75% experienced institution closures, with 13% left without access to any form of online or distance learning.
  - 65% reported having learnt less since the pandemic began, while 51% believed their education would be delayed and 9% feared it would suffer and even fail.
  - 17% of those who were employed stopped working altogether, particularly 18–24 year-olds and those in clerical, services, sales, crafts and trades.
  - Working hours among those employed fell by nearly 25% (an average of two hours per day), and 42% experienced a reduction in their income.
  - 17% were 'probably' affected by anxiety and depression, with young women and 18–24 year-olds having the poorest mental health; those whose education or work was disrupted or stopped were almost twice as likely to be 'probably' affected.
  - 31% reported engaging in volunteering and 27% donated to the COVID-19 response.
- The report calls for:
  - urgent, targeted and smarter investments in decent jobs for young people
  - employment and training guarantee programmes
  - social protection and unemployment insurance benefits
  - greater efforts to increase the quality and quantity of online and distance learning
  - stronger complementarities with mental health services, psychosocial support and sports activities.

[August] **The Gatsby Foundation published** *Secondary school and college leadership views on the impact of the Covid-19 pandemic on careers guidance*, **based on a survey of 369 senior leaders of English institutions conducted by Pye Tate Consulting in June/July.**

- 72% felt that career guidance had become even more important during the final months of 2019/20.
  - Efforts were focused on translating guidance to virtual, email and telephone formats, although 20% said they had put career guidance activities on hold during the period.
  - 49% said there had been a reduction in the time learners were spending on careers activities.
- Overall, the main impact fell into two themes: the lack of face-to-face contact; the cancelling of work experience.
  - Many mentioned the perceived difficulties of engaging with young people over the phone or virtually, emphasising that face-to-face contact is essential.
- Looking ahead:
  - Over 90% had already begun planning for 2020/21, and 72% said that careers guidance was a high priority, although there was no reported increase in allocated budget.
  - 50% thought the amount of time learners would spend on careers guidance would be the same as in 2019/20 (higher in colleges than in schools); 20% thought it would increase; and 14% thought it would decrease.
  - 40% thought there would be more support for Key Stage (KS) 4 and KS5/16+ learners, with students in Years 11 and 13 prioritised.
  - 29% thought that parents/carers/guardians would have a more influential role in career guidance discussions in the future, and 30% thought their relationships with those people with regard to career guidance would improve.
  - The main concern for 2020/21 was access to employers.

[September] **The Institute for Employment Studies (IES) published** *Securing a place for young people in the nation's economic recovery: Final recommendations from the Youth Employment Group (YEG)*.

- The YEG was established by Impetus, Youth Futures Foundation, Youth Employment UK, the IES and The Prince's Trust in March 2020, to investigate measures to support young people through the COVID-19 crisis, improve their employment prospects and prevent mass youth unemployment.

- Six working groups explored how to: minimise job losses; provide employment support during lockdown; ensure effective employment support after lockdown; encourage a healthy youth labour market; support viable and quality self-employment for young people; and ensure effective and accurate use of data.
- The main recommendations:
  - Ensure that no young person spends more than six months unemployed without access to an offer of meaningful education or employment.
  - Return the number who are NEET to pre-COVID levels by October 2021.
- 19 detailed recommendations are made around the effective design and delivery of employment, skills, careers, entrepreneurship and welfare support during and after the crisis, under the headings:
  - Creating more opportunities for young people
  - Helping employers to help young people
  - Providing young people with the right information and advice
  - Supporting self-employment for young people
  - Building and utilising the evidence on 'what works' for supporting young people.

Other research

Nesta published *Finding Opportunities in Uncertainty: The information and support that workers need to navigate a changing job market*, **based on ethnographic research that followed 18 workers from Newport, Wales.**

- The workers' ability to foresee risks to their jobs and find viable and desirable alternative roles are impeded by:
  - the struggle to find the information they need to efficiently explore opportunities in the labour market and make decisions about their careers
  - their limited career adaptability resources – particularly a lack of career confidence – which can prevent them from being more strategic in their career navigation
  - their experience of career navigation as costly, risky and demoralising.
- Four key insights suggest services and policies that can help workers more effectively adapt to a changing labour market:
  - Government, education providers, employers and job search platforms must work together to generate, open up and share multidimensional data about jobs and occupations.
  - Three identified approaches to career navigation – 'opportunistic', 'strategic' and 'stuck' – each require different types of targeted information, advice and guidance.
  - Workers need the full range of career adaptability resources to navigate an uncertain labour market: alongside building their confidence, curiosity, commitment and sense of control, it is also important to raise their concerns about the future of their occupation.
  - Workers rely on members of their social circle as sources of trustworthy, tailored and discreet careers support and advice; providers of formal tools and guidance should aim to simulate these qualities.

The Centre for Vocational Education Research (CVER) published *Post-18 Education: Who is taking different routes and how much do they earn?*, **describing the educational trajectories and labour market outcomes for people who completed their GCSEs between 2002 and 2006.**

- Only around 4% of those with at least a L3 qualification by age 19 gain a L4, L5 or foundation degree as their highest qualification by age 25, while almost 66% achieve L6.
- Around 50% of those who do foundation degrees also complete a degree by age 25, almost always in the same subject; around 33% of those who attain L4/5 also obtain degrees by age 25.
- For the small number who combine L4 and L6 qualifications, it is just as common to do the L4 qualification after the degree as doing it before.
- People whose highest level of education is L4, L5 or a foundation degree have much lower GCSE scores at age 16 than people who take degrees.

- At sub-degree level, men are much more likely to be doing engineering & technology, architecture, building & construction or computing; women are more likely to be doing business & administration or nursing.
- In terms of 'returns' to the different qualification routes:
  - All higher-level qualifications appear to lead to better earnings outcomes than finishing education at level 3 for both men and women, but there is a great deal of variation across different qualifications and by gender.
  - For women, completing L5 leads to the highest average returns at age 26, equating to roughly a £9,800 increase in annual earnings, compared with £17k from completing at L3.
  - For men, L4 qualifications lead to the highest average return at age 26 – around £9k higher than completing at L3.
  - While the returns to university degrees relative to stopping at L3 appear to be good, it is very notable that they are lower than male L4 and female L5 estimates; however, the relative earnings differential between these qualifications becomes smaller between the ages of 26 and 30 and may indeed reverse at later ages.
  - The results are also heavily determined by some specific subject areas.
  - When considering the findings on earnings, it is important to bear in mind that it is difficult to identify the causal impact on earnings from the different qualification routes, as those taking atypical L4/5 routes are likely to be different, in ways that are difficult to control for, from those who do not.

How Effective Is Youth Volunteering as an Employment Strategy? A mixed methods study of England, **by researchers at the UCL Institute of Education (IOE), was published in *Sociology*.**

- Volunteering is routinely advocated in policy as a key mechanism for young people to gain employment, but with little evidence of its viability as a strategy.
  - The limited research in this area suggests the link is weak and that access to good quality volunteering is differentiated along class lines.
- The study found that young people's vastly different access to financial, social and cultural resources affected their access to volunteering.
  - Those who had the options to draw on their backgrounds and gain unpaid work/volunteering experiences related to their chosen career were the most positive about what these opportunities offered them.
- Those engaged in **career-related** work experience recognised its value to their own skills development as well as to employers, but were disappointed that it did not provide a straightforward pathway into paid work and a desired career.
  - Those engaged in **career-unrelated** volunteering derived personal benefits, but again these had poor material gains in terms of labour market entry.
  - Those who were required to engage in **compulsory** unpaid work often had negative experiences and no positive outcomes.

Education & Employers published *A short history of employer engagement: Once more round the buoy or set fair for a better voyage?* by Professor Prue Huddleston of Warwick University, to coincide with the 150th anniversary of the Elementary Education Act.

- It begins with a brief look at the early origins of employer engagement starting with the first apprenticeships in 1497 and then considers in more detail the various approaches and initiatives in recent decades.
- The aim is to encourage debate around the progress and purposes of employer engagement with the education sector by charting the history of such endeavours and examining their intent and efficacy.

The ILO published *Youth Aspirations and the Future of Work – A review of the literature and evidence*, demonstrating the ongoing lack of alignment between young people's aspirations and labour market realities.

- It makes the following policy recommendations:
  - Career counselling needs to draw on psychological interviews to determine aspirations, and be based on information about current trends and aspirations among young people, as well as their goals and attitudes.

- Technical and soft skills training are important to increase labour market opportunities for young people; soft skills in particular will be a core component if young people are to create new opportunities where previously they did not exist.

- Entrepreneurship education and promotion should be used to raise awareness of entrepreneurship as a career goal; alongside education in schools, business coaching and mentoring and start-up guidance help people gain the necessary skills.

- Positive narratives, examples and role models with which young people can identify should be considered in any intervention among aspirations-poor youth.

- Employment policies should redefine work better and develop social protection schemes that are more inclusive of the increasingly large group of people working in non-standard employment.

- Young people should be involved in the policymaking process, not least to understand the extent to which their aspirations are different from those of previous generations.

The Institutional Landscape

THE FURTHER EDUCATION & SKILLS SECTOR

COVID-related

[June] **UNESCO's Education Sector published** *Quality Assurance and Recognition of Distance Higher Education and* *TVET [technical and vocational education and training]* **– an issue note on the response to COVID-19.**

- COVID-19 compelled most countries to impose mandatory, temporary closure of HEIs and TVET institutions, with many countries pursuing open and distance learning to mitigate the loss of learning.

- Immediate emerging challenges included: equity; participation; infrastructure; broadband capacity; research, assessment and validation of learning outcomes; quality assurance and accreditation; and pedagogic capacity.

- Significant longer-term challenges include:
    - Increased inequality in access and retention and the risk that students discontinue their studies due to increased socioeconomic constraints
    - Diminished resources
    - Permanent closures of programmes and institutions
    - Demand for improved infrastructure to support continued distance and blended learning models
    - Reduced student mobility.

- Key messages and practical tips for designing policy interventions include:
    - Conduct a rapid technology assessment on the status of digital infrastructure at institutional and system level.
    - Establish functional mechanisms of quality assurance and accreditation and availability of reliable statistical data.
    - Ensure sustainability of distance education institutions, projects and programmes.
    - Build a common understanding of quality in distance education through broad-based consultation.
    - Ensure cost-effectiveness, equity and quality.
    - Increase attractiveness, inclusiveness and accessibility of TVET and fostering capabilities that enable progression from TVET to HE and for TVET graduates to access further learning.

[July] **The EIS (Educational Institute of Scotland) FELA (Further Education Lecturers' Association) published** *COVID and return to work* **– findings from a survey held in June.**

- 1,902 responses were received from members across all 26 FE colleges in Scotland; around 66% were in full-time permanent posts and 82% were main-grade lecturers.

- Findings include:
    - At home, 97% had broadband but only 35% had a workspace separated from other areas.
    - Pre-COVID: although the vast majority had used some form of online system, only 57% had set online tasks and 13% had provided live online teaching or feedback.

- During COVID: 28% delivered online classes; only 3% were not involved in online learning.
- The main barriers to online learning were: low student participation (66%); practical work or courses not applicable (~50%); inadequate workspace (40%); poor internet connection (~30%).
- The main concerns for 2020/21 were: implementing social distancing (78%); being able to deliver all aspects of the curriculum (71%); learner retention (73%).
- Lecturers also raised concerns around equality of access for learners, consistency of delivery and assessment strategies.
- Key requirements to build confidence for delivery in 2020/21 include: clarity on how teaching will be delivered (89%); time to prepare for blended learning (86%); access to technology by students (82%); clarity around assessment and/or course structure (81%).

[9 September] **Jisc and the Association of Colleges (AoC) published _Shaping the digital future of FE and skills_, a report of the first phase of a project to research and share innovative online practice demonstrated during the COVID-19 crisis.**

- Improving online education and outcomes will require a fundamental shift from merely transferring courses online to transforming digital learning, teaching and assessment.

- 39 recommendations are made to government, sector bodies and colleges on the themes of digital pedagogy, the learner experience, staff experience, digital leadership and system reform.

- Recommendations for government include:
  - Allow funding for planned online learning hours.
  - Ringfence capital funding for digital infrastructure, devices, digital content, resources and connectivity.
  - Ensure funding for training, equipment and support for individual staff.
  - Fund digital content creation for priority subjects and high-demand sectors.
  - Fund a centralised FE and skills digital content search and discovery platform (developed by Jisc).
  - Provide access to funding for digital devices and connectivity so no learner is disadvantaged.

Phase two of the project will focus on solving the challenge of access to high-quality and engaging digital resources and content for practical subjects. A parallel project is looking at technology-enhanced learning in UK HE – see page 19.

Other research

The Independent Commission on the College of the Future published _People, productivity and place: A new vision for colleges_, including essays on a transformative role for colleges and case studies about their civic role during the pandemic.

- The vision is that 'the college of the future will be central to driving a fairer, more sustainable and more prosperous society'.

- To achieve this, colleges will need to have 'a clear and recognised position in the education and skills system'.
  - **People**: colleges will be a touchpoint throughout people's lives, empowering them via flexible and blended learning and guidance.
  - **Productivity**: colleges will provide strategic advice and support for employers to drive change, innovation and workforce planning.
  - **Place**: colleges will have the resources and funding to play an even greater role in fostering healthy and connected communities.

The final report will be published in October 2020 and will be included in Skills Research Digest Q4.

Jisc published _Learner digital experience insights survey 2020: UK further education (FE) survey findings_ based on a survey of 19,137 students from 36 FE and sixth form colleges, conducted between October 2019 and May 2020; 65% of learners completed the survey before lockdown.

- 76% of students were satisfied with the use of technology in their teaching and learning; 75% were satisfied with the quality of organisational provision.

- There were major concerns about digital and data poverty and having adequate access to devices, wifi and essential systems and services.

- New pedagogical approaches are required – it is important that technology is considered as an integral part of learning design.
- More needs to be done to develop learners' digital skills and confidence throughout their learning journey.

Jisc conducted a similar survey with HE students – see page 14.

The Edge Foundation published *Education Technology in Further Education Colleges: How are colleges integrating digital technologies into their practice?*, exploring the experiences of four UK colleges*.

- Using education technology in teaching allows students to understand how digital skills will be needed in the workplace.
  - Both staff and digital facilitators undertook research into the digital skills needed within different industry sectors in order to tailor the digital tools used across the colleges.
- Initially, staff in all colleges were not as confident using new technologies and often felt discouraged when things went wrong; however, over time and with support, staff confidence developed and their mindset shifted.
  - Constant and consistent support from the digital teams encouraged staff to use existing and new technologies.
  - Support initiatives included: on-hand support with different tools; focused professional development workshops; individualised training.
- It was important to show both staff and students how embedding education technology could help to enhance their experience of teaching and learning.
  - All participants commented on how integrating education technology in the classroom provided a more real-life learning experience for their students.
  - Students became more engaged, creative and inspired through using different digital tools in and outside the classroom, and lecturers could see students enjoying their learning much more.
  - Many lecturers were surprised that technology provided a positive shift in how they developed their activities and allowed for much more flexibility in their teaching styles.

* Belfast Metropolitan College, Basingstoke College of Technology, Dundee & Angus College and Suffolk New College.

HIGHER EDUCATION (HE): APPLICANTS & STUDENTS

COVID-related

[5 August] **England's Office for Students (OfS) published *The impact of Coronavirus (COVID-19) on the OfS Mental Health Challenge Competition*, exploring the impact on ten projects that had been granted funding in June 2019 and planned to run until December 2021.**

- Many projects had encountered a decline in the number of students seeking support for their mental health during lockdown, giving rise to concerns about the potential for a spike in demand when face-to-face provision returned.
- There had been less demand for online and telephone support before lockdown.
  - Services may want to consider whether they could provide any support via email or other electronic messaging should students have concerns about privacy when using phone or video.
- Providers should:
  - actively seek feedback from students on digital support, and not assume that low take-up is an indicator of lack of interest, as confounding factors such as privacy may affect take-up
  - comprehensively audit and review online interventions to understand what has been effective, for whom and why
  - share their experiences and challenges with other providers and learn from each other's approaches
  - share their experiences of coproducing in this environment and engage with students to get feedback on what effective remote coproduction might look like.
- Some projects had seen partner engagement improve with remote working, particularly with partners from national and public health audiences, who were often infrequent attendees prior to lockdown.

- Providers working in partnership with organisations that have been highly impacted, such as schools and the NHS, may need to consider how to retain their involvement, e.g. by providing funding.

- Providers must continue to evaluate the effectiveness of their interventions, but they will need to adapt their evaluation activities to ensure they can minimise the effect of the pandemic.

[8 September] **The National Union of Students (NUS) published** *Coronavirus and Students Survey Phase II* **– findings from its survey of 4,200 UK students in July 2020.**

- 68% felt they were being kept up to date with developments, 50% said they were receiving helpful support, and 42% were receiving practical advice on personal action.

- 67% said they could access online learning sufficiently to complete their studies; 55% said online provision was of a good standard.

- 33% of students in Northern Ireland agreed/strongly agreed that the Northern Ireland Executive was acting in students' best interests – an increase since March 2020.
  - 33% felt that the Executive had adequately considered the difficulties students might face (46% in Scotland, 13% in England).

- In the event of a future outbreak, students in Northern Ireland would largely like the Executive to provide financial help and either pause their studies or reduce the amount they are required to do.

[13 September] **The Buchanan Institute, a student-led think tank, published** *Improving university education in light of COVID-19***, examining the impact of the pandemic on academic education and communication with undergraduates in Scotland.**

- Student and staff experiences of academic education (delivery of classes, access to resources and facilities, and assessments) varied depending on the university and subject department, and whether courses could move online.
  - There has been a significant impact on academic education, including a lack of motivation and engagement.

- Many students felt confused or uninformed about their studies due to miscommunication and lack of updates.
  - Students stated that email was their preferred way to receive university communications.

- Recommendations include:
  - Improve communication via a plan that focuses on providing regular, consistent, relevant and detailed information.
  - Improve internal communication within the university to ensure consistency of information.
  - Evaluate the online teaching tools used and increase training and support for students and staff to encourage user familiarity.
  - Longer term, move back to in-person education, enhanced through relevant technology.

The Buchanan Institute, founded at the University of Edinburgh in 2014, involves students conducting policy research on a wide range of issues; this paper was authored by five female undergraduates.

[September] **The Centre for Global Higher Education published** *Impact of COVID-19 Pandemic on International Higher Education and Student Mobility: Student Perspectives from Mainland China and Hong Kong***.**

- Of the 2,739 students surveyed, 84% showed no interest in studying abroad after the pandemic.
  - For those who still aimed to study abroad, Asian regions and countries, particularly Hong Kong, Japan and Taiwan, were listed in the top five destinations alongside the UK and the US.

- While the pandemic has decreased international student mobility, it is also shifting the mobility flow of international students.
  - The rate of recovery from the pandemic and post-pandemic governance will become a significant factor for destination countries to attract international students.
  - East Asian countries and regions may attract more international students, mainly due to their proximity and growing reputation for HE, but also because they are expected to recover from the pandemic faster than Western countries, due to their collective cultural traditions.

Other research

The OfS published the [2020 National Student Survey (NSS) results](#), conducted between 6 January and 30 April, with 311,432 responses received from across the UK (69% response rate).

- Overall there is a small negative shift in responses compared to 2019, but no greater than those seen in other years.
  - 83% were satisfied with the quality of their course, down 1ppt on last year; 84% were happy with the teaching, 83% with the learning opportunities and 73% with assessment and feedback – all the same as last year.
  - Academic support scored 79% (down 1ppt), and organisation and management of the course 74% (down 1ppt).
  - Learning resources scored 86% and learning community 76% (no change).
  - Student voice scored 74% and student union 56% (no change).
- Separate [analysis](#) found no obvious change that could be attributed to the impact of COVID-19, or any evidence that the reliability of the statistics had been affected; however, the majority of comments that referenced the pandemic were negative.

The NSS is to undergo a 'radical, root and branch' review as part of a [series of measures](#) announced by the UK Government on 'reducing bureaucratic burden in research, innovation and higher education'. The annual survey is said to have 'exerted a downwards pressure on standards' within the HE system.

The OfS published *[Update to data analysis of unconditional offers: Relationship with transition to higher education and continuation of studies into the second year](#)*, looking at the situation with 18 year-olds in England.

- The proportion of students receiving at least one unconditional offer when they apply ahead of gaining A levels and other L3 qualifications has grown from 1% in 2013 to 40% in 2019.
- There is little evidence that applicants placed through an unconditional offer are either more or less likely to enrol the following autumn.
- The continuation rate of 2017/18 entrants with A levels who were placed through unconditional offers (95.5%) was 0.4–1.1ppt lower than it would have been if they had been placed through a conditional offer.
  - This difference translates to between 70 and 175 of the 15,725 A level entrants placed through unconditional offers, who would have continued with their studies if they had instead been placed through a conditional offer.
  - By contrast, 2017/18 BTEC entrants with unconditional offers were 0.3–2.6ppt *more* likely to continue with their studies, representing between 15 and 135 of 5,115 BTEC entrants.

The University & College Union (UCU) published *[Higher education admissions: The time for change](#)*, based on a survey of 128 university vice-chancellors, college principals and secondary school heads across the UK.

- 61.6% felt that the application process was not fit for purpose; the figure for school leaders was 80% compared with 40% of HE leaders.
  - 60.5% felt that the current application process did not enable students to make the best decisions according to their achievements.
  - 71% felt that predicted grades were not an accurate proxy for final achievement.
  - Nearly 70% of school leaders thought that students should make admissions decisions later than they do at present; 82.5% supported further exploration of a post-qualifications admissions (PQA) system.
- 80% of all leaders supported a minimum of 10 hours information, advice and guidance per student between Year 10 and Year 13.
  - 70% supported a dedicated week-long exploration of future learning and employment options for all L3 students at the end of Year 12.
- 60% of leaders supported allowing students to make non-binding expressions of interest to institutions they would like to explore in the January of application year, with students receiving information in the form of 'study choice packs'.

- Over 90% of leaders of secondary schools, sixth forms and FE colleges thought there should be limits on the use of unconditional offers, falling to just over 50% for HE leaders.
- 82.3% felt that the advertised grade profiles did not always match the grade profile of students admitted.
- Leaders from across sectors felt that admissions reform of a significant nature would require changes to the timescales for decisions and applications.
  - 80% of school leaders and 60% of HE leaders supported a later start date for first year HE students.

Jisc published *Student digital experience insights survey 2020: UK higher education (HE) survey findings* **based on a survey of 20,575 university students conducted between October 2019 and May 2020; 90% of students completed the survey before lockdown.**

- 77% of students were satisfied with the use of technology in their teaching and learning; 85% were satisfied with the quality of organisational provision.
- There were major concerns about digital and data poverty and having adequate access to devices, wifi and essential systems and services.
- Few students engage in online collaboration, which can emulate workplace practices, help mitigate feelings of isolation and maintain motivation.
- New pedagogical approaches are required – it is important that technology is considered as an integral part of learning design.
- More needs to be done to develop learners' digital skills and confidence throughout their learning journey.

Jisc conducted a similar survey with FE students – see page 10.

Student loans and participation in postgraduate education: The case of English master's loans, **by researchers from the University of York, was published in the** *Oxford Review of Education*.

- The transition of UK-domiciled first-degree graduates to taught higher degrees increased markedly after the introduction of master's loan schemes in all four UK nations.
  - In England, the loan system resulted in gaps in participation between graduates from different socioeconomic classes narrowing considerably.
  - Indeed, taking into account a range of other factors, such as subject and institution of first degree and prior attainment, these differences disappeared almost entirely.
- This ostensibly indicates the loan policy is a marked success; however, there are some notes of caution:
  - The loan policy has not shifted gender differences in transition to taught higher degrees, with women remaining disadvantaged.
  - With the burden of education debt higher for students from lower socioeconomic backgrounds and students of colour, the cost of entry to certain careers becomes greater for those already in the most disadvantaged position.
  - Ethnic minority graduates are also disproportionately likely to adopt a strategy of further, compensatory education investment to offset the immediate impact of unrealised aspirations.
  - The loan scheme has the potential to be a victim of its own success: fee inflation is likely – and anecdotally already occurring – as institutions react to increased demand and the availability of loan funding.
  - Credential inflation is likely as an increase in master's graduates makes a master's degree necessary for entry to certain careers.
  - There is no guarantee that acquiring a master's degree will secure the desired outcomes for students who were unlikely to have participated prior to the loan policy.

Advance HE published *Ethnicity and the Postgraduate Student Experience*, **examining whether and how experiences differ among students of different ethnic backgrounds, and considering ethnicity alongside other personal characteristics including age and nature of study.**
[Membership is required to access the full report.]

The Higher Education Policy Institute (HEPI) published *Student Accommodation: The Facts*, **exploring how accommodation has changed, how regulations add cost without addressing the most pressing challenges, and how to make it more responsive to student needs.**

- 2m students rent their housing, split between university-provided accommodation (28%), private purpose-built student accommodation (27%) and shared student houses (45%).

- A new approach is needed in three areas:
  - **Affordability**: rent takes up 73% of the maximum student loan on average, up from 58% a few years ago; universities could take the lead in providing more low-cost accommodation, including by partnering with the private sector.
  - **Regulation**: councils charge private providers large sums for licensing but with no clear benefits to students; greater cooperation is needed between England's Department for Education and the Ministry of Housing, Communities & Local Government *[and presumably their equivalents in the other nations]*.
  - **Cost**: 49% of accommodation providers do not involve students in their rent-setting, while VAT restrictions on the alternative use of student accommodation by non-students currently stop viable commercial use of student accommodation, such as subsidising student rents via summer tourists.

HE: WIDENING PARTICIPATION

Moving on up: 'First in family' university graduates in England, **a study by researchers from UCL Institute of Education, was published in the** *Oxford Review of Education*, **exploring the experiences of a group that has been prioritised in widening access initiatives.**

- Data were analysed from over 7,700 participants in the Next Steps longitudinal cohort study, which has been following the lives of a group born in England in 1989/90.

- By age 25, 27% had gained a degree, 66% of whom were the first member of their family to go to university.
  - Among children of non-graduates, those who had gone on to HE tended to have already done better academically compared to those who had not gone to university.

- Compared to children of graduate parents, first-in-family graduates were 3ppt less likely to have attended one of the Russell Group universities.
  - They were 5ppt more likely to have opted for subjects that led to higher earnings and had a clear path from university to the job market, including degrees in law, economics and management.

- However, while more than 66% of all university students completed their degrees, the share was 4ppt lower among those without graduate parents.

IZA published *First in Their Families at University: Can non-cognitive skills compensate for social origin?*, **a study of the role of non-cognitive skills in academic performance based on 1,000 incoming students to a university in Australia.**

- The aim was to better understand the facilitators and constraints that first-in-family students face at university, as little empirical evidence exists.
  - Information was collected on students' non-cognitive skills, high school achievement tests, detailed socioeconomic background, and the people who inspired them to pursue a university education.

- Findings include:
  - First-in-family students experience no inequalities in pre-university non-cognitive skills but arrive at university with lower pre-university cognitive skills (proxied with standardised university admissions test scores).
  - First-in-family students have lower grade point averages by about 0.25 of a standard deviation than the average student; this performance penalty is larger for young men.
  - The performance penalty is strongest in the first semester but the students tend to catch up over time.
  - Some non-cognitive skills (conscientiousness and extraversion) predict academic performance almost as strongly as standardised university admissions test scores.
  - High levels of conscientiousness over-compensate for the performance penalty experienced by first-in-family students, while very low levels exacerbate it.

- Overall, the findings accentuate the importance of non-cognitive skills, in particular, conscientiousness, as key indicators of university readiness, and their potential for closing the socioeconomic gap in academic performance.
  - Access to university also requires the right mindset – non-cognitive abilities are likely to play a critical role in facilitating access to, and performance during, university study.
  - Both cognitive skills and conscientiousness compensate for the academic penalties produced by social origin.

Universities Scotland and Colleges Scotland published _National Articulation Forum Final Report 2020_ supported by the Scottish Funding Council.

- Articulation is the progression of students from college to university with academic credit for their college work; it has been identified as an important way to improve social mobility through education.

- The report builds on the Commission on Widening Access's call in its 2016 document, _A Blueprint for Fairness_, for increased articulation of students in Scotland.
  - All of Scotland's colleges and universities are now involved in articulation, including those universities with little history in the practice.
  - Setting up one articulation agreement has been found to lay the groundwork and spark ideas for more pathways.

- 14 recommendations include:
  - Expand the definition of articulation, for example to include students at the Open University (OU) and those entering Graduate Apprenticeships with previous study at SCQF (Scottish Credit & Qualifications Framework) L7+ _[equivalent to L4+ in the rest of the UK]_.
  - Highlight articulation as a pathway in all information, advice and guidance.
  - Universities to consider ringfencing some places on undergraduate degrees and Graduate Apprenticeships to give articulating students more certainty.
  - Institutions to ensure that appropriate support is in place for all stages of articulation.
  - Institutions to use evidence of student demand and skills gaps in the economy to develop new articulation routes.

GRADUATES & GRADUATE EMPLOYMENT

COVID-related

[July] **The Sutton Trust published _COVID-19 and Social Mobility Impact Brief #5: Graduate recruitment and access to the workplace_.**

- The report is based on evidence from a YouGov survey of 1,000 human resources (HR) decision-makers in June, a YouthSight Survey of 900 undergraduates in April and discussions with a small number of graduate employers.

- 61% of UK employers had cancelled some or all internships or work experience placements.
  - Among SMEs the figure was 49%, compared with 29% of larger employers.
  - 48% thought there would be fewer of these opportunities in their businesses over the next year.

- 33% of graduate employers said they were expecting to hire fewer graduates over the next year and 6% said they would not hire any; however, 27% anticipated hiring more.
  - 44% said employers in their sector were likely to take time missed from education into account in any future hiring decisions, however 42% said they were unlikely to.

- 29% said social mobility and socioeconomic diversity would be more of a priority in the next two years; this fell to 22% of employers outside London compared to 48% in London.
  - 23% said taking action on social mobility in the workplace would be more difficult due to the pandemic, while 49% said it would have no impact.

- 46% of undergraduates said the pandemic had impacted on their ability to gain graduate employment.

- 18% said work experience placements had been cancelled or postponed, 15% cited access to their university careers service, 11% said interviews had been cancelled and 4% said a job offer had been withdrawn.

[July] **The Institute of Student Employers (ISE) and the International Network of Employers & University Careers Services published** *Covid-19: Global impacts on graduate recruitment*.

- The report explores how economic changes are impacting on graduate recruitment in 21 countries including Northern Ireland, England and the Republic of Ireland (RoI).
  - Findings are based on responses from CEOs or heads of research from employer associations, senior HE careers professionals and employers.

- In Northern Ireland:
  - Respondents reported a substantial decrease in graduate roles and internships this year.
  - The number of graduate roles are expected to continue to decline next year, however there is hope that the number of internships will rally.
  - Most recruitment activities are expected to be delivered online.

- Key emerging global trends include:
  - The graduate market mirrors problems in the wider economy – the current crisis is impacting on workers of all skill levels; it is likely to be particularly difficult for those entering the labour market for the first time and those working in the sectors feeling the worst effects.
  - Graduate recruitment volumes are down in all 21 countries, with many employers delaying or reducing the numbers of graduates they are recruiting.
  - The graduate market will not recover quickly: 15 countries expect the volume of graduates recruited to continue to decline over the next year; only Canada, South Africa and New Zealand expect the market to stabilise, and only Belgium, Poland and the UAE anticipate growth.
  - Respondents reported a loss of certainty in the normal narrative about how graduate transitions work; this is making planning difficult.
  - Working practices and business processes are changing and moving online – in graduate recruitment, both on campus activities and selection processes are either moving wholly online or into a blended format.
  - Young people may decide to prolong their time in education through postgraduate study due to problems in the labour market.

Other research

The Higher Education Statistics Agency published *Higher education outcomes: How career satisfaction among graduates varies by ethnicity*.

- The findings are based on data for 111,950 graduates in the UK 3.5 years after graduation, taken from the Longitudinal Destinations of Leavers from Higher Education surveys conducted in winter 2014/15 and 2016/17.

- Much of the research on outcomes from HE has focused on earnings and whether or not a graduate secures highly skilled employment.
  - It is widely acknowledged, however, that the advantages of a degree extend beyond this, ranging from better health and a more rewarding career to greater civic participation.
  - Furthermore, a principal aim of HE policy is to ensure that individuals from all backgrounds are able to realise their potential and ambitions after completing their course.

- Key findings:
  - Black Caribbean and Black African graduates aged 25 or under at entry to HE were 2.6ppt less likely to report being satisfied with their career than their white peers.
  - Those aged 26+ were around 9ppt less likely to report being satisfied with their career.

IZA published *Caught in the Cycle: Economic conditions at enrollment and labor market outcomes of college graduates* **– analysis of data from 58 cohorts of UK university graduates.**

- Researchers analysed the link between economic conditions at the time of university enrolment and future labour market outcomes, using data from the UK Quarterly Labour Force Survey from 1998 to 2019.

- The main finding is that male graduates who start university during periods of higher unemployment earn significantly higher wages than graduates who enrolled during periods of lower unemployment.
- Analysis found that wage differentials are *not*:
  - explained by differences in the economic conditions at the time of graduation or by changes in the composition of the cohorts in terms of field of study
  - at the expense of worse labour market outcomes for women from these cohorts, as they show similar, although weaker, patterns of improvement
  - explained by changes in the composition of graduates at the point of college entry.
- Instead, the wage differentials appear to be due to an increase in the effort provided by graduates during (and potentially also after) their university years.
  - Economic downturns tend to attract additional students into HE; these marginal students would reduce the average wage outcomes among graduates who enrol during bad times, unless there were differential changes in dropout rates leading to improved selection among graduates from these cohorts.
  - Evidence suggests that graduates who enrol during adverse economic times experience better degree attainment, increased sorting towards higher paying occupations and industries, and higher wages conditional on occupation, industry or grade.
  - This may be due to increased competition, reduced opportunities for part-time employment, or changes in attitudes consistent with the impressionable years.
- Policymakers should therefore not limit funding for education or curb enrolment to tertiary-level education during a recession.

England's Department for Education and the IFS published *The earnings returns to postgraduate degrees in the UK*, providing estimates for British and Northern Irish students studying in Britain, based on earnings at age 35.

- Over 350k students start a postgraduate course in the UK each year – double the numbers 20 years ago.
  - Men are more likely to progress to master's degrees and PhDs than women; women are far more likely to do PGCEs.
  - Those doing PhDs and PGCEs are disproportionately white, while those doing master's degrees are more representative of the undergraduate population.
- Among the findings:
  - All master's and PhD graduates earn more on average than those with only an undergraduate degree, while PGCE graduates earn less.
  - Once differences are controlled for, the earnings gap between undergraduate and master's/PhD graduates drops significantly: around 2% (women) and -2% (men) for master's; 8% (women) and -9% (men) for PhDs.
  - Around 33% of master's subjects yield statistically positive returns for women: law, economics and management (LEM) subjects are highest at around 20%; creative arts, English and philosophy lead to earnings more than 10% lower than those of similar individuals who did not pursue a postgraduate qualification.
  - Returns for men by master's subject are lower, with statistically significant negative returns at age 35 for most subjects; however, LEM subjects and engineering still yield strongly positive returns.
  - PhDs in maths have remarkably low returns, while psychology is one of the highest-return PhDs for both genders.
  - While men and women who have graduated from a relatively low-returning undergraduate course often see negative returns to a master's in the same subject, returns to a master's in a different field are overwhelmingly positive.
  - In contrast, students who graduated with a degree in a relatively high-paying subject, such as economics, law, business or some STEM subjects, tend to do best by sticking with their subject at master's level, while switching can be particularly costly.

HEPI published *PhD students and their careers*, exploring how well prepared PhD students feel for their future careers, based on data from a 2019 global survey of 6,320 students.

- 88% of PhD students believe their doctorate will positively impact their career prospects.

- PhD students are almost equally more (33%) and less (32%) likely to pursue a research career after they start their PhD than before.
  - The majority see academic research (67%) or research within industry (64%) as a probable path.
- The most commonly given reason for PhD students wanting to stay in academia is greater interest in their subject of study (40%).
  - Reasons for wanting to leave academia vary – the most commonly cited reason is a lack of work–life balance (20%).
- PhD students are more confident their degree is preparing them for an academic research career (81%) than one straddling both academia and industry (47%), or a non-research career (33%).
  - They feel well trained in analytical (83%), data (82%) and technical (71%) skills, along with presenting to specialist audiences (81%) and writing for peer-reviewed journals (64%).
  - They are less confident of their training in managing people (26%), finding career satisfaction (26%), applying for funding (22%) and managing budgets (11%).
- When considering future careers, PhD students are more likely to do their own research (64%) or attend careers workshops (76%) and networking events (60%) than to discuss options with an institutional careers consultant (13%).

HE: TEACHING, RESEARCH & INSTITUTIONS

COVID-related

[11 August] **Jisc published** *Learning and teaching reimagined: Change and challenge for students, staff and leaders*, **the interim report of a project developed with Universities UK (UUK), Advance HE and Emerge Education in response to COVID-19.**

- This first phase of the initiative sought to learn from recent rapid change, drawing on experiences from the sector in the UK and wider research.
  - Three specific areas were explored: changing student needs; changing staff needs; and emerging best practice in response to COVID-19.
- Findings include:
  - Content creation for technology-enhanced learning is complex and benefits from student involvement; however, practice appears to remain patchy.
  - Universities are postponing tackling more 'difficult' practical subjects (e.g. labs, studios and workshops), by deferring teaching until the second semester or second and third terms.
  - Change of this magnitude needs senior management backing, plus a change in investment priorities from the purely physical to embrace the digital estate.
  - The move to digital assessment has been huge, rapid and highly complex, with a wide range of approaches and standards necessitated by haste.
- Ten recommendations include:
  - Universities should consider conducting a skills audit of students and building digital skills training into curricula.
  - Technology-enhanced learning can amplify some student physical and mental wellbeing issues and should be carefully considered.
  - Universities should invest in staff digital skills and reward and recognition frameworks as part of professional development.
  - Universities should ensure they have strong design capabilities and actively involve students in content creation.

The next stage of the project will identify what learning and teaching transformed looks like and the tangible routes to achieving it. A parallel project is looking at shaping the digital future of FE and skills – see page 10.

[August] **UNESCO's Education Sector published** *Higher education institutions' engagement with the community* **– an issue note on universities' response to COVID-19.**

- There is substantial evidence of HEIs overhauling, renewing and deepening their community engagement in response to the pandemic.

- HEIs have been instrumental in helping communities respond to the pandemic, including by: providing free online learning for a wider public; conducting and sharing research on COVID-19 and its impact; and students volunteering to support vulnerable groups.
  - By reaching out to local communities, HEIs are widening access to their resources and services, which may have longer term effects on the regular functioning of HEIs.
- HEIs have a crucial role to play in ensuring that the right to quality education and learning opportunities for all is not compromised by the pandemic.
- With traditional operations disrupted, HEIs may start to see the appeal of providing more flexible formats, e.g. short-term courses and modular learning, and reaching out to new target groups, e.g. intergenerational groups of learners.
- Key messages and practical tips for designing policy interventions include:
  - Diversify learning content and provision – HEIs should encourage an entrepreneurial spirit among students, researchers and external stakeholders through targeted courses and investments.
  - Recognise the value of partnerships – e.g. with hospitals, local and national governments, online course providers and museums – to: widen access to learning; create networks for knowledge exchange on teaching and learning; adapt curricula in response to new challenges; design support systems for vulnerable students; increase investment in HE.
  - Increase stakeholder involvement in research – ensure that it remains relevant to communities by involving diverse groups of stakeholders in projects whenever possible, including young people.
  - Social responsibility and community engagement should be defined as a mandate of HE, with funding provided, and such services acknowledged as a criterion for academic merit for the institutions and research and teaching staff involved.

Other research

UUK, GuildHE and the Quality Assurance Agency for Higher Education (QAA) published _Principles for Effective Degree Algorithm Design_ on behalf of the UK Standing Committee for Quality Assessment.

- The principles have been agreed by UK universities as part of the sector's collective commitment to protect the value of qualifications.
- To be effective, an algorithm must:
  - provide an appropriate and reliable summary of a student's performance against the learning outcomes, reflecting the design, delivery and structure of a degree programme
  - fairly reflect a student's performance without unduly over-emphasising particular aspects
  - protect academic standards by adhering to the current conventions and national reference points used to define classification bands and boundaries
  - normally be reviewed at least every five years to ensure algorithms remain relevant and appropriate
  - be designed and reviewed in a way that is mindful of its impact on different groups of students
  - be communicated and explained clearly to students, both in how it works and why.

UUK, GuildHE and QAA published _Degree algorithm practice in 2020: Research report_, an overview of the current review processes and practice of providers across the UK.

- There are many common approaches, however, some differences remain.
  - For 73% of providers, the method of calculating a degree classification is through a weighted arithmetic mean of percentage marks.
  - 75% place greater weight on the final year of a degree.
  - 85% have a borderline policy in which a student's classification is reviewed with the potential to be increased in accordance with set criteria and/or exam board approval.

New think tank Cieo published _Saving Britain's Universities: Academic freedom, democracy and renewal_, analysing the problems facing the UK HE sector, which it argues was 'broken long before COVID-19'.

- Productivity and economic growth have fallen as student numbers have risen, with the largest expansions occurring in 'soft' subjects and vast numbers of graduates in non-graduate jobs.

- Widening participation has largely involved funnelling poorer students into low-quality institutions, with the financial costs outweighing the benefits for many.

- Far from saving public money, marketisation has increased government spending on HE, while competition has steadily destroyed the integrity of British universities and degraded their quality.
  - At the same time, British universities are becoming increasingly conformist, with intellectual freedom stifled by consumerism and excessive regulation.

- A set of radical reforms is proposed:
  - Shrink the sector through closures and mergers, while rebalancing towards technical and vocational education, including by converting some universities into 'new technical colleges'.
  - Re-embed tertiary education into regional and industrial policy and planning.
  - End the competitive market in HE and abolish excessive regulation, to enable universities to refocus resources on teaching and research and empower them to reinforce academic standards.
  - Empower academics and local communities to take back control from senior managers.
  - New legislation to protect academic freedom and restore freedom of thought and speech.
  - The creation of four new 'free universities', liberated from excessive internal and external regulation, which will trailblaze a new path of teaching and research.

HEPI published *Miseducation: Decolonising curricula, culture and pedagogy in UK universities*, with original testimony and practical guidance for UK universities on improving course curricula, pedagogical practice, staff wellbeing and the student experience.

- Based on interviews with leading figures in academia, student activism and HE policy, the report's recommendations include:
  - Ensure a better understanding of decolonisation and end its conflation with equality, diversity and inclusion initiatives.
  - Prioritise decolonisation in order to expand the curriculum and improve both teaching and course content.
  - Increase government and university funding for research into the experience of people from black, Asian and ethnic minority (BAME) backgrounds and for BAME-only scholarships.
  - Tackle discrimination, hostility and unconscious bias against those working on decolonisation.
  - Create departmental roles to work specifically on issues relating to anti-racism and the decolonising of their department.
  - Establish channels for collaboration on these issues between students and faculty.

Think tank Demos published *Research 4.0: Research in the age of automation*, exploring how the fourth industrial revolution is reshaping the research landscape.

- The explosion of new digital data sources and the ability to extract more data from existing sources have vastly increased the available data across a wide range of disciplines, while powerful new analytical tools are driving further breakthroughs and discoveries.
  - This 'double dividend' is allowing researchers to ask questions that would have been impossible a decade ago.
  - However, the use of artificial intelligence (AI) in research is often extremely time-intensive, due to the amount of data preparation and 'cleaning' time and experimental iterations involved to find the best 'solution'.

- There is relatively little explicit adoption of AI to support the wider research process and research ecosystem.
  - For example, it is not seen as a solution to the volume of papers requiring peer review; it could, on the other hand, help the literature review stage, although this is not happening at present.

- AI is not seen as a threat to early career researchers' prospects, as it creates more work for them; however, there is concern that the new tasks – e.g. data cleaning – are not being recognised.

- Researchers in different departments, universities and regions often have different experiences accessing the infrastructure they need to conduct research, suggesting that any national support needs to be carefully targeted.
  - Those working in the arts and humanities appear to face significant challenges accessing the technical infrastructure to innovate their research methods.

- Humanities researchers also often lack sufficient quantitative and/or digital skills.

- Successful use of AI is likely to require multidisciplinary expertise and working, but there are often barriers to this way of working.

- AI talent is being lost to the private sector, partly due to pay differentials and partly due to it being difficult to return to academia after a period in the private sector.

- Recommendations include two relating to education and skills in order to ensure universities and the research sector have the skills needed to fully and safely harness the potential of AI:

    - The current post-16 curriculum should be reviewed to ensure all pupils receive a grounding in basic digital, quantitative and ethical skills necessary to ensure the effective and appropriate utilisation of AI.

    - Universities should ensure undergraduate and postgraduate courses in AI embed a 'responsible research & innovation' approach to anticipate the negative impacts of AI and the need to design methods to avoid or mitigate them.

The report also explores five possible future scenarios for how AI might impact the UK research sector.

The European Commission published *Community engagement in higher education: Trends, practices and policies* - an analytical report based on a literature review.

- Universities play a crucial role in responding to societal needs, and can further enhance their impact at local, national and international levels through community engagement.

- A broad definition of community engagement in HE is proposed as: the range of ways in which staff, students and management interact with external communities in mutually beneficial ways, either as part of teaching and research or as part of other projects and joint initiatives.

    - 'Civic', 'public', 'regional' and 'societal' engagement can all be considered as synonyms for community engagement as defined here.

- The wider societal contribution of HE is re-emerging as a policy priority in many countries, due to increasing societal challenges worldwide.

- Community engagement practices are presented according to five thematic dimensions: teaching and learning; research; service and knowledge exchange; student initiatives; and university-level engagement, e.g. as venues for cultural and social activity and as a source of educational resources.

- Challenges and obstacles include:

    - Community engagement is often treated as low priority due to other pressures.

    - It can be complex to coordinate across an institution.

    - Some academics do not accept engagement as a legitimate knowledge activity.

    - It can be difficult to measure.

- A coherent policy approach will be needed to create synergies with other policy areas and existing programmes, and policy levers should focus on building capacities for community engagement.

    - Joint action is required from the European Commission, EU member states, international stakeholders and universities.

    - To provide community engagement with greater recognition and support at policy and university levels, the approach must be gradual, developmental and qualitative, rather than rushed, top-down and driven by metric.

- Policy approaches to consider in supporting community engagement include:

    - **Transforming framework conditions** – system-level embedding of community engagement in HE and research.

    - **Targeted supportive policies** – increasing the prevalence and quality of community engagement activities at system level.

    - **Incorporating community engagement into existing programmes** – encouraging activities at the individual university level.

    - **Status quo/bottom-up initiatives** – no specific policies, just general references to 'relevance' and 'impact'.

- Although the report was drafted pre-pandemic, comments have been added on the impact of COVID-19:

- The current crisis makes community engagement more important than ever and the good practices and benefits to be gained will be highly relevant in developing plans for recovery and development in the post-crisis period.
- During the pandemic, stories emerged of the ways in which universities around the world had mobilised their knowledge and resources to respond rapidly by addressing a range of societal needs.
- The question of how universities can contribute to social and economic recovery in the post-COVID-19 period is likely to be at the top of policymakers' future agendas.

King's College London, the University of Chicago and the University of Melbourne published *Advancing University Engagement: University engagement and global league tables*, **the report of a project to recognise and measure civic engagement, public engagement or 'service'.**

- Universities need to demonstrate their value to society for many reasons, including the return on investment of public funds.
  - However, this value is rarely captured effectively and objectively – few mechanisms tell a compelling story about universities' contributions to the public good.
- Global league tables are a good starting point because they: are the principal mechanism used to assess and compare university performance; have a powerful impact on where students choose to study; influence public perceptions of the relative value of universities around the world.
  - Because of this, they influence university behaviour and resource allocation.
- Based on three pilot studies with universities around the world, a framework was developed to measure and rank engagement, comprising eight 'engagement indicators':
  - University commitment to engagement
  - Community opinion of the university
  - Student access
  - Volunteering
  - Research reach outside academic journals
  - 'Community-engaged learning' within curriculum
  - Socially responsible purchasing
  - Carbon footprint.
- These indicators map to a set of desired behaviour changes: leadership buy-in; communities and universities value each other; resource allocation; reward and recognition; and embedding in teaching and research.
  - Measures are also proposed for each of the indicators.
- When the effect of these indicators on the existing *Times Higher Education* and QS World University Rankings systems was modelled, it was found that, with strong weighting, they could have a material impact on an institution's ranking and reputation.

The consortium is now building a case, exploring partnership possibilities and investigating additional platforms to promote and encourage university engagement.

QAA, UUK International (UUKi) and GuildHE published *Future approaches to the external quality enhancement of UK higher education transnational education [TNE]: Consultation report*.

- The consultation ran from October 2019 to January 2020 and received 105 responses, including from 74 UK HEIs, representative groups of HE providers and overseas quality bodies.
  - There was a 'deep commitment' to the future of UK TNE among universities, and 'strong pride' in the way in which UK HE and TNE are respected and valued around the world.
  - 95% agreed that a UK-wide approach to TNE was important to maintain comparability and standards across the full range of provision.
  - The overall preference was to have a system where a programme of TNE activities and resources was complemented by an in-country review schedule.
  - Examples of activities and resources included: guidance and reports on specific countries or regions; best practice toolkits; practical guidance; case studies; training courses; better data; territory-based communities of practice; templates for assessments.

QAA will now develop a new review method and launch a programme of in-country activity in 2021.

HEPI published *UK Universities and China*, a collection of essays on the opportunities and challenges faced by UK HEIs engaging with China in an increasingly volatile and unpredictable environment.

- All the contributors address, in their own way, one essential fact: just how little HEIs truly understand China and Chinese students.
  - Several contributors focus on the student experience, learning practices, issues around employability and cultural representation – subjects that are often overlooked by HEIs in their rush to attract students from overseas.

Universities Scotland published *Internationally Scottish: Creating global communities* supported by the British Council, a snapshot of international initiatives and projects in universities in Scotland.

- Key points include:
  - Each year over 58k international students from 180 countries study in Scotland.
  - Since 2015 the international student population has grown by 25%.
  - Scotland is the second most popular UK study destination for EU students (after London).
  - Universities have committed to: celebrate the diversity of students and staff; increase outward mobility and widen access; enhance graduates' global skills and employment readiness; strengthen relationships with alumni.

HE: COVID-RELATED GUIDANCE

QAA published a range of documents to support the changes to learning, teaching and assessment needed in light of COVID-19.

- [3 July] *Questions to inform a toolkit for enhancing quality in a digital environment* to help HE providers in developing innovative digital learning environments.

- [20 July] *Complaints and appeals in the context of COVID-19*, drawing together the range of reference points institutions are expected to use, and outlining examples of practice during the pandemic.
  - It applies to complaints and appeals heard during 2020, but is likely to have value for students progressing their studies into 2020/21 and beyond.

- [23 July] *The impact of the COVID-19 pandemic on accredited programmes of higher education: An analysis of surveys of professional, statutory and regulatory bodies [PSRBs]*.
  - There would be significant value in closer collaboration among PSRBs over their response to the crisis, and for the provision of better and more targeted information.

[28 July] **UUK, Independent HE and the AoC published *Principles and guidance for collaborative teaching partnerships during the pandemic*.**

- The principles are:
  - Student and staff safety and wellbeing should be central to all decisions providers take in respect of their partnership arrangements, and they should be informed by public health and government advice where relevant.
  - Partnerships should be based on timely two-way information sharing, with attention paid to the different levels and departments within providers that are making decisions on the COVID-19 response.
  - Partners should seek and develop opportunities to collaborate to: facilitate the best possible outcomes for students; protect quality and standards across validated and sub-contracted provision; develop strategies for maintaining an effective partnership relationship.
  - Partners should embrace flexibility where changes to existing processes might be needed to ensure decisions can be taken and communicated quickly and planning commence without undue delay.
  - Partners should agree communication plans for students to ensure decisions and any changes to planned provision are communicated quickly and with clarity, and to make sure students know where to access support and information.

The principles are complemented by examples and guidance of effective practice.

HE: UNIVERSITY FINANCE

COVID-related

[6 July] **The IFS published** *Will universities need a bailout to survive the COVID-19 crisis?*.

- Based on three different scenarios, long-run losses could be anywhere between £3b and £19b – between 7.5% and nearly 50% of the sector's overall income in one year.
    - More than 50% of the losses come from a combination of falls in international student enrolments this year and an increase in balance sheet provisions relating to pension deficits.
    - The institutions most likely to be affected tend to be higher-ranking universities, postgraduate-only institutions or prestigious arts schools.
    - While relatively well placed to attract more UK students, they will be constrained by recently introduced student number caps.
- However, it is not the institutions with the largest COVID-related losses that are at the greatest risk of insolvency – it is the generally less prestigious institutions that entered the crisis in a weak financial position and with little in the way of net assets.
    - In the central scenario of £11b in losses (over 25% of income in one year), 13 universities educating 5% of students would end up with negative reserves and might not be viable without a government bailout or debt restructuring.
- A targeted bailout aimed at keeping these institutions afloat could cost £140m.
    - More widespread and less targeted packages – as proposed by some in the university sector – could cost billions of pounds without providing much support to those institutions most at risk.

This report was published before data showed that international applications had not fallen as much as had been predicted.

[23 July] **SPICe (Scottish Parliament Information Centre) published** *The impact of Coronavirus (COVID-19) on university funding in Scotland*, **a summary of the challenges facing the sector, the action being taken to address them and the longer term implications of a funding shortfall.**

Other research

BiGGAR Economics published *Universities in Advanced Economies: Recovery and Transformation, Productivity Growth and Fiscal Returns*, **commissioned by Universities Scotland in 2019** *[completed in May but published in July]*.

- Investment in the university sector needs to be at the centre of post-COVID economic recovery and transformation plans.
    - A thriving university sector will be an essential prerequisite to addressing Scottish and UK Government policy priorities; this will need to be at the national level and in every region, to ensure that the growth is inclusive.
    - Investments in HE and in research and development (R&D) create a virtuous cycle – they stimulate and support higher levels of economic output, increasing tax revenues, which can then be invested in universities and in other public services.
- Higher investment in HE and in R&D as a share of Gross Domestic Product (GDP) are correlated with: higher GDP per capita; higher growth in productivity; higher labour force participation; lower youth unemployment.
- The role of the sector can include:
    - Securing and providing high-quality employment
    - Providing the human and intellectual capital that will be needed for recovery and transformation
    - Developing the high-level skills required to ensure that new knowledge can be diffused throughout the economy
    - Reducing and avoiding youth unemployment
    - Driving innovation for new and existing high productivity businesses and public sectors
    - Building the resilience of the economy and public services (including in health and care)
    - Supporting the net zero challenge and the green recovery
    - Providing leadership in national and regional economies and wider civic society.

The Workplace

RECRUITMENT

IZA published *Older Workers Need Not Apply? Ageist language in job ads and age discrimination in hiring*.

- Researchers studied the relationships between ageist stereotypes, as reflected in the language used in job adverts, and age discrimination in hiring, by examining the text of adverts and differences in call-backs to older and younger job applicants.

- There is evidence that language related to stereotypes of older workers sometimes predicts discrimination against older workers.
   - Ageist stereotypes in job adverts are related to employers' decisions not to call back older applicants.
   - For both men and women, and across different occupations, employers who do not call back older applicants but do call back younger applicants, or vice versa, use phrases in their job adverts that are related to ageist stereotypes.
   - For men, age stereotypes were found that related to health, personality and skill; for women, age stereotypes related to personality.
   - In general, the evidence is much stronger for men and is consistent with the industrial psychology literature on age stereotypes.

APPRENTICESHIPS & TRAINEESHIPS

COVID-related

[21 July] **The Federation for Industry Sector Skills & Standards (FISSS) published** *Briefing note: Quantifying the hit to apprentices during lockdown*, **based on data from HMRC, the Office for National Statistics (ONS) and England's Department for Education.**

- The fall in vacancies in April/May was steep and represented an 83.2% reduction on the same period in 2019, though much of the fall occurred pre-COVID.

- Apprenticeship starts reduced by 47.9% in lockdown compared to the same time in 2019.

- Younger apprentices are more likely to have been furloughed – 35% of under-19s had been furloughed compared to 24% of over-25s.

- Workers who at some point completed an apprenticeship were more likely to be 'away from work' (furloughed) during lockdown.

- In the long term, quality apprenticeships will help young people to weather the vagaries of the labour market.

[July] **CVER published** *What future for apprenticeships after coronavirus?*, **looking at the impact of COVID-19 on present and future provision in England and setting out a framework for policy interventions.**

- Economic disruption brought on by the pandemic has made the vulnerabilities of the apprenticeship system plain:
   - Reduced economic activity has affected the on-the-job training component and many apprentices have been furloughed or made redundant.
   - Participation in off-the-job learning has also been disrupted.

- An April survey of employers by the Sutton Trust found that, on average: only 40% of apprenticeships were continuing as normal; 36% had been furloughed and 8% had been made redundant; 40% could not continue learning as a result of the training provider closing or interrupting provision.
   - In roughly the same period, firms surveyed by the ONS reported having furloughed around 28% of their workforce with less than 1% made redundant.
   - An April survey by the Association of Employment & Learning Providers (AELP) found that 81% of their apprentices were still in active learning thanks to online provision.

- A more recent AELP survey found that 60% of employers had stopped all new apprenticeship starts.
  - Preliminary government statistics for England reported that starts from 23 March to the end of April were down 51% on the same period in 2019.
  - Available vacancy data showed 2,020 vacancies in April (down from 10,400 in 2019), and 1,850 in May (12,580).
- Economic research confirms that apprenticeship provision is pro-cyclical, generally increasing when the economy does well and falling during economic downturns.
  - During the 2008 recession, under-25 apprenticeship starts in England contracted in 2009 before growing again in 2010, while starts aged 25+ increased overall.
  - The Sutton Trust survey found that 33% of firms intended to offer fewer or no apprenticeships after the pandemic, while 20% said they would offer more.
- There has been much talk of an expansion of apprenticeships to offer a route into employment for young school leavers and the unemployed – evidence suggests government intervention will be needed.
  - The success of the Treasury's recent announcement of new payments to firms hiring apprentices in England will depend on how it affects their cost–benefit decisions.
  - It also depends on how incentives interact with other new schemes, such as 'Kickstart', which offers fully subsidised six-month placements for 16–24 year-olds at risk of long-term unemployment.
- The lack of relevant and representative data means that economists currently know too little about how English firms choose to invest in apprenticeships, making it hard to predict whether incentive payments are likely to generate a sufficient amount of new positions.
  - Some research suggests that even in more prosperous times, one-off incentive payments are likely to have a somewhat limited effect.

Other research

The Chartered Institute of Personnel & Development (CIPD) published *Making Apprenticeships Future-fit*, showing that the system in England does not work as well as it could as a pathway into the labour market for young people.

- Most apprenticeships in England go to existing employees rather than new labour market entrants, with an increasing share of opportunities going to those aged 25+.

- The introduction of the apprenticeship levy, and associated reforms, has intensified long-run trends, leading many employers to concentrate their investment on existing – often already highly experienced – employees.

- To rebalance the system, there should be a short-term focus on boosting the number of places available for young people, and, in the medium/long term, further reforms to align with countries with more established systems.

- In order to avoid considerable deadweight, recently announced employer incentives to mitigate against rises in youth unemployment in England need to be better targeted, e.g. on small employers who are less likely to take on apprentices.
  - The small difference in incentive payments between the 25+ (£1,500) and the under-25s (£2,000) risks disadvantaging young people.
  - Evidence from a similar scheme launched during the last recession suggests that a better use of public funding may have been to provide more generous incentives to SMEs to take on young apprentices.

- In the longer term, further reforms are needed to ensure that the system works better as a strong pathway for new labour market entrants to achieve occupational competence in a skilled job, including:
  - Funding reforms to incentivise employers to invest in young apprentices
  - A review of apprenticeship standards to align with international definitions of apprenticeships
  - Greater collaboration at a sectoral and local level between employers and education/training providers
  - Greater emphasis on building strong, transferable 'essential skills'.

IZA published *How the minimum wage affects training among apprentices* – analysis based on data for the UK from the Apprenticeship Pay Survey from 2014, 2016 and 2018.

- The objective was to provide causal evidence of the effects of the minimum wage on workplace training by focusing on apprentices in the UK for whom training is an essential component.
  - Previous studies have found mixed evidence regarding the effects of the minimum wage on training levels.

- Apprentices aged 19/20 receive a substantial increase in the minimum wage after one year, whereas workers aged under 19 do not experience a change in the minimum wage at this point; this enables training levels to be compared between those on either side of the one-year threshold.

- Findings suggest:
  - The increase in the minimum wage has no overall effect on training among 19/20 year-olds.
  - However, among firms that are compliant with minimum wage legislation, the minimum wage reduces training by 11–23%.
  - Since relatively few employers pay exactly the minimum wage, this implies a large elasticity of training with respect to the wage.

- Additional data from the Apprenticeship Evaluation Survey shows that the overall effect of a 1% wage increase, including its effect on training, is a 0.1% reduction in a person's self-reported career prospects and a near-zero effect on their satisfaction with their apprenticeship.

- Overall, the apprentice rate of the minimum wage has been successful in its stated aim of encouraging firms to employ apprentices and provide the necessary levels of training.

The OECD (Organisation for Economic Cooperation & Development) published *Strengthening skills in Scotland: OECD review of the apprenticeship system*, commissioned pre-pandemic by Skills Development Scotland and produced in consultation with the Scottish Apprenticeship Advisory Board and stakeholders.

- The Scottish apprenticeship system has expanded progressively in recent years, and new apprenticeship types have been developed at different education levels.
  - Apprenticeship outcomes are generally strong and progress has been made on increasing the inclusiveness of the system.
  - Improvements could be made to increase its responsiveness, quality and flexibility.

- The system needs to adopt three principles to ensure its resilience:
  - **Secure the fundamentals** – the key principles that underpin its historic resilience must be sustained and reinforced.
  - **Build in the capacity to respond to change** – create effective lifelong learning in an adult-friendly system, with apprenticeship preparing young people for a learning career; and create an agile system that responds rapidly to changing employer and student demand.
  - **Ensure that change does not leave people behind** – pay close attention to inclusion and equity issues in every aspect, so that rapid evolution in labour market demand does not mean that some are left with outdated skills and finding it hard to retrain.

- Four key policy recommendations are made – described as 'ambitious reforms, based on benchmarking… against the strongest apprenticeship systems internationally' – on how to strengthen the resilience of the system in the face of structural changes in the labour market:
  - Introduce demand-led funding for apprenticeships.
  - Establish minimum requirements for the length of apprenticeship programmes and for the proportion of off-the-job training.
  - Develop a non-apprenticeship route to the qualifications gained via apprenticeships, for experienced adult workers.
  - Develop master craftsperson qualifications to provide higher-level technical learning opportunities for apprentices.

SKILLS GAPS & SHORTAGES

The Open University (OU) published its annual *Business Barometer September 2020*, investigating skills shortages, based on the views of 1,000 HR and business leaders in UK

organisations between 20 July and 24 August 2020 *[an email address is required to access the full report]*.

- Findings for businesses in Northern Ireland include:
  - 64% reported a skills gap, up 1ppt from 2019 (56% UK, down 7ppt), and 69% reported difficulty finding candidates with the relevant skills.
  - 51% recruited temporary staff and 35% increased salaries to recruit talent with the right skills.
  - The cost of plugging the skills gap was an estimated £133m (up 66%), covering temporary staff, recruitment, inflated salaries and training expenses for candidates hired at a lower level.
  - Employers take 3.66 months on average to recruit new staff to fill skills shortages (1.8 months UK).
  - Due to the pandemic, 57% have stopped hiring new staff (63% UK average); 56% have drastically reduced training budgets (28% in Wales); 36% have made apprentices redundant (43% UK); and 18% have made staff redundant (25% UK).
  - When the furlough scheme ends, 37% plan to bring back staff, 24% to restructure and 20% to leave vacancies unfilled.
  - 49% expect to require more leadership skills over the next 12 months (34% UK).
- The main applicant skills lacking UK-wide include: managerial (34%, -1ppt), leadership (34%, +2ppt), IT (26%, -8ppt), technical/operational (24%, -3ppt), industry-specific (20%, -6ppt), and soft skills (19%, -4ppt).
- The OU urges prioritising investment in training and development as a more cost-effective, longer term way of filling skills gaps.

Tech Nation published *Jobs and Skills Report 2020*, based on analysis of UK data from the Adzuna job search engine covering 2019 and 2020 up to 9 August.

- UK tech employs 2.93m people, with 40% growth in two years; digital tech now accounts for 9% of the UK workforce and over 20% in the biggest cities.
- Software developer is the most in-demand role for employers and represents 6% of all advertised digital tech roles.
  - It is seen as a key role within society, among the top five sought-after roles alongside social care workers and nurses.
- Northern Ireland has the highest rate of advertised digital tech roles; this could be due to the high nature of tech start-ups within the ecosystem.
  - Of all roles advertised, Belfast and Cambridge had the highest proportion of digital tech roles at 26%.

The RoI's Department of Business, Enterprise & Innovation published *Building Future Skills: The Demand for Skills in Ireland's Built Environment Sector to 2030*, a report by its Expert Group on Future Skills Needs with findings that might apply in any country.

- The sector involves jobs and occupations ranging from planners, architects and engineers, to tradespeople, technicians, ecologists, landscapers and specialised legal and administrative support staff.
  - 13 'core', frontline occupations make up 55% of employment in the sector, while 17 'niche' occupations make up 10% of employment.
  - The remaining 35% comprise more general supporting occupations, such as accountants or administrative support staff.
  - A further range of small, but rapidly growing occupations has also been identified.
- While there is a high rate of self-employment and micro-enterprises, these companies tend to be less productive (in gross value added terms) and less profitable than larger construction enterprises.
- The sector is highly cyclical: employment fell significantly following the late-2000s' recession, followed by many workers leaving due to unemployment, emigration, retirement or leakage to other sectors.
  - With a limited number of new entrants, many occupations faced skills shortages as the economy recovered.
  - Other structural factors present challenges in terms of addressing skills shortages, such as the ageing of the workforce and the very low rate of female participation.

- The overall ten-year outlook is largely driven by political and economic factors; the impact of COVID-19 will only add to this uncertainty.

- Many of the skills required in the next decade are the same as those required now; however, changing technological and environmental factors create a need for additional upskilling and retraining.
  - The move away from physical labour will continue, although the perception of the industry as being physically demanding is considered a deterrent for attracting new entrants, particularly women.

- Advances to date integrating technology and sustainability are considered relatively small, although they will likely accelerate over the next ten years as a response to energy use and the imperative to adapt to changing climate conditions.

- Recommendations include:
  - A coordinated campaign to promote careers in the sector.
  - Examine the scope for reforms to education, training and qualifications.
  - Align skills with technological change.
  - Develop the skills to enhance the sector's contribution towards climate change mitigation.
  - Develop and increase engagement with entrepreneurial and management skills and training.
  - Assess the merits of developing a 'skills passport' for built environment activities.
  - Explore the use of the procurement process to stimulate skills development.

The Scottish Government published *Supporting the economic, social and environmental sustainability of the UK's marine sectors: A research report for Marine Scotland* carried out in 2019 by Ekosgen.

- 'Skills and workforce' is identified as one of seven 'challenges and constraints' faced by the marine economy.

- The inadequate supply of skills is a critical market failure.
  - Key issues include outdated misconceptions of the sector and the career opportunities available, and ensuring that skills supply via education and training provision meets industry requirements.

- Recommendations include:
  - Aquaculture and seafood processing should be promoted as increasingly technology-driven to attract a wider pool of talent.
  - Governments and agencies need to ensure that the infrastructure is in place to attract and retain a skilled workforce in coastal areas.

TRAINING & DEVELOPMENT

COVID-related

[2 July] **City & Guilds Group published *Recovery and resilience: Reskilling our way back into work* examining jobs, skills and training during the pandemic; it includes findings from a YouGov online survey of 2,080 working and non-working adults in the UK on 10 and 11 June.**

- New jobs postings fell by 33% in Northern Ireland (30% in the UK) between February and May 2020.
  - In the UK, demand for skills in risk management, automation and mentorship fell by 20%, however demand for skills in personal care grew by 15%.

- The top three occupations advertised in the UK during lockdown were welfare professionals, caring personal services and teaching and educational professionals.
  - The occupations seeing the biggest falls were in sales, food preparation and hospitality, and leisure and travel services.

- Those from lower socioeconomic groups work disproportionately in industries at most risk of mass redundancies and are less likely to believe they have support to get a new job.
  - 14% of respondents from lower socioeconomic groups don't know how to go about getting a new job.

- Training and upskilling provides a lifeline back into employment, however affordability is the biggest barrier preventing people from undertaking training and skills development.
  - 30% of all workers and 59% of those who are unemployed say they can't afford to pay for training courses.
  - 28% of all workers and 43% of those currently unemployed don't know how to access funding to pay for a course.
- The top requirements of a training course are part-time/flexible access (52%), full funding (44%) and part funding (34%).
- The main recommendations focus on targeting government funding into pre-employment programmes to help prevent a lost generation of workers, including:
  - Re-prioritise adult learning funding to support bite-sized, online and flexible work-related learning.
  - Introduce a skills credit through additional tax relief.
  - Extend apprenticeship levy funds to support traineeships, employers and job seekers.
  - Encourage employers and education providers to work together to maintain the widespread adoption of online learning and enhance digital funding.
  - Use the National Skills Fund to create 'lifelong learning & employment hubs' in areas most impacted by unemployment to support reskilling into meaningful employment.

Other research

The European Commission published _Up- and re-skilling in micro and small enterprises: Good examples of policies_, based on findings from a Centre for European Policy Studies study published in June.

- It outlines the features of a good policy, and provides an overview and examples of ten policies from EU countries, including the RoI's national agency for workforce development, Skillnet.

Study on mapping opportunities and challenges for micro and small enterprises in offering their employees up- or re-skilling opportunities _was summarised in the_ Q2 2020 Skills Research Digest.

AUTOMATION & AI: IMPACT ON WORK

Cedefop (European Centre for the Development of Vocational Training) published _Assessing the employment impact of technological change and automation: The role of employers' practices_, using data from the RoI to examine whether occupational change has been consistent with dominant predictions relating to the role of technology.

- There is little evidence of occupational decline in the occupations that have been commonly predicted as being 'fully automatable'.
  - The average occupational change of the 'fully automatable' occupations was just -2% over the 2013–18 period while almost 40% actually increased.
- The report highlights the significant role played by organisational and firms' HR practices in terms of facilitating the beneficial impact of new technologies for employment growth.
  - Firms that provided employees with information on their plans to introduce new technology in 2008 saw 2–3ppt more growth in employment in some occupations compared with those that did not provide such information.
  - Similarly, firms that used individual performance management policies and those with a higher share of workers consulted about decisions on working practices and new technologies, had an occupational mix that increased in employment in subsequent years.
- Concerns about automation and its impact on jobs are currently at the forefront of the policy debate and may have even become accentuated as a result of COVID-19.
- It is not possible to accurately predict the future trajectory of automation and its impact on jobs, and one cannot definitively say that the rate of automation in occupations will not increase at a quicker pace in the future.
- However, while technological change is often associated with some job destruction over the short to medium term, employee empowerment and social dialogue have a critical role in facilitating non-disruptive adoption of new technologies by organisations and workers.

McKinsey published *[Building the vital skills for the future of work in operations](#)*, exploring how a new wave of automation and digitisation will impact the skills operationally intensive companies need to remain competitive.

- The transition to the automation revolution has been accelerated by COVID-19 as companies emerge into a world of physical distancing and major changes in customer behaviours and preferences.
  - Manufacturers are reconfiguring their supply chains and production lines, and service organisations are adapting to emphasise digital-first customer journeys and contactless operations.
  - These changes will significantly affect the requirements for workforce skills and capabilities, from a dramatic increase in home-based and remote working to a need for shop-floor personnel to master new tools and newly urgent health and safety requirements.

- Two types of changes will be needed: upskilling, in which staff gain new skills to help in their current roles; and reskilling, in which staff need the capabilities to take on different or entirely new roles.

- Research suggests that the reskilling challenge will be particularly acute in operationally intensive sectors: 39–58% of the worldwide work activities could be automated using currently demonstrated technologies – 1.3 times the automation potential of activities in other sectors.

- In Europe and the US, demand for physical and manual skills in repeatable and predictable tasks is expected to decline by nearly 30% over the next decade, while demand for basic literacy and numeracy skills could fall by almost 20%.
  - Demand for technological skills – both coding and interacting with technology – is expected to rise by over 50%, and the need for complex cognitive skills is set to increase by 33%.
  - Demand for high-level social and emotional skills, such as initiative-taking, leadership and entrepreneurship, is also expected to increase by over 30%.

- In a 2017 survey, only 7% of respondents thought their companies were fully prepared to address the skills gaps expected over the following five years, with three main barriers cited:
  - Over 25% lacked a clear understanding of the impact that future automation and digitisation would have on skill requirements.
  - Nearly 25% lacked the tools or the knowledge to quantify the business case for reskilling the workforce.
  - Almost 33% thought that their current HR infrastructure would not be able to execute a new strategy designed to address emerging skills gaps.

- Most companies will adopt a mixed approach of hiring new staff with the right skills, building skills internally and using skilled contractors to fulfil short-term needs.
  - Ongoing shifts in societal attitudes will increase the expectation that companies do more to retain and retrain their current workers wherever possible.
  - Among European businesses, 94% think that the balance between hiring and reskilling would be either equal or tipped in favour of reskilling.

- The most successful programmes to address future skills requirements share certain core elements:
  - They are integral parts of their organisation's overall digital strategy.
  - They address every level of the organisation.
  - They tailor and customise their training to match both the organisation's goals and the needs of individual learners, from CEOs to frontline operators.
  - Training is provided through a combination of classroom or online learning and real, on-the-job experience, teaching employees about new ways of working.

Nesta published *[Decentralised Futures: How digital technologies will change the shape of organisations to come](#)*, a collection of ten essays.

- New organisational forms are allowing people to self-organise and collaborate as part of decentralised networks, designed, unlike many organisations, to function without the need to trust other members of the group.
  - They also present novel means of value creation and resource distribution and may enable more flexible forms of governance, offering a solution to some of the 'problems of the commons' that afflict us.

Nesta published *Shift+Ctrl: The Scottish public and the tech revolution* **- analysis of the opinions, aspirations and concerns of people vis-à-vis technologies, taken from a survey of 1,034 adults.**

- The public sees clear benefits and potential drawbacks to the growth of technologies in the fourth industrial revolution; a lack of knowledge contributes to the perceived negative impacts.
  - Policymakers need to consider these issues when making decisions.
- Areas of concern include: the future of work and the possibility that new technologies will replace humans, leading to job losses; that the impact on jobs will fall disproportionately on the most disadvantaged; the potential of new technologies to diminish social skills.
- There is widespread support for programmes aimed at improving skills in using and understanding new technologies.
  - Programmes should include work to nurture 'soft skills' to ensure these are not lost.

SKILLS POLICY

COVID-related

[7 July] **FISSS published** *Skills challenges by sector*, **a PowerPoint summary of the challenges pre- and post-pandemic for nine industry sectors.**

- The sectors covered are: motor industry; engineering construction; advanced manufacturing engineering; health and social work; justice; land-based; creative and cultural; adult social care; fitness and active; hairdressing and beauty.
- Cross-cutting themes affecting all sectors include:
  - COVID-19 is the immediate concern, but longer term shifts in technology and demographics (particularly an ageing workforce) are big drivers of skills needs.
  - Apprentice numbers will fall before they rise – many industries expect redundancies when furlough ends.
  - Concern that work done to boost diversity by apprenticeships and other initiatives could be undone by COVID-19, leaving, for example, STEM industries too male, the health sector too female and creative industries too middle class.
  - Non-sector specific skills needed include leadership and management, digital, and business operational skills.
  - There are some green shoots of recovery – some industries are starting to open but demand is low, and there is a worry that people and skills will be lost.

[July] **The Centre for Progressive Policy published** *Reskilling for recovery: Equipping the nation for tomorrow's economy* **on the skills system in England.**

- With 9m British workers furloughed and warnings that the unemployment rate could reach double figures by the end of the year, upskilling and reskilling should be a top government priority.
- The skills system in England faces three key challenges:
  - Participation in publicly funded adult skills training has fallen by 37% since 2012/13, while government funding is down 39% since 2002/3.
  - Those engaged in training are more likely to be highly skilled already, and participation is negatively correlated with deprivation.
  - On seven of eight indicators, areas covered by the former 'Red Wall' underperform relative to the rest of England, while London and the South East outperform the rest in all but one indicator; however, the effect of formal qualifications on employment is strongest in more deprived areas.
- A 'turbocharged right to retrain' is proposed, focusing on digital learning, upskilling and local provision; recommendations include:
  - Establish a central infrastructure for online skills training, including regulation and certification.
  - Expand and fast track the Education Technology Strategy, scaling up the £10m already pledged.
  - Pay 50% of wages for all young apprentices, with strict conditionality attached.
  - Extend public funding to include a first L3 qualification – accessible to those without L2 – regardless of age or employment status.

- Pay those who have lost their jobs already a 'learners' living allowance' while training, equivalent to HE maintenance loans, to be paid back on re-employment.
- Give those in jobs an entitlement to paid time off to train, with the Government covering up to half of salary costs during this period.
- Give FE colleges a place-based strategic role in provision, rather than making them compete for learners.
- Ensure the new Skills Advisory Panels report to MCA (mayoral combined authority) mayors on local labour market needs, with mayors being ultimately responsible for ensuring strategic tailoring of provision.

A policy costing appendix was also published.

Other research

Skillnet Ireland published *Micro-Credentials: An Evolving Ecosystem – Insights paper*, providing a snapshot of the micro-credentials landscape in the RoI and globally.

- Micro-credentials are units of learning significantly smaller than traditional forms of accredited learning.
  - They provide focused learning opportunities, particularly concentrated on the development of skills and competences aligned with upskilling and reskilling of employees.
  - A wide range of other terms are commonly used synonymously or in association with the term, including digital badges, alternative credentials, digital credentials, nanodegrees, digital certificates, micromasters and short online courses.
  - The pandemic has accelerated the level of interest in short learning programmes linked to addressing specific skills gaps.

- There are five main findings:
  - The field of micro-credentials is nascent but evolving at national and international level; current work by the European Commission will help to advance and facilitate structure and acknowledges that assessment is the key principle in ensuring trust, recognition and quality assurance.
  - Current developments are leaning towards differentiating between formal and non-formal micro-credentials (i.e. related or not related to part of an accredited training programme), but this is not yet explicit.
  - All stakeholder perspectives need to be considered in shaping and developing the field but there is currently a dearth of studies focused on the perspectives of industries and employees; valuable contributions are restricted by a lack of knowledge and awareness.
  - The micro-credential landscape is diverse, with many actors working independently; a common, unified ecosystem is needed to address issues of portability, currency, consistency and coherency.
  - Unlike the majority of European countries, the RoI is well positioned to adopt and recognise micro-credentials via a special purpose award in its National Framework of Qualifications (NFQ).

This is part of a wider feasibility study with the National Institute for Digital Learning at Dublin City University into the development of a framework for the recognition of micro-credentials in industry; a national empirical study is underway among employers and employees in the RoI.

Cedefop and the European Training Foundation published *The importance of being vocational: Challenges and opportunities for VET in the next decade* – a discussion paper aiming to inform VET policymaking at EU level.

- As a result of the development of less fragmented, more comprehensive *initial* VET (IVET) systems, educational pathways are less linear and one-directional than in the past.
  - The predominantly school-based or apprenticeship-based IVET models are being supplemented and complemented by alternative forms of learning offering different tracks within one system.
  - IVET is also expanding into higher levels, challenging the perception of HE being exclusively academically oriented.
  - 70% of upper secondary VET students are enrolled in programmes granting direct access to tertiary education, although use of this non-traditional route is still relatively low.
  - In 2018, the average employment rate among 20–34 year-olds with a medium level VQ was 80.5%, about 23ppt higher than those with a lower level of education and 6.6ppt higher than their peers with general qualifications at the same level.

- However, IVET is still considered a second choice, partly because IVET graduates are less often employed in high-skills occupations, but mainly because of a lack of well-functioning *continuing* VET (CVET) systems.
  - Although CVET is playing a growing role, demand is still well below its potential, while participation is uneven, mainly slanted towards those who are well educated and in employment.

- A stronger policy focus on developing CVET is essential, made even more so by the economic crisis resulting from the pandemic and the old and new challenges it will confront as a result.
  - Workplaces, employment relations and labour market dynamics will be transformed by the accelerated adoption of new technologies and new forms of work organisation, while demographic shifts and globalisation will drive skills needs.
  - Moving to a sustainable economy will bring opportunities and challenges, with some sectors declining while others face recruitment bottlenecks.
  - Promoting an inclusive and gender-equitable learning society is a key aspect of social strategy.
  - As job losses increase, public policy will need to enable resilient workers and businesses.

- VET will be a pivotal learning pathway for economic, social and environmental sustainability.
  - It is estimated that almost 50% of European adults have low or outdated skills; massive adult upskilling and reskilling is needed to make sure that the new job opportunities outstrip job displacement.
  - The ambition to provide quality, accessible and inclusive, relevant and financially sustainable lifelong learning systems in Europe is by far the main challenge for the years to come.

- A greater focus on high-quality and inclusive CVET should entail:
  - Addressing the whole workforce, including the large share of the population currently in the margins or out of the labour market
  - Shifting learning provision from job-specific technical skills to key competences relevant to work that facilitate labour market transitions and enhance learning and career development
  - Creating learning pathways with better integration and coordination between CVET, IVET and general education, as well as between formal, non-formal and informal training.

The European Commission published *Employment and Social Developments in Europe: Determinants of skills matching – The role of institutions* based on information from 26 member states.

- 'Institutions' in this context are broadly defined as 'a set of formal and informal rules determining human behaviour in specific situations', e.g.: wage bargaining institutions, such as work councils and trade unions; labour market policies, such as vocational training, unemployment insurance or employment protection.

- Institutions are conducive to high employment standards and high labour productivity, particularly as they help make effective use of workers' qualifications and talents, i.e. they improve matching.

- Capitalist economies differ by three main dimensions:
  - **Institutions/productivity:** the extent to which supportive and reliable institutions lead to high productivity – high social standards and a cooperative social dialogue, both promoting training, are conducive to higher productivity.
  - **Skills/inclusive labour market:** the extent to which skills and qualifications lead to better labour market performance and social outcomes – promoting workers' access to the acquisition of skills and qualifications will improve labour market performance.
  - **Matching/wage growth:** the extent to which good matches of skills and qualifications with job requirements brings higher wage growth.

- The labour markets of countries in the Coordinated Market Economies (e.g. Belgium, Germany, Austria, and Denmark) overcame the 2008 economic crisis more successfully, also because of higher investment in skills.
  - Therefore in the context of the pandemic, coordinated institutions may be the crucial factor for higher resilience of labour markets following large-scale adverse shocks.

- The risk of being formally over-qualified or having higher skills than used on the job tends to be lower where countries score higher on the institutions/productivity dimension, and lower where countries score higher on the skills/inclusive labour market dimension.

- Both dimensions reinforce one another's positive impact on a worker's matching probability.
- A well-functioning social dialogue, with appropriate labour market and welfare policies, promotes skills and productivity and in turn generates inclusive labour markets.
  - Social dialogue also matters at individual level: the existence of a workers' representation in a firm reduces an employee's risk of being over-skilled, and is thus conducive to better skills matching.

ADULT & LIFELONG LEARNING

The European Commission published *Adult learning statistical synthesis report: A synthesis report drawing on statistical data relating to participation in, and the financing of adult learning in the European Member States***, based on 28 country reports produced in 2019, including for the UK.**

- Adult learning is vital for Europe to overcome the challenges it is facing, and respond to the demand for new skills in a digital and green world.
- Continuous professional development can ensure that individuals thrive in fast-changing labour markets, and lifelong learning can contribute to the health of democracies and societies.
- A summary is presented of adult learning across the EU with a focus on participation, providers and financing:
- **Participation**: Non-formal learning is much more common than formal learning; it is most often provided by employers or non-formal education and training institutions.
  - After the economic crisis there was a shift in adult education towards employability, with policy measures and training opportunities aimed at improving adults' job-related skills, overlooking non-job-related education.
- The contribution of employers is important in ensuring provision that is tailored and focused on meeting sector needs.
  - However, there may be a risk that the skills and learning developed reflects the short-term needs of commercial markets, rather than a systematic and strategic consideration of skills required for sector growth into the future.
  - There may also be limitations to the transferability of skills and competences developed on the basis of learning programmes delivered by employers in a particular market or sector.
- **Providers**: There is a 'mosaic' of adult education providers including commercial institutions, non-profit associations, trade unions and formal education institutions.
- **Financing**: Most non-formal learning is job-related, and employers tend to be strongly involved in its financing.
  - Most adults who participated in formal education and training across the EU in 2016 either fully or partly paid for the activity themselves or it was paid for by employers or family members.
  - In most member states, formal adult education is fully subsidised by the state until upper secondary level, while HE and VET are usually subject to fees (apart from in Greece, Poland and Nordic countries).

The UNESCO Institute for Lifelong Learning (UIL) published *Embracing a culture of lifelong learning: Contribution to the Futures of Education initiative****, calling for a major shift towards a culture of lifelong learning by 2050.**

- Ten key messages that aim to revise knowledge and rethink the purposes of education and the way learning is organised include:
  - Re-engineer and revitalise workplace learning – increase opportunities for workplace training; widen access to workplace learning; encourage employers to support lifelong learning; and recognise the diverse outcomes of workplace learning.
  - Recognise the holistic character of lifelong learning – diversify learning provision; develop a lifelong learner competency framework; and integrate recognition, validation and accreditation mechanisms.
  - Place vulnerable groups at the core of the lifelong learning policy agenda – engage learners and educators in planning strategies; and launch national campaigns to engage excluded sectors.
  - Establish lifelong learning as a common good – promote a commons-based approach to lifelong learning; and engage in a dialogue with the corporate sector of the digital economy.

- Ensure greater and equitable access to learning technology – place digital technology at the service of lifelong learning for all.
- Transform schools and universities into lifelong learning institutions.
- Recognise and promote the collective dimension of learning – create a digital learning platform; and promote collective learning through policy.
- Encourage and support local lifelong learning initiatives, including learning cities.
- Recognise lifelong learning as a human right – develop a legal framework for lifelong learning at national level; designate a government structure dedicated to lifelong learning; and gradually introduce a universal entitlement to lifelong learning.

UNESCO's Futures of Education: Learning to become initiative is aiming to 'rethink education and shape the future' by sparking a global debate on how knowledge, education and learning need to be reimagined. A final report is due in November 2021.

THE CHANGING NATURE OF WORK

COVID-related

[2 July] **CIPD published _Workplace technology: The employee experience_, investigating the impact of technology on working life during COVID-19.**

- The report examines how technology is being used by those working from home and the practical steps professionals can take to make technology implementation a success for organisations and people.

- Among the findings:
  - A vast majority of employees think it unlikely that part (72%) or all (91%) of their job will be automated in the next year.
  - 32% report a change in their use of one or more technologies in the past year; only 28% have received training to prepare for role changes due to automation.
  - Of those experiencing a technology use change, 50% feel that they now need more skills and knowledge to carry out their role, and 40% feel that their tasks at work have become more complex.
  - Only 35% have been consulted on the introduction and/or implementation of new technology; where they have not been consulted, only 20% are positive about its likely impact on their job quality, compared with 70% for those who have been consulted.
  - 80–93% do not think that increased technology has improved business performance.
  - 29% say that use of portable devices blurs boundaries between work and home life and 30% that their use of portable devices makes it difficult to switch off from work.
  - 45% believe that monitoring is currently taking place in their workplace and 86% that it will increase in the future; 73% feel that introducing workplace monitoring would damage trust.

[July] **The IPPR published _The COVID Shift: Working time in manufacturing, engineering, shipbuilding and aerospace after the pandemic_, based on analysis of the Labour Force Survey plus fresh surveys, case studies and interviews.**

- Although high unemployment may further embed a culture of insecure work and low pay in the UK, the pandemic experience may also hold lessons for how work could be arranged more effectively, with greater agency in the workplace and more time for parts of life outside of paid labour.

- Before the pandemic, 20% of manufacturing workers made use of some form of flexible working, compared with 40% of workers in public administration, education and health.
  - Manufacturing working time is skewed towards a full-time model and long working hours.
  - However, 40% of workers in the sector would rather work shorter hours, with nearly 33% of those surveyed reporting they would prefer shorter hours even if it meant less pay.

- Most manufacturing firms have not introduced major COVID-related reductions to working hours, but have either put workers on furlough or kept working hours constant while introducing flexibilities.
  - With the part-time furlough scheme starting on 1 July, as demand picks back up, firms will ask workers to return, but on a part-time basis.
  - A pivotal moment is approaching, in which a new chapter of working time practices could be opened using the moment to plan, test and implement new working time models.

- Recommendations include:
  - Extend the flexible furlough scheme to facilitate short-time working until there is recovery.
  - During short-time working, support furloughed workers to use spare hours to take up training opportunities via a temporary 'personal learning credit' worth up to £700 a year.
  - Businesses should work with unions to gauge whether reductions in working time are possible and desirable.
  - Collect examples of how flexible working and reduced hours have been made possible.
  - As a first step in a plan to increase bank holiday and more flexible annual leave entitlements, introduce a new bank holiday in recognition of the contribution of the health and care workforce.

[8 September] **McKinsey published _What 800 executives envision for the postpandemic workforce_ – findings from a global survey conducted in June 2020.**

- The crisis may accelerate some workforce trends already underway, such as the adoption of automation and digitisation, increased demand for contractors and gig workers, and more remote work.
  - Those changes will in turn create greater demand for workers to fill jobs in areas like health and hygiene, cybersecurity and data analytics.
- Among the findings:
  - 85% said their business had somewhat or greatly accelerated the implementation of technologies that digitally enable employee interaction and collaboration, such as videoconferencing and filesharing.
  - 50% reported increasing digitisation of customer channels, e.g. via ecommerce, mobile apps or chatbots; 35% had further digitised their supply chains.
  - Adoption of automation technologies had also accelerated to some extent, facilitating contactless interactions and helping to ease cost pressures; also, robots do not get sick.
  - Those in the financial services and technology sectors have seen the greatest acceleration: 88% of finance and insurance executives and 76% in information and technology reported increased implementation of automation and AI, accelerating pre-COVID trends.
  - 80% of those that had moved most of their employees to remote work had increased automation, compared with 51% of companies that adopted remote working for just a few employees.
  - Across all sectors, 15% (10% in the UK) said at least 10% of their employees could work remotely two or more days a week, almost double the pre-COVID number.
  - Only 7% said that 10% of employees could work remotely three or more days a week.
  - 83% said they would be hiring more people for health and safety roles, with 73% saying they would be hiring more people to manage on-site physical distancing and sanitation.
  - 35% said they would need more workers skilled in automation, AI and robotics, and some large companies have already developed retraining programmes for their employees.
  - 70% said that two years from now they expect to use more temporary workers and contractors on site, compared with pre-COVID times.

Greater digitisation and automation, more demand for independent contractors, and increased reliance on remote work have the potential to result in better productivity, lower costs and enhanced resilience.

[16 September] **The CIPD published _Embedding new ways of working post-pandemic_, exploring how employers reacted to COVID-19 during the period to the end of June 2020.**

- Employers across all sectors were almost unanimous in their desire to see working from home increase, although some acknowledged that more homeworking was impossible in some roles.
  - 70% said they would expand or introduce working at home on a regular basis compared with 45% before the crisis; numbers were expected to double to around 36% working from home at least once a week and 18% all the time.
  - Key factors included: a better work–life balance, particularly reduced commuting time and costs; having fewer distractions to complete tasks; and better collaboration, facilitated by technology.
- However, many acknowledged that some employees were keen to return to the workplace, due in part to poor homeworking environments and limited social interaction.
  - Some highlighted other challenges, such as reduced mental wellbeing, staff collaboration and line management, which could be overcome if workers were in the office at least some of the time.

- Employers were much more likely to predict a sharp rise in partial homeworking than an increase in full-time homeworking.

- There was a balanced distribution between reports of both higher and lower productivity, with people-related factors mattering more than technological issues.

- Overall, the productivity levels of employees working from home were no lower than those of other workers; many of the case study interviews even point to modest improvements.

  - Among those who felt that productivity had been hampered, the main reasons were poor collaboration, low levels of motivation and a reduced ability to monitor staff performance.

[30 September] **The Centre for Economic Performance (CEP) published** *The business response to Covid-19: The CEP-CBI survey on technology adoption* **– analysis based on a survey of 375 UK businesses conducted in July 2020.**

- 75% had moved to remote working and, on average, had experienced a 25% loss of revenue compared to 'business as usual'.

- Between late March and late July, over 60% had adopted new digital technologies or management practices; 38% had invested in new digital capabilities; and 45% had introduced new products or services.

  - The vast majority said that COVID-19 had prompted or accelerated these activities.

- These process and product innovations were generally considered to have had a positive impact on performance, and businesses expected to maintain them post-crisis.

  - Most believed that their adoption of new technologies, capabilities or practices would increase employee productivity or allow employees to be reallocated to different tasks, rather than reduce the need for employees over time.

- Firms that had previously adopted digital technologies were significantly more likely to adopt new technologies, capabilities and practices and introduce new products, even after controlling for other key business characteristics.

  - London-based businesses were more likely to have adopted digital technologies, but there was no clear regional pattern to other measures.

- Perceived major barriers to adopting new technologies and practices include: macroeconomic uncertainty; financing constraints, especially for smaller firms; lack of skills.

- Policies to address these barriers include:

  - Investment in the digital and professional skills of younger people entering the workforce, particularly identified by larger firms

  - New tax incentives and grants for innovation, with smaller firms in particular valuing grants or vouchers.

A second survey is planned for summer 2021, which will investigate the extent to which innovations introduced during the crisis have persisted and what impact they have had on firms and their employees.

Other research

The Centre for Policy Studies (CPS) published *Platforms for Growth: How new digital technologies can boost productivity in Britain's small businesses*.

- Digital technologies and online platforms are an increasingly necessary part of business, and in recent years their impact on the nature of the economy has accelerated markedly.

- Many businesses are already reaping the benefits – whether automating everyday administrative tasks or utilising digital technologies to pursue entirely new business ventures – but not all businesses are as digitally adept as they could or should be.

- The rise of digital technology comes at an important time for the economy: apart from the fallout from the pandemic, the UK continues to suffer from productivity figures that have flatlined since the financial crisis in 2008.

- Despite drawbacks and downsides, those who run Britain's small businesses see digital technologies as an overwhelming force for good and far more as an opportunity than a threat.

- A poll of senior decision-makers in SMEs includes the finding that 52% feel they know how to effectively make use of digital platforms to grow and succeed, while 20% do not.

- Policy recommendations for government – most of which relate to support for investment, data regulation, cyber security and tax – include:
  - Immediately review why the apprenticeship levy is faltering, and redesign it so that employers can invest in the sorts of training that will deliver maximum productivity benefits for their businesses.
  - Introduce tax breaks for training that people fund themselves, as is the norm in other countries.

The G20 research and policy advice network, Think20 (T20), published *T20 Statement on Reskilling Employees for the Future of Work: How G20 Countries Can Utilize AI-Based Learning Technologies to Scale-Up Workplace Training***.**

- AI is changing both the nature of employment and the character of work; AI can also assist with rapid reskilling to recover from COVID-19 and help support those who are moving into employment that is reliant on computer-generated technology.
  - Most skills being rendered redundant or giving way to AI are low-order skills, while those being created are of a higher order and are mostly conceptual (design, creativity, philosophical, ethical).
  - Employment post-COVID-19 will be fragmented and dispersed – there will be fewer large factories and more small-scale, regionally networked employers, and more self-employed workers.
  - Teaching and learning will therefore need to become much more customised and AI will be better able to reach this scattered workforce.

- As well as preserving social distancing, AI has three significant advantages in providing work-based training:
  - For those with the necessary equipment and internet provision, accessing AI training is easy.
  - Learning materials can be tailored to an individual's or small group's needs and updated as required.
  - The materials can be vivid and, if required, immersive, and directly related to a specific employment context.

- Recommendations for the G20:
  - Support and promote micro-credentials and share information about them through its networks; it is important that they are sponsored by recognised institutions.
  - Sponsor standards for all employers in the provision of workplace learning, including for those working in the platform and gig economy; TVET institutions should be encouraged to issue regional prospectuses of local career trajectories, the skills required and the ways to achieve these skills.
  - Stress that AI alone is not the solution to high-quality skills development – AI should be seen as a tool for teachers, but not as a replacement for them.
  - Members should promote forward-looking TVET institutions; all quality control and licensing bodies should ensure that employers demonstrate their interaction and participation in vocational training.

Eurofound published *Back to the future: Policy pointers from platform work scenarios***, as part of a 'new forms of employment' series.**

- Platform work – the matching of supply and demand for paid labour through an online platform – is still small in scale but is expected to grow.

- The report explores potential scenarios for two selected types of platform work by 2030, drawing on Eurofound's 'Future scenarios of platform work' project.
  - It assesses the expected implications for the economy, labour market and society.

- Key findings include:
  - In economically challenging times such as the current pandemic, a low-barrier entry to employment forms like platform work can be beneficial for those most affected, e.g. the young or low-skilled.
  - However, unfavourable side effects like getting stuck in a job with worse conditions, protection and career opportunities, must not be neglected.
  - It is important to ensure that platform work acts as a stepping stone into standard employment for those who want it to.
  - The growth of platform work in rural areas could be fostered via a combination of awareness raising and by incentivising platforms to offer their services there.

- The establishment of such labour platforms can improve the working conditions of affiliated workers and provide accessible and affordable services of public interest.
- Platform work can also be strategically used to foster an entrepreneurial spirit; platform workers who are genuinely self-employed can be supported in testing or expanding their economic activity.

Cedefop published *Developing and matching skills in the online platform economy: Findings on new forms of digital work and learning from Cedefop's CrowdLearn study*.

- The CrowdLearn study is the first to examine skills development and skill matching practices in online platform work.
  - It presents evidence from interviews with platform economy stakeholders, as well as crowdworkers themselves.
  - It identifies the types of skills developed in such work and the learning practices of gig workers.
  - It highlights the challenges (algorithmic management, limited platform portability) posed to efficient skills matching and crowdworker mobility and makes policy suggestions to overcome them.

Cedefop also published *Online Working & Learning in the Coronavirus Era*, which uses the CrowdLearn survey to explore how VET provision might align towards more digital work.

- 11% of adults across the EU occasionally provide paid services via platforms, while 1.4–2.0% depend heavily on platform work to earn a living.
  - These numbers may rise in the coming months and years owing to the lasting impact of the crisis.
  - Online crowdworkers face lower social distancing risks: 62% work alone very frequently and 25% frequently; 83% rarely or never communicate with other platform workers face to face.
- Recent estimates have suggested that about 33% of jobs in EU countries and other advanced economies could be performed remotely, and quite a few could be taken over by a gig workforce.
- In many ways, the gig economy provides the most visible example of the technology-induced transformations taking place in European labour markets: increase in self-employment and contingent work; substitution of line management by customer feedback; increased telework and virtual teamwork; and firms' use of data and algorithms to manage their workers.
  - Technical/core skills are the most important, but crowdworkers also need a unique blend of entrepreneurial, self-branding, communication and organisational skills as well as focused personal dispositions.
- Platform companies are generally wary of getting directly involved in training, as this could put them at risk of being legally classified as employers.
  - The result is a 'missing training market' and potential under-investment in skill formation.
- Skills matching largely takes place via proprietary classification systems, often in the form of public lists of in-demand skills, but also using non-transparent matching algorithms that regulate entry requirements and screen new freelancers.
  - Formal qualifications are considered a weak signal of trustworthiness, subordinate to client evaluation or ranking scores; 75% of crowdworkers needed neither platform-specific credentials nor skills tests to obtain projects.
  - Limited inter-platform portability of skills and reputation is also of concern – 57% of crowdworkers surveyed believed they could not switch to another platform without reducing their income.
- Online gig work has the potential to foster labour market integration and social inclusion – women and immigrants develop their skills in crowdwork more often than male and native workers.
  - However, many newcomers report difficulties getting started, as they lack a track record of client feedback.
- Proposals include:
  - A system of 'micro-internships' through which clients are offered a subsidised rate in exchange for formative/developmental feedback.
  - A pre-rating skills validation system supported by the platforms or a neutral third party, giving newcomers a starting point based on educational attainment, prior work experience and skills assessment.
  - A portable portfolio function acting as a 'digital passport', similar to or building on the new Europass.

- The creation of a public skills validation portal adhering to EU and international standards of work and learning in the platform economy.
- VET systems to recognise and validate crowdworkers' mostly informal learning, facilitate portability and provide quality assurance for the platforms that may become training providers.
- New courses with a greater emphasis on digital and core/technical skills, self-regulating and entrepreneurial mindsets, including learning about the risks and opportunities of online platform work, should be integral to curriculum development.
- VET providers need to partner with non-standard market players and adapt their teaching speed, mode and tools – short, specific online courses – to the new realities of the digital job market.
- Trade unions and platform companies could develop partnerships to extend training opportunities to online freelancers and provide guidance to them and their clients.

EMPLOYMENT: RIGHTS, RESPONSIBILITIES & WAGES

COVID-related

[7 July] **The OECD published** *OECD Employment Outlook 2020: Worker security and the COVID-19 crisis*.

- It includes a comparative review of employment protection legislation across OECD countries that uses updated and improved indicators; findings include:
  - English-speaking countries have fewer restrictions on dismissals than many EU countries, putting employees at a higher risk of job loss, but also giving them a greater chance of finding a job again if laid off.
  - Countries with strict job protection for regular workers usually have strict hiring laws for workers on temporary contracts.
  - Several countries with apparently strict dismissal regulations reduce their effective stringency by offering unemployment benefits even when the worker agrees with the firm on the separation.
  - Similarly, advance validations initially impose higher hurdles for dismissals, but can serve to avoid disputes later.
- A chapter on changing labour market outcomes for middle-educated VET graduates finds that:
  - Many upper secondary or post-secondary non-tertiary VET programmes prepare students for middle-skill jobs that have been exposed to structural changes and face a significant risk of automation.
  - Despite these challenges, VET graduates usually have higher employment rates and better working conditions in the first years after graduation than their general education peers.
  - However, VET systems need to adapt to rapidly evolving skills demands: close cooperation with social partners is crucial, as is investment in transversal skills and the development of smooth pathways between mid-level VET and HE.

[July] **Engender published** *Gender & Unpaid Work – The impact of COVID-19 on women's caring roles* **in Scotland, highlighting 'the disproportionate amount of unpaid work done by women', which is increasing during the crisis.**

- The extent and pattern of women's unpaid work is a key driver of their capacity to work in the formal labour market, participate in public and community life, and be well and healthy**.**
- Survey data suggest there were 1.1m unpaid carers in Scotland, up 392k since the start of the crisis; 61% of them are women, and 78% of carers are having to provide more care than pre-COVID.
  - Although many households have seen both parents working from home, data suggest that traditional gender divisions are even more pronounced in caring for children.
- Despite its centrality to discussions about women's equality and rights, unpaid care and reproductive labour is often marginal within policymaking processes.
  - To avoid a rollback of women's equality and rights post-pandemic, government and other public bodies must consider the role of unpaid care in planning how to achieve economic recovery and the safe delivery of transport, education, childcare and other public services.
  - More should be done to 'measure, value and reduce' women's unpaid work.

[September] **School for CEOs published** *The Psychological Impact of Covid-19: How senior executives are impacted by lockdown***, a survey of 733 24–68 year-olds in the public and private sectors, 71% of whom were male** *[an email address is required to access the full report]***.**

- The aim was to assess whether the ability of senior executives to lead their businesses through a crisis had been hindered during lockdown and whether they were at risk of emotional exhaustion.
  - Burnout syndrome is described as a 'progressive loss of idealism, energy and purpose as a result of work conditions'.
- Gender, age and seniority differences were noted:
  - 42% of senior leaders were at a high risk of burnout and exhaustion (47% of female leaders, 40% of males).
  - Women leaders assumed greater home-schooling responsibilities than males.
  - 61% of 24–38 year-old senior leaders were at high risk of burnout, compared to 36% of those aged over 50.
  - CEOs expressed more positive emotions and were less likely to exhibit burnout compared to leaders at less senior levels.

Other research

The Warwick Institute for Employment Research (IER) published *Gender gaps in working conditions***, exploring non-monetary conditions across the EU rather than the more usual pay gaps.**

- The study focused on six dimensions of job quality over the period 2005–15: physical environment; work intensity; working time quality; social environment; skills and discretion; prospects.
- Women enjoy better working conditions in terms of physical environment, work intensity and working time quality.
  - This is in line with the types of jobs held by female workers and with the fact that women tend to give priority to work schedules that allow them to conciliate professional career with other activities.
- On average, women face disadvantages in the dimensions of skills and discretion, and prospects.
  - More working time quality and less work intensity can come at the expense of disadvantages for career development.
- Regarding the evolution of the gender gap over time, the gap tends to decrease in those domains where women perform better than men.
  - This might be associated with the fact that women have increasingly taken on jobs more similar to those held by males, in line with the higher level of gender equality.
  - There are differences between countries in the evolution of the gap, but there is clear evidence for 'β-convergence' – the process where the change in the gap is negatively correlated to its initial level.

Learning & Work Institute published *The future of the minimum wage: The employer perspective***, the second report in a series, based on a survey of 1,002 employers in Great Britain.**

- 65% did not think that increasing the minimum wage would have a negative impact on their organisation, while 30% did.
  - 33% thought an increase would lead to higher levels of unemployment; 57% disagreed.
  - 52% thought it would lead to increased productivity; 35% disagreed.
- 54% supported government plans to increase the National Living Wage (NLW) to £10.50 by 2024 and extend it to workers aged 21, with 26% strongly supportive; only 10% opposed the policy.
- When the NLW was introduced in 2016: 46% did nothing; 16% passed on the cost to the consumer/customer; 12% changed working practices to be more productive; 12% hired fewer members of staff; 11% made more use of temporary or flexible contracts; 5% reduced their training budget.
  - In response to the new policy: 50% would do nothing; 21% would pass on the costs; 15% would hire fewer members of staff.

- In terms of government support: 37% wanted help in upskilling their workers; 33% temporary reductions in National Insurance; 31% more advice on compliance; 30% more business advice and support to adapt.

It is not yet clear what impact COVID-19 will have on views on the minimum wage.

IZA published *Flexible Work Arrangements in Low Wage Jobs: Evidence from job vacancy data*, based on analysis of 46m online UK vacancies posted between 2014 and 2019.

- Our understanding of the drivers of flexible work arrangements has been hindered by a lack of adequate data and measurement difficulties; administrative data rarely capture contract type or flexibility.

- A flexible work arrangement is defined as one in which the timing of work is not fixed in the contract and has to be agreed at a later date between the employer and the employee.

- Flexibility is considered alongside whether the advertised job is permanent, full-time, salaried or non-salaried; the implications of flexibility for worker welfare depend on the interaction of these job characteristics.
  - For salaried, full-time jobs, flexibility does not translate into earnings uncertainty for workers, and simply allows more freedom to arrange work around business needs or family commitments.
  - However, in hourly-paid jobs, scheduling flexibility can generate uncertainty over earnings.

- Researchers analysed employer demand for flexible jobs by exploiting the language used to describe work arrangements in vacancies, finding very different types of flexibility depending on wage.
  - Job flexibility at low wages is more likely to be offered alongside a wage-contract that exposes workers to earnings risk.
  - Flexibility at higher wages and in more skilled occupations is more likely to be offered alongside a fixed salary that shields workers from earnings variation.
  - Employer demand for flexible work arrangements is partly driven by a desire to reduce labour costs.
  - Flexible and non-salaried vacancies are concentrated at low wages and are less likely to be permanent, in contrast with flexible and salaried positions.
  - Non-salaried flexible vacancies grew at a faster rate than salaried ones, and their growth was concentrated in low-wage vacancies and occupations where the share of flexible jobs had already been relatively high.

- A large and unexpected change to the adult national minimum wage in 2016 led to a 7ppt increase in the proportion of flexible and non-salaried vacancies at low wages.
  - This increase was predominantly clustered at low-wage jobs just above the new minimum wage, leading to a polarisation in the work arrangements offered across the wage distribution.

- Implications for policymakers include:
  - The findings present a different picture to the narrative that flexible jobs are mostly prevalent among well-paid, highly educated workers.
  - The response to a minimum wage increase suggests that policymakers need to be conscious of responses in contractual arrangements when designing policies aimed at supporting those on low income.

Acas (the Advisory, Conciliation & Arbitration Service) published *Estimating the Economic Impact of Acas Services: April 2018 to March 2019*, an update on a similar report published in 2016.

- Building up from estimates calculated for each area of Acas services provides an overall benefit–cost ratio of £12 for every £1 invested in services provided in 2018–19, with the total net benefit £644m (down from £653m in 2014–15).

- Separate estimates are provided for:
  - Dispute resolution services: £275m (42% of overall net economic benefit)
  - Training services: open access training – £25.9m; workplace training – £19m; e-learning – £1.45m
  - Helpline and online information and advice: helpline – £216m; online information and advice – £75.9m

- Business support: workplace projects – £10m; advisory meetings – £9.7m.

The Institute for Social & Economic Research (ISER) published *Zero-hours contracts: Flexibility or insecurity? Experimental evidence from a low income population*.

- 301 low-income, working age, non-student individuals took part in an online experiment testing worker labour supply behaviour under standard and zero-hours contractual conditions.

- Workers avoided work-related uncertainty:
  - Participants facing a 50% probability of work not being available were 15–30ppt less likely to work compared to those who faced no uncertainty.
  - This was not only due to the potential impact on pay but also because uncertainty itself was perceived as detrimental.

- The use of benefits resulted in an 11–15ppt increase in the probability of participants choosing insecure/flexible work.
  - This can be done either by making sure benefits provide a source of income when work is unavailable or by threatening benefit sanctions.

Eurofound published *Regulations to address work–life balance in digital flexible working arrangements*, **providing policymakers with ways to address new challenges in work and to serve as a reference for future initiatives in relation to digitalisation, working time and work–life balance.**

- Developments in ICT have been among the key drivers of change in working life over the past two decades; telework and ICT-based mobile work (TICTM) exemplifies how digital technology has led to more flexible workplace and working time practices.

- However, the ability to work anywhere and at any time can lead to greater work intensification, competition and work-on-demand; if this is not explicitly addressed, it threatens to override the advantages of ICT-based flexible working.

- Key findings include:
  - TICTM can help to improve the work–life balance of employees, but it also has disadvantages, e.g. limits on working hours and rest periods included in the European Working Time Directive are more difficult to enforce in TICTM arrangements.
  - Recording the working time of TICTM workers can be challenging; however, it is important because such workers are more vulnerable to working long hours – only a few European countries have legislation that covers this issue specifically.
  - National-level regulations for TICTM workers generally focus on promoting the benefits of remote working rather than protecting workers against possible negative effects – only Belgium, France, Italy and Spain have legislation that includes the right to disconnect.
  - It is estimated that teleworking might be the normal form of work for at least 30% of the working population in Europe during the COVID-19 crisis; this report may provide a foundation to improve future teleworking and other flexible working time arrangements.

CEP published *Subjective job insecurity and the rise of the precariat: Evidence from the UK, Germany and the United States*, **an investigation into the trends in self-perceived job security in three advanced industrial economies over the past 40 years.**

- Although there is widespread belief that job insecurity has risen and that an increasing share of workers are part of the 'precariat', it proved hard to find clear evidence for it in objective measures of job security such as labour turnover rates.

- Even if objective measures of job security show little evidence of decline, it is possible that workers feel more insecure; this would be a concern, as there is evidence that self-perceived job insecurity has a detrimental impact on a worker's psychological health, stress levels and job attitudes.

- However, despite the rise of 'atypical' work arrangements, self-perceived job security has remained remarkably constant in all three countries since at least 2000, and returned to its long-term average since the spike that occurred in 2008 and the ensuing recession.

CESifo published *Age discrimination across the business cycle*, **exploring the question of whether discrimination increases during recessions.**

- It is generally predicted that competition in the labour market serves as a moderating force on employer discrimination.

- However, recessions create excess labour supply and potentially generate opportunities to engage in discriminatory behaviours far more cheaply.
- For each 1ppt increase in a state-industry's monthly unemployment rate, it was found that the volume of filed charges of age discrimination in firing increased by 4.8% and in hiring by 3.4%.
  - The estimates imply that from the trough to the peak in unemployment, age-related firing and hiring discrimination charges increased by 26% and 19% respectively.
  - Even though the incentive to file weaker claims is stronger when unemployment is high, the fraction of meritorious claims also increased significantly when labour market conditions deteriorated.
- The researchers also repurposed data from a previous study in which fictitious resumes of women were randomly assigned older versus younger ages and circulated across different cities and time periods during the recovery from the 2008 recession.
  - Each 1ppt increase in the local unemployment rate reduced the relative call-back rate for older women by 18%.
  - When an older female was in direct competition with an additional two younger applicants, her call-back rate fell by 63%.
- The findings suggest that whatever power disparities exist between an individual and their employer, they increase during recessions, so that firms may engage in discrimination against workers with relative impunity.

International Comparisons

Cedefop published *Key competences in initial vocational education and training: Digital, multilingual and literacy*, exploring the extent to which the three competences are embedded and promoted in upper secondary VET in Europe.

- The detailed comparative analysis was made for all EU member states, Iceland and Norway and the UK at three levels: policies, qualification types and curricula (three programmes per VET system).
  - Data collected through desk research were validated by focus groups and individual interviews.
- Among the findings:
  - Digital competence receives most attention from policymakers, and is more often addressed by targeted policies, whereas literacy and multilingual competences are usually promoted by broader policies.
  - Promoting the competences in IVET is usually linked to broader societal objectives: multilingual competence is often related to supporting lifelong learning; literacy is slightly more often related to social inclusion; and digital competence is often related to employability.
  - Literacy competence is included in all 78 VET qualification types identified in the research; multilingual and digital competences are included in almost all qualification types.
  - Stand-alone subjects/modules are the most common way of including literacy and multilingual competence in IVET; for digital competence, integration is key.
  - Digital and multilingual competences are mainly perceived as 'pure' rather than occupation-specific competences, although this varies by sector.

Cedefop published a series of 26 thematic country reports on *Vocational Education & Training for the future of work*.

- The reports consider the extent to which IVET and CVET systems have responded to the challenges associated with the introduction of digitalisation and industry 4.0 technologies in economies.
  - They also present examples of VET systems using digital technologies for enabling distance and online student learning – a key requirement following the COVID-19 crisis.
- Country-specific insights are provided on: national policy strategies and VET policy programmes or initiatives responding to digitalisation; the use of AI/big data methods for identifying skills needs; recent national initiatives and training programmes for adapting to automation and AI.

For the first time, there is no country report for the UK.

The European Commission published *Measuring Learning Mobility in Vocational Education and Training: A review of data sources and approaches to measurement across European Union Member States*.

- Promoting the mobility of IVET students is an important goal of EU policy in IVET and education in general; the Erasmus+ programme invests heavily in this objective; however, comparable data across EU countries is lacking on VET learning mobility, limiting the opportunities for monitoring progress.

- The report examines the potential availability of administrative data sources, in particular that collected as part of Erasmus+.

- Recommendations include adopting an Erasmus+ data-sourced IVET learning mobility indicator as an interim measure for progress made, until better sources have been developed.

Cedefop published *European inventory on validation of non-formal and informal learning 2018 update: Final synthesis report*, **providing a stand-alone executive summary of 36 country reports, including three for the UK.**

The European Commission published *The Organisation of the Academic Year in Europe – 2020/21, Eurydice Facts & Figures* **with data on 37 countries, including differences between university and non-university study programmes.**

The OECD published *Education at a Glance 2020*, **a 474-page compendium of data on all aspects of education.**

- It covers: access and participation; attainment and outcomes; investment and teachers; the learning environment; and the organisation of schools.

- A UK country note is includes the following key points:
  - The UK is one of the few OECD countries where there is no employment advantage for adults with an upper secondary vocational education over those with a general education, and where there is a marked earnings disadvantage.
  - Work experience while studying has a significant impact on employment prospects in the UK; however, only 50% of VET students participate in combined school- and work-based programmes.
  - In the OECD, more resources are generally invested in vocational programmes than in general programmes, but that is not the case in the UK, where around 50% more is invested in general education.
  - The earnings advantage of tertiary education is lower in the UK than elsewhere.
  - The UK has the fourth highest spend on education institutions after Norway, New Zealand and Chile, and the eighth highest spend per student.

- A separate publication provides insights into the impact of COVID-19 on education.
  - Its coverage includes: international student mobility; the loss of instructional time; measures to continue student learning; teachers' preparedness to support digital learning; vocational education.

Government

NORTHERN IRELAND

The OECD published *OECD Skills Strategy Northern Ireland (United Kingdom): Assessment and recommendations*, **one of the main inputs for the skills strategy currently being developed by the Northern Ireland government.**

- In recent years, Northern Ireland has made significant progress in strengthening its skills and economic performance.
  - Young people's skills in reading, maths and science are now above the OECD average and the share of the labour force with a tertiary education has risen.
  - Economic output has been steadily increasing and other areas continue to see progress, with education, jobs, health and accessibility to services all improving over the past two decades.

- The COVID-19 pandemic will likely reverse much of this positive performance, and skills policies will be an essential component of any exit strategy.

- Northern Ireland continues to experience high rates of economic inactivity, its labour productivity rate is 17% below the UK average and the economy is still characterised by several large, low value-added sectors.
  - Current and projected skills imbalances present challenges for skills systems and the labour market; skill levels of adults are below those of many OECD countries, and employees are not using their skills to their full potential in workplaces.
  - Many of these skills challenges are rooted in poor governance arrangements across policy areas and levels of government.
- Building on strategies and reforms Northern Ireland has already implemented, four priority areas are identified, along with a series of recommendations.

Reduce skills imbalances
- Develop clear, common, transparent and accountable quality standards for all career guidance provision.
- Reform funding models to ensure a proportion of grant funding is conditional on graduate employment outcomes.
- Use a more regional approach to attract skilled migrants, including through broadening the remit of the current cross-departmental migration strategy group to examine labour mobility.

Create a culture of lifelong learning
- Publish a single strategy setting out a holistic vision for adult learning across different cohorts of learners.
- Establish a ringfenced skills fund to subsidise training opportunities and apprenticeships.
- Extend the offer of blended approaches in FE colleges by developing a common online learning platform.

Transform workplaces to make better use of skills
- Develop a new strategy for management and leadership capabilities to raise awareness of the challenge, provide a coordinated approach and set out a direction for action.
- Ensure sufficient provision of management and leadership programmes for micro and small businesses.
- Improve information on business support programmes for growth and innovation, especially for micro and small businesses.

Strengthen the governance of skills policies
- Guarantee support and sustainable financial resources to achieve strategic goals as part of a binding, cross-departmental skills strategy.
- Increase coordination in skills policy by introducing a central oversight body with representatives from all relevant departments and arms-length bodies.
- As a result of mergers of high-level employer engagement bodies, implement a central skills needs advisory body to advise government on skills policy.

ENGLAND

The Department for Education published *Support for Industry Placements: Provider and employer views on new placement models and approaches*, focusing on updates to the policy for T Level industry placements, introduced in May 2019.

- The new T levels – which started teaching this September – require industry placements lasting a minimum of 315 hours that provide structured learning covering both 'soft' and technical skills.

- In recognition of the scale and complexities of introducing such placements in a range of post-16 settings, the Department originally provided pilot funding to 21 providers to identify early issues in engaging employers.
  - The Capacity & Delivery Fund (CDF) supported the second phase of the work and involved around 360 providers working to scale up provision.
  - During the first year of CDF, a number of flexibilities were introduced to make it easier to find employers willing to commit to offering placements.

- Providers broadly welcomed the updated policy and felt that the new models and approaches were helpful given the scale and length of placements required; the two most well-received and widely used new models were:
  - the ability to split a placement between two employers, which employers also appreciated as it meant they could offer more placements of shorter duration
  - the option to convert part-time work to placements, although, in practice, most part-time work was not sufficiently occupationally relevant to qualify.

The Department for Education also published *Process Evaluation of Support for T Level Industry Placements*, looking at the support provided through the CDF as well as non-financial support provided by key organisations.

- Findings of more general interest include:
  - An important factor in meeting placement targets was how effectively employer engagement activities were resourced – providers that had fallen behind described challenges with staffing and capacity.
  - Providers said that they had underestimated the support they would need to source the placements.
  - Providers found the most effective message for employers was that placements offered them an opportunity to develop young people's skills and shape the future talent pipeline.
  - Placements were most easily sourced for industries that had a long history of offering young people work experience and that offered suitable employers in every locality (e.g. catering, and hair and beauty).
  - Many providers found the length of placement challenging in industries where SMEs were prevalent.
  - Employers were broadly positive about their experience of hosting placements and were content that learners had developed and practised technical skills that were specific to the industry.
  - A number of employers would have appreciated a better understanding of the learner's curriculum at the outset in order to relate this to the workplace; many also called for better learner preparation.
  - Providers – particularly sixth form colleges – experienced challenges with fitting placements into timetables but felt this would be less of an issue when they could design their own programme.

The Department for Education published *Higher technical education consultation – analysis*, a summary of 155 responses, as part of its announcement of a 'major overhaul' of higher technical education (HTE).

- There was widespread support for the ambition that higher technical qualifications should provide a high-quality technical route for young people and adults and help develop much needed skills for current and future labour markets.

- Key to their success was believed to be strong, well-functioning and long-term partnerships between industry and academia, and sustained government support in raising their profile and prestige among students and employers.

- Respondents wanted relevant stakeholders to be involved and consulted in the approval process from the start to ensure assessment frameworks were fit for purpose and that consistent workable practices were embedded.

- Panels and groups in the approvals process should not be limited to a small number of influential stakeholders, but should have diverse, representative expertise, capturing a wide range of industrial and pedagogical perspectives.

- Mapping qualifications against occupational standards was thought to be valuable in ensuring consistent delivery and providing clear entry routes into skilled employment.
  - However, the design of standards needed to be carefully considered to avoid risking gaps in provision and narrowing skill sets, and to ensure that the breadth of technical and creative sector demands were met.

- Investment in infrastructure needed to create suitable learning environments, and measures to recruit and retain staff were essential to meeting the quality criteria and removing barriers for engagement.

- HTE was thought to have a key role to play in promoting social mobility, particularly for those in low-skilled work and in jobs at risk of obsolesce; however, this would require the perception that technical education is a second choice to academic university routes to be challenged.

- Career education, information, advice and guidance (CIAG) for technical education should start at a younger age, be accessible to learners already in employment, and specifically target teachers and parents as important influencers.

- Provision of CIAG should utilise multiple communication channels including social media, employer events and online learning options; employers and professional bodies should provide work placements, case studies, talks and presentations.

SCOTLAND

[3 July] **The Scottish Government published** *Report by the Enterprise & Skills Strategic Board sub-group on measures to mitigate the labour market impacts from COVID-19*.

- 12 main options were identified, with six priorities for immediate action, including:
  - Innovations to maximise options for apprentice and other trainee retention, recruitment and learning
  - Helping vulnerable young people into work
  - Colleges and universities to provide short courses with industry to train the unemployed, and support young people into purposeful learning and training.

College Development Network published *International ambitions – An analysis of internationalisation across the Scottish college sector* **– research carried out by the AoC between March and April 2020, supported by the Scottish Government, Scottish Development International and British Council Scotland.**

- The report examines Scotland's distinctive FE college assets, opportunities and the factors limiting internationalisation.

- It makes five recommendations:
  - Establish a strategic-level voice to represent internationalisation in colleges.
  - Include colleges in Scotland's international agenda and ongoing system reforms.
  - Develop sector-wide data sharing, marketing and communications.
  - Explore a collective approach to college commercial international opportunities.
  - Engage colleges in Scotland's International Alumni Plan.

WALES

[No relevant material sourced for this quarter's release.]

REPUBLIC OF IRELAND (RoI)

SOLAS (Further Education & Training Authority) published *Future FET: Transforming Learning – The National Further Education and Training (FET) Strategy*, **a new five-year 'roadmap' for the sector.**

- FET provides learning opportunities from L1 to L6 of the National Framework of Qualifications (NFQ), focused on core and specific skills development, accompanied by a range of learner supports to facilitate the active inclusion of all.
  - 200k learners engage in FET each year, around 100k of whom are engaged in foundation skills (NFQ L1–2), 40k in bridging skills and 60k in vocational skills.

- Key challenges include: the digital divide; female participation; skills mismatch; lifelong learning rates below the EU target for 2020; concentrations of unemployment; a substantial cohort in the existing workforce with low skills; the future jobs agenda.

- The strategy:
  - is built around three key pillars or strategic priorities: building skills; fostering inclusion; creating pathways

□ has four enabling themes: staffing, capabilities and structures; learner and performance centred; digital transformation; capital infrastructure.

The National Adult Literacy Agency published three reports on tackling adult literacy, numeracy and digital skills needs in the RoI:

▪ *Literacy Now* provides research evidence on the cost of unmet literacy, numeracy and digital skills to individuals, society and the economy; summarises the current policy and practice; identifies gaps; and explains why more needs to be done to address this issue.

▪ *Literacy for Life* provides a framework to re-examine the policy approach, highlighting the current severe inadequacy in allocated resources to tackle the scale of the problem.

▪ *Literacy Impact* presents an outcomes framework and indicators that could be used to measure evidence of impact, and identifies opportunities for embedding these skills-related outcomes in strategies in other policy areas.

EUROPE

The European Commission published a new, five-year *European Skills Agenda* for 'sustainable competitiveness, social fairness and resilience'.

▪ The aim of the plan is to help individuals and businesses develop more and better skills and to put them to use, by:

□ strengthening sustainable competitiveness, as set out in the European Green Deal

□ ensuring social fairness, putting into practice the first principle of the European Pillar of Social Rights: access to education, training and lifelong learning for everybody, everywhere in the EU

□ building resilience to react to crises, based on the lessons learnt during the COVID-19 pandemic.

▪ It includes 12 actions organised around four building blocks:

A call to join forces in a collective action

□ A pact for skills.

Actions to ensure that people have the right skills for jobs

□ Strengthening skills intelligence; EU support for strategic national upskilling action; proposal for a Council Recommendation on VET; rolling out the European Universities Initiative and upskilling scientists; skills to support the twin transitions; increasing STEM graduates and fostering entrepreneurial and transversal skills; skills for life.

Tools and initiatives to support people in their lifelong learning pathways

□ Initiative on individual learning accounts; a European approach to micro-credentials; a new Europass platform.

A framework to unlock investments in skills

□ Improving the enabling framework to unlock member states' and private investments in skills.

Cedefop published *NQF [National Qualifications Framework] Developments 2019*, a briefing note.

▪ In further developing the European Qualifications Framework (EQF), the European Commission has invited the 39 participating countries to connect their national databases to the new Europass portal.

□ This replaces the former Learning Opportunities & Qualifications portal as the EU's central platform for information on qualifications.

□ By supporting interoperability of national and European qualifications databases, the European Commission is creating a tool to support regulators, employers, researchers and individual learners across Europe.

□ Europass will be the common European 'front office', providing a single-entry point to all NQF qualifications.

▪ Countries have also been broadening the scope of their NQFs, and most now include all nationally recognised formal qualifications from VET, HE, general and adult education.

□ In recent years, they have also been capturing qualifications awarded outside formal education and training and helping validate non-formal and informal learning, becoming genuine maps for lifelong and life-wide learning and guidance.

- In parallel, countries have been looking for evidence on the added value frameworks offer to different groups of users, including qualification designers, students and employers.

- However, challenges remain:
  - The development of NQFs has been driven by the education and training sector, while businesses and economic sectors have been more reluctant to embrace them, which may hamper their ability to deal, for example, with private qualifications or micro-credentials.
  - The countries participating in the EQF still have to agree on a procedure for exchanging information and streamlining their approaches to assigning levels to international qualifications.
  - While NQFs are valued as gatekeepers assuring the quality of qualifications, consistency across NQFs remains an issue.

- The new European Skills Agenda *[see page 51]* considers skills intelligence as the foundation of the broad upskilling and reskilling endeavour European countries have to undertake in order to master the green and digital transitions that lie ahead.

- Playing an ever-increasing role in countries' responses to fast-changing skills needs, and in their efforts to provide upskilling, reskilling and lifelong learning options to their workforces, comprehensive NQFs can contribute to ensuring policy coherence across systems and countries.
  - Stakeholders involved in NQF implementation will increasingly be called upon to be more closely involved in their country's skills strategies.

The European Commission published *Digital Education Action Plan (2021–2027): Resetting education and training for the digital age*, outlining its vision for 'high quality, inclusive and accessible' digital education in Europe.

- The plan was published in September following an EU-wide consultation, *Learning from the COVID-19 crisis: teaching, learning and technology in a changing world*, which ran from June to September 2020.
  - Findings included: almost 60% of respondents had not used distance and online learning before the crisis; over 60% felt they had improved their digital skills during the crisis; online learning resources and content need to be more relevant, interactive and easy to use.

- The plan calls for stronger cooperation at European level to learn from the COVID-19 crisis, and to make education and training systems fit for the digital age.

- There are two strategic priorities:

Fostering the development of a high-performing digital education ecosystem

  - This needs: infrastructure, connectivity and digital equipment; effective digital capacity planning and development, including up-to-date organisational capabilities; digitally competent and confident teachers and education and training staff; high-quality learning content, user-friendly tools and secure platforms that respect privacy and ethical standards.
  - Commission actions include: developing a European Digital Education Content Framework; supporting digital transformation plans at all levels through Erasmus cooperation projects; developing ethical guidelines on AI and data usage in teaching and learning for educators, supporting Horizon Europe research and innovation in this area.

Enhancing digital skills and competences for the digital transformation

  - This needs: basic digital skills and competences from an early age (digital literacy, including fighting disinformation; computing education; good knowledge and understanding of data-intensive technologies, such as AI); advanced digital skills that produce more digital specialists and ensure that girls and young women are equally represented in digital studies and careers.
  - Commission actions include: updating the European Digital Competence Framework to include AI and data-related skills; supporting development of AI learning resources for schools, VET organisations, and other training providers; creating a European Digital Skills Certificate; targeting advanced digital skills development via e.g. extending the Digital Opportunity traineeships to VET learners and apprentices.

- A new European Digital Education Hub will be created to link national and regional initiatives and partners.
  - It will support cross-sector collaboration and new models for exchange of content, addressing issues such as common standards, interoperability, accessibility and quality assurance.
  - It will serve as a think tank, support the development of policy and practice, and monitor the development of digital education in Europe.

- It will support user-driven innovation and engagement through the Digital Education Hackathon.

A Fact Sheet *and an accompanying* Commission Staff Working Document*, providing evidence and analysis of the background to the plan, were also published.*

The European Commission published *Study for the Evaluation of ESF [European Social Fund] Support to Youth Employment: Final report*, in preparation for the next ESF programming period.

- The EU invested around €22b between 2014 and 2020 to support youth employment; the study evaluates support provided through the Youth Employment Initiative (YEI) and the ESF between 2014 and 2018.
    - Operations are targeted at 15–29 year-olds who are NEET.
    - By the end of 2018, there had been about 3.8m participations, representing 60% of those targeted; 52% of all participations were by females.

- The study focused on six evaluation criteria:
    - **Effectiveness**: YEI and ESF youth employment operations have had a positive impact on integrating young people into the labour market; some elements were particularly effective, e.g. innovation in reaching the target population, coordination between partners, and holistic approaches to employment.
    - **Efficiency**: the unit costs of youth employment operations are broadly in line with established benchmarks and appropriate to the operations implemented.
    - **Relevance**: the funds have generally gone to the groups and regions most in need of support.
    - **Coherence**: YEI and ESF youth employment operations are generally coherent with other EU and national funds and interventions in the field of youth employment.
    - **European added value**: EU support has increased the volume of youth employment operations and the number and breadth of young people supported.
    - **Sustainability**: evidence points to increased employability six months or more after a participation.

- Key lessons include:
    - Managing authorities and delivery partners applying outreach strategies that combine social media campaigns, and working collaboratively with frontline organisations who already support young people (e.g. social, health and housing workers).
    - Local partnerships working together to coordinate support.
    - Early interventions such as pre-emptive working with schools and youth organisations to prevent young people from becoming NEET in the first place.

- The focus on youth is still justified, including in light of the impact of COVID-19, and should be adjusted in the new programming period in terms of the definition of the target group and the objectives to be achieved.

Country factsheets were also published, summarising the socioeconomic context and challenges, the ESF priorities and actions, the number and profiles of participants and the lessons learnt.

The European Commission also published *Study for the Evaluation of ESF support to Education and Training (Thematic Objective 10) – Final report*.

- EU support for education and training is provided by the ESF (2014–2020) via Thematic Objective 10 (TO10) through four Investment Priorities:
    - Reducing and preventing early school leaving and promoting equal access to education
    - Improving the quality and access to tertiary and equivalent education and training
    - Enhancing equal access to lifelong learning for all age groups
    - Improving the labour market relevance of education and training systems.

- Positive outcomes and achievements of the ESF programme between 2014 and 2018 include:
    - There was a relatively high degree of relevance of ESF TO10 to the needs of education and training systems and target groups, including a range of disadvantaged groups.
    - By the end of 2018, 801,096 participants had engaged in education/training and 3.15m participants had gained a qualification upon leaving.

- Investment Priorities 'early school leaving' and 'lifelong learning' have been more successful with direct results and the potential for longer-term systemic change due to an apparently stronger alignment with national and regional priorities.
- ESF TO10 has effectively addressed the needs of young people generally; the overall effectiveness is more mixed for low-qualified adults, those NEET, people in employment and the unemployed.
- ESF TO10 also had important effects in supporting the transfer of ideas, the introduction of innovations (e.g. digitisation and new pedagogies), and structural reforms such as the development of education strategies or the rolling out of new educational approaches and strategies nationwide.
- Many of the positive effects of ESF support to education and training are likely to be sustainable after the end of funding.

- Common success factors and challenges for Investment Priorities include:
  - Success factors: local, regional and national governments adopting a central project delivery role (particularly for early school leaving); strong coordination and the involvement of local and regional stakeholders, who can tailor programmes to specific needs; the provision of intensive and tailored support to individuals over a longer term period.
  - Challenges: reaching some of the hardest-to-reach groups and some cases of a lack of sufficient capacity for effective management.

- Common success factors and challenges for the performance of national operational programmes include:
  - Success factors: a strong strategic approach; strong coordination processes; building staff capacity in beneficiary organisations to access, implement and monitor funds.
  - Challenges: limited management capacity to deliver against the targets; perceived barriers at the national level.

- Evidence of process effects from ESF TO10 investments include: improvements to governance and organisation of education and training; closer links and cooperation between schools and training providers with other stakeholders at local/regional or national level; improving the skills and recruitment processes for teachers and trainers (e.g. in new pedagogies, digital skills); development of new tools and processes to monitor and manage learning programmes.

- Forward-looking reflections for the next programming period based on lessons emerging include:
  - Key needs: fostering a strategic approach to programming ESF support to education and training; maintaining a strong focus on disadvantaged learners; the need for better cooperation and consultation at all levels; increasing impact through a greater focus on mutual learning and dissemination; improving the management capacity for ESF support to education and training.
  - Taking into account the impact of COVID-19: increased focus on digital skills; developing blended learning tools; better responding to the needs of vulnerable groups; promoting equity in education; focusing on reskilling and upskilling.

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