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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.

Highlights this quarter include:

- Numerous reports on widening participation to higher education, including those focused on increasing social mobility and ethnic diversity, raising attainment and reducing inequality.
- The annual OECD *Education at a Glance*, plus a number of other items drawing international comparisons and exploring transnational education, international mobility and study abroad experiences.
- Various reports looking at young people's learner journeys and transitions from education to work.
- Research and analysis on graduates, including graduate recruitment, careers, employment and finances.

* 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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The research summarised here presents the views of various researchers and organisations and does not represent the views or policy of the Northern Ireland Executive or those of the authors.

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16–19 EDUCATION

The University College London (UCL) Institute of Education (IOE) published [14–19 education and training in England: The concept of an extended upper secondary education phase revisited](#).

- The concept of a 14–19 phase needs to be re-examined; current arrangements post-14 do not meet modern requirements and are out of step in terms of breadth and time spent in study compared with most other high-performing systems.
 - Education participation is still seen as two years added on at the age of 16, with those who fail to attain adequately at GCSE effectively given no option to remain on the general education track.
 - Institutional arrangements are highly fragmented and inefficient.
 - There is relatively low employer engagement in the education of 14–19 year-olds in comparison with some other European countries, resulting in a weak vocational and technical system.
 - A universal upper secondary phase is one in which all learners can progress at their own pace; central to this is removing or at least reducing the role of the GCSE selection barrier at 16.
- A 14–19 phase continues to be championed by a range of organisations as a useful way of seeing the transition from a compulsory national curriculum to student choice, national examination and progression to working and adult life.
- The report proposes six practical steps forward.

England's Department for Education published [Investigation into post-16 occupational standards in international technical education systems](#), drawing on evidence from Australia, Canada, Denmark, Germany and the Netherlands.

- Most countries in Europe, and those non-European countries included in this study, use educational rather than occupational standards.
 - Educational perspectives are concerned with what an individual can do following a period of education or training: competence may be understood either as skills gained or as the full range of abilities and attributes demonstrated after training.
 - Professional/occupational perspectives consider what is necessary 'to act effectively' in professions or occupations, which can lead to narrow or task-based definitions or to broad, professional ones.
- The development of standards is characterised by the high degree of involvement by industry and other stakeholders, perhaps supported by national vocational education and training (VET) bodies or research centres that monitor how standards perform in the labour market.
- There is a growing emphasis on transversal competence (broadly equivalent to key skills), which provides a foundation for professional conduct as well as specialism; it is also common for descriptions to be unitised or modularised.
 - Both of these assist equivalence across sectors and the movement of trainees between qualifications as necessary.

The research will be used to support the work of the panels of professionals who will develop the technical routes being introduced in England.

England's Department for Education published [Funding and expenditure in post-16 education: An international review](#), looking at the systems in Denmark, France, Germany, the Netherlands and Norway.

- Overall, 40–50% of every youth cohort enrol on upper secondary vocational programmes.
 - 90% of such students in Germany, Denmark and Norway have a training agreement with an employer.
 - In France and the Netherlands the majority follow vocational school-based pathways.
- Core VET programmes at Levels 3 and 4 last 2–3 years in France and Germany, 1–4 years in the Netherlands, 3–4 years in Norway and 3–5 years in Denmark.
- All the countries offer financial incentives for employers to participate in training VET pupils, but:

- in Norway upper secondary VET at vocational colleges and workplaces is mainly supported by state funding
- in Germany, Denmark, the Netherlands and France the state finances training at vocational schools, while employers mainly finance on-the-job training
- in Denmark, the Netherlands and France employers are required to pay apprenticeship taxes/levies, regardless of whether they employ apprentices.
- All the countries spend more per student following vocational tracks than for those following academic routes.
- It is widely recognised that additional funding is needed to increase the quality of VET in order to attract high-performing students, improve recruitment and retention, streamline and improve vocational pathways and ensure it is meeting evolving skills needs in the labour market.
 - There is a particularly strong focus on the professionalisation and upskilling of VET teachers, and resources are being invested to support national professional development programmes.
- Adjustments to VET programmes are made on a regular basis to meet the demand for new skills and changes in the labour market, based on input from employers, trade unions and other social partners.

EMPLOYABILITY & CAREERS

Impetus-PEF published its second [Youth Jobs Index](#) based on indicators designed to uncover what is happening to young people who are not in education, employment or training (NEET) in the UK.

- 2m 16–24 year-olds – 27% of the age group – spent time NEET in 2017, down from 2.1m in 2016.
 - The number spending between six and 12 months NEET has halved, but the number NEET for 12 months or more has increased by 13.6% to 811,000, suggesting that a structural problem remains.
 - Long periods spent NEET can affect mental and physical health and reduce earning by £225,000 over a lifetime.
- 15% of young people with a Level 2 qualification as their highest level of attainment are at risk of being long-term NEET (six months or more), compared to 26% of those with below Level 2 qualifications.
 - On finding a job or heading back into some form of education, those with a Level 2 are more likely (86%) than those with below Level 2 (71%) to sustain that role/course for six months or more.
- Among other things, the evidence suggests that:
 - Securing Level 2 qualifications at 16 and transitioning to further education (FE) or training must be the aim for all young people.
 - Support needs to be tailored and dedicated mainly to those with most barriers; support also needs to be maintained after a job has been found.
 - Young women need specific focus and different services to overcome barriers to work.

A [full research report](#) and an [infographic](#) are also available.

The British Council published [Next Generation UK](#) based on research by Demos into the attitudes and aspirations of 18–30 year-olds.

- The report examines young people’s views on the UK’s place in the world, political and social engagement, and opportunities in education and work.
- Their attitudes are partly explained by the international outlook of a more networked generation that generally feels less defined by borders: 67% say they have an international outlook.
 - 56% have an ambition to work abroad (47% of respondents from Northern Ireland); 57% are positive about the effects of globalisation on their own lives.
 - However, young adults with lower social grade, lower educational attainment and parents without degrees are less likely to be positive about globalisation and have an international outlook.
- 49% think the education system has prepared them well for work, while 46% don’t; 44% feel well prepared for wider life, while 50% don’t.

- The sample size for Northern Ireland was too low for proper analysis, but 'at a glance': 54% feel well prepared for work and 41% feel well prepared for life.
- Unsurprisingly, those with higher education and better paying and stable jobs are most likely to think they have been well prepared.
- There are common frustrations with an education system built around examinations and academic routes, at the expense of greater vocational options and the teaching of key life skills.
- 54% perceive technology to be changing work opportunities for the better, while 12% disagree.

The Scottish Government published [Young People's Experience of Education and Training from 15–24 years](#), based on research by SQW with Young Scot.

- Young people say the focus on attainment and qualifications in schools does not give them the skills required and creates high levels of stress.
- Personal, social and health issues are often behind poor attendance and low attainment; access to the right support at the right time is key.
- There is a lack of parity of esteem between vocational and academic pathways: schools view university as the top destination, followed by college, with alternative options rarely discussed with the 'top' cohort of students.
- Young people want more guidance to inform their subject choices; they sense a tension between choosing subjects they enjoy/are good at versus those seen to offer better career opportunities.
- First destinations after school are mainly determined by academic attainment; there is minimal consideration of personal aspirations, learning styles, attributes or final destinations.
- Most university students delay thinking about next steps until the later stages of their degree; college students, apprentices and the employed often base next step decisions on what's available locally at the time.
- A lack of work experience is a key barrier to getting jobs; many find it hard to get full-time paid work and have negative early experiences of the workplace.
 - Work experience has a profound impact on career choices, but there are limited opportunities for good quality placements.
- Parents and family are key influencers on career choices and learner journeys, followed by friends, particularly for those pursuing an apprenticeship or training route.
- Careers advisers have most influence on the disengaged or those at risk of disengagement.
 - Career guidance works best for those who know what they want or are seeking work in traditional occupations.
 - It is less effective for those who are unsure or are interested in new, emerging industries.

The Economic & Social Research Council (ESRC) published [Present tense, future imperfect? Young people's pathways into work](#), preliminary findings from the ESRC-funded [Precarious Pathways into Employment for Young People](#) project led by Warwick Institute for Employment Research.

- The three-year study is examining the youth labour market in the English Midlands from the perspectives of young people and their employers.
- There is a shortfall in sustainable entry-level jobs for young graduates, school and college leavers.
 - Those with good educational and vocational qualifications are at an advantage.
 - Those who have been unable to develop their potential and acquire marketable skills lack the confidence to identify and pursue opportunities and to present themselves to employers as 'work-ready'.
- Young people with solid educational and family backgrounds and with the contacts and confidence to seek out career opportunities are highly likely to gain access to work in secure occupations with good conditions of employment and career development.
- Young people without these advantages are increasingly found in low-skilled, low-paid jobs, often on short-term contracts with no guaranteed hours and with few opportunities for progression.
 - Achievement and attitudes are related to earlier social and educational advantages and disadvantages – family and community support, and the quality of education and careers guidance to which they had access.

- Work experience, especially voluntary work, prior to entry to paid work is virtually a prerequisite for all but the lowest-skilled, lowest paid jobs.
 - Those who had work experience were more likely to have been recruited.
 - Unpaid work experience, especially for many of the most attractive occupations for graduates and non-graduates, is rarely accessible to those without family support.
- Having insider knowledge, mentors or contacts who can mediate or advise young people how to approach organisations and who to contact, was often part of the reason for successful access to opportunities.

The Prince's Trust and HSBC published [Results for Life](#), a UK-wide survey by Censuswide examining the value and development of 'soft skills'.

- Of the 2,675 employees surveyed:
 - 72% think they did not have all the soft skills needed when they entered the workplace.
 - 43% think employers are not doing enough to upskill new recruits.
- Of the 2,224 11–19 year-olds surveyed:
 - 43% feel unprepared for the workforce, and 43% of these think their soft skills are not good enough.
- Of the 1,000 teachers surveyed:
 - 91% think schools should do more to help students develop soft skills.
 - 92% think soft skills can help improve academic performance.
 - 27% think their students do not have the soft skills needed.
- An interactive [microsite](#) provides results for Northern Ireland:
 - 30% of employees feel they were very or somewhat unprepared for their first job; 70% feel they didn't have the soft skills they needed when they started working.
 - 19% of young people feel somewhat or very unprepared to enter the workforce; 56% of that group believe their soft skills aren't good enough.
 - 41% of teachers believe that all or most disadvantaged young people are being left behind, while 82% believe that soft skills can improve academic performance.

The OECD published [Transitions from school to work: How hard is it across different age groups?](#)

- Most people in OECD countries make the transition from education to work between the ages of 20 and 24, but 13% of 15–19 year-olds have already left school.
 - In Greece, Korea and Slovenia the enrolment rates of 15–19 year-olds are 90% or over, despite the fact that compulsory education ends at 14; in Chile the enrolment rate is 81%, despite compulsory education continuing to 18.
- On average 36% of 20–24 year-olds who are NEET have not attained upper secondary education, compared with 18% of people in that age group who are employed.
 - In Germany and Norway the difference between the two groups is more than 30ppt; in Greece, Israel, Italy, Korea and Mexico the difference is at or below 5ppt.
 - This may be explained by more homogeneous educational attainment in those countries, and by a labour market with a large base of low-skilled workers.
- Between 2006 and 2015 the enrolment rate among 15–29 year-olds without upper secondary education increased from 64% to 70% on average.
 - In Australia, Greece, Ireland, Israel, Italy, Portugal, Spain, Turkey and the UK it increased by more than 10ppt.
 - In a small number of countries – including the Czech Republic, Denmark, Finland, Germany, Hungary, Poland, Slovenia and Sweden – the percentage remained unchanged.
 - In Estonia and the Slovak Republic the share of 15–29 year-olds without upper secondary qualifications still in education fell by about 5ppt.
- The difference in literacy and numeracy skills between those who are in education and those who are not is equivalent to about 2.5 additional years of education.

The Institute of Labor Economics (IZA) published [How important is career information and advice?](#), based on a literature review.

- Career information interventions can influence educational investment decisions if the information provided is relevant to the target group and provided at the right time.
- Well-designed information interventions can be low cost compared to other interventions, e.g. tuition subsidies, that are intended to increase educational participation.
- Some information interventions have been shown to be effective if coupled with personal assistance or mentoring.
- Many information interventions have no effect on student behaviour, even though they have been carefully targeted and well designed.
- Information interventions are unsuccessful if students face significant other constraints, e.g. high competition for particular courses, or if they are unable to adjust their aspirations to match what they can realistically achieve.
- Providing information too late in the education process may not allow sufficient time for students to make the necessary investments and decisions.

IZA published [Does Student Work Really Affect Educational Outcomes? A Review of the Literature.](#)

- Student employment appears to have a more adverse effect on educational choices and behaviour, such as study engagement and the decision to continue studying, than on educational performance, in particular on graduation.
- However, the impact of student work on educational outcomes should be considered together with its impact on other socioeconomic outcomes, at the micro and macro level.
- It is proposed that authorities actively inform students about all benefits and risks related to taking on work while studying, including its trade-off with educational attainment.

The Institutional Landscape

INTERNATIONAL COMPARISONS

The OECD published the 2017 edition of its annual compendium of education indicators, [Education at a Glance](#), along with country-specific notes on national education systems (see below).

- The data covers the human and financial resources invested in education, how education and learning systems operate and evolve, and the returns to investments in education.
- For the first time, it includes in-depth analysis of the subjects students take at vocational and tertiary level.
 - Business, administration and law are the most popular subjects in countries surveyed, chosen by around 25% of students.
 - This compares to 16% in engineering, construction and manufacturing, and less than 5% of students in ICT; this is despite graduates in these subjects having the highest employment rate on average across OECD countries, exceeding 90% in about a third of them.
- 43% of 25–34 year-olds in the OECD had a tertiary degree in 2016, up from 26% in 2000.
 - Graduates are 10ppt more likely to be employed and earn 56% more on average than those who only completed upper secondary education; they are also less likely to suffer from depression.

A useful interactive tool allows for cross-country comparisons on a number of key indicators.

The [UK country note](#) for [Education at a Glance](#) highlights a number of areas where the UK varies from the OECD average, including the following.

- The share of GDP allocated to UK education is 6.6% (OECD average 5.2%), with above average expenditure at all levels; in 2015, the share of education expenditure from public sources was 87% (OECD 91%).
 - In 2014, 12.5% of public expenditure went on education (OECD 11.3%), although at tertiary level it was below the average.

- 33% of 15–19 year-olds were enrolled on vocational programmes in 2014 (OECD 43%).
 - Expenditure per student was lower for vocational programmes (USD 11,539 per student per year) than for general programmes (USD 12,862).
 - Expenditure on educational institutions amounted to 1.2% of GDP for general programmes, compared to 0.5% for vocational programmes.
- At tertiary level:
 - the proportion of students entering the field of natural sciences, maths and statistics (13%) was the highest among OECD countries and more than double the average (6%)
 - for engineering, manufacturing and construction (8%) it was joint lowest and only half the average (16%).
- The UK is the second most popular destination for internationally mobile students at the tertiary level; however, students from the UK are among the least likely to study abroad.

The World Economic Forum published its 2017–18 [Global Competitiveness Report](#), featuring the Global Competitiveness Index.

- Among the 12 pillars used to assess 137 economies are three relating to education and skills: health & primary education; higher education & training; technological readiness & innovation.
- The report includes detailed scorecards for each of the economies.
 - The UK performs very well on technological readiness (4th), but is 17th overall for health & primary education and 20th for higher education & training.
 - The UK is 25th for the quality of primary education (1st Finland), 22nd for quality of education system (1st Switzerland), 41st for maths and science education (1st Singapore), and 16th for on-the-job training (1st Switzerland).
 - The UK is 12th for innovation, performing particularly well for the quality of scientific research institutions and university–industry collaboration, but less well for company spending on R&D and availability of scientists and engineers.

UNESCO Global Education Monitoring Report published [Strengthening Peer Learning of Education Policies for SDG \[Sustainable Development Goal\] 4: The Role of Regional Organizations](#), looking at different regional approaches to monitoring education systems and policies.

- It can be difficult for individual countries to assess the strengths and weaknesses of their system, but regional organisations offer an entry point to addressing this challenge.
 - Members of regional organisations are more likely to exchange information and reach consensus on policy priorities.
 - Different parts of the world are establishing peer learning educational processes through such organisations, using meetings, focused discussions, experience sharing and formal training sessions.
- The Council of Europe’s education programme combines standard-setting and monitoring with cooperation and capacity building activities involving all 47 EU member states.
 - Working groups of nominated experts and key stakeholders work on common EU-level tools and policy guidance, with a view to helping Member States develop policy through mutual learning, understanding what works and identifying good practices.
 - The Eurydice network acts as an information hub and has an online database of national education systems, updated by national authorities; it also produces comparative thematic studies and statistical factsheets.
- The OECD’s Education Policy Committee of nationally appointed senior officials provides strategic oversight on policy and implementation.
 - Its comparative performance data seek to accelerate improvements by helping countries to learn from each other (e.g. *Education at a Glance*, see above).
 - Systematic country education policy reviews focus on selected areas or levels of education; new databases are being developed to link different sources of information; and other sources are focusing on benchmarking or identifying best practices to facilitate peer learning.

SDG4 is: 'Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all'.

FURTHER EDUCATION & TRAINING

Cedefop: European Centre for the Development of Vocational Training published [Looking back to look ahead: Preparing the future of vocational education and training in Europe 2020–30](#), which identifies similarities and differences between European VET systems.

- Although systems vary considerably, VET is always geared towards securing the supply of skilled labour and is usually considered inferior to general or academic education; in most countries it is mainly for young people, providing mid-level qualifications (European Qualification Framework (EQF) Levels 3/4).
- There are four main patterns of European VET systems:
 - Work-based/dual initial training (*cf.* Germany): based on practical knowledge and 'learning by doing', and with substantial contribution by companies and strong coordination between employers, whose perspective is dominant.
 - Initial vocational education (*cf.* Sweden): an integrated part of initial education, mainly taking place in schools, with learners regarded as students, and often covering broader vocational fields; individual progression and personal growth are rated more highly than securing skilled labour.
 - Further training (*cf.* Ireland): mainly on the job and for all age groups at various levels, offered by a range of FE and higher education (HE) providers; includes programmes for the unemployed or second-chance programmes; it is viewed as way of securing skilled labour and promoting innovation and growth.
 - VET as (part of) lifelong learning (*cf.* Finland): a mix of different approaches, sites, provider types and instructor types, addressing a wide range of education and skill levels, outcomes and types of qualification; associated with many purposes, including equity and inclusion.
- Some broad, emerging trends include:
 - an increased emphasis on practical knowledge, including through the introduction of higher apprenticeship schemes, and with a more prominent role for employers
 - diversification of provision to more age groups, skills levels and special needs groups
 - easier access to HE and an increasing role for HE in VET provision
 - new pathways for adults, often alongside more accreditation of prior learning
 - slightly improved parity of esteem
 - growing importance of learning outcomes, with some countries reducing the number and specificity of qualifications, while others are introducing greater detail and specificity.
- Future challenges include:
 - responding to new challenges when there is a distinction between education and training subsectors
 - operating on the basis of too narrow a definition of VET and overlooking the need for vocationally oriented education outside the traditional VET sector
 - the need for solutions to span several subsectors and bring together institutions and providers.

Cedefop also published [Spotlight on VET UK](#), providing a concise overview of the UK VET system.

HIGHER EDUCATION: APPLICANTS & STUDENTS

London Economics published [How is the demand for part-time higher education affected by changing economic conditions?](#)

- The analysis looks at whether a buoyant labour market has caused the recent decline in demand for part-time HE, as many might expect.
- Between 2004/05 and 2015/16 domestic part-time student enrolments in the UK fell by 45%, to 184,000, while full-time numbers increased by 19%; the proportion of learners who were part-time fell from 47% to 31%.
 - England saw a 49% reduction, Wales 30%, and Scotland 12%; in contrast, the number in Northern Ireland increased by 10%.
- Over the same time period, the employment rate increased significantly from 70% to almost 75%.
 - However, part-time students are likely to be older and in employment; they are therefore much more likely to have their decision on HE enrolment affected by income rather than job availability.

- There was a significant decline in real hourly earnings from 2008/09, followed by a more modest recovery, suggesting that, for part-time students, the strength of the labour market is questionable.
- Economic theory suggests that:
 - Full-time HE enrolment will decrease in a buoyant labour market (i.e. demand is counter-cyclical); the size of the decline will depend on the strength of individual preferences for HE.
 - The demand for part-time HE will increase in a buoyant labour market (i.e. demand is pro-cyclical).
- However, the empirical evidence suggests that there are other significant factors at play, including the change in tuition fee levels, funding arrangements (and credit constraints), and debt aversion.
- Part-time study is a vital part of a diverse HE system: it widens participation and increases social mobility.
 - It also allows individuals to reskill or upskill, helping to address the UK's skill and productivity gaps, and is a key component in delivering both the social mobility and the 'Industrial Strategy' aims of the UK Government.
- From a policy perspective, it makes sense to further explore options to encourage part-time enrolment.

The Higher Education Policy Institute (HEPI) and Unite Students published [Reality Check: A report on university applicants' attitudes and perceptions](#).

- There is a significant gap between expectations and the realities of student life: 60% of the 2,000+ applicants surveyed expected to spend more time in lectures than they did in school lessons, yet only 19% of students find this happens.
- 62% thought they had a good grip on money matters, but only 43% were confident about paying bills and only 41% felt they understood student finances, with many underestimating essential expenses.
- 67% were confident they would find the right support for any mental health issues; friends emerged as the first line of support for most applicants (85%).
 - 37% with a mental health condition had declared or intended to declare it to their prospective university.
 - 50% anticipated turning to academic staff, ahead of university counselling services (47%) or their GP (43%).
- 72% of applicants said a Gold [Teaching Excellence Framework](#) rating was important.
- Suggestions for improvement include:
 - better pre-arrival information
 - teaching important new skills for applicants
 - improving the pre- and post-arrival experience for students.

The UCL IOE published [The relationship between A-level subject choice and league table score of university attended: the 'facilitating', the 'less suitable' and the counter-intuitive](#).

- Students from lower socioeconomic backgrounds may be held back by their A-level subject choices when applying for prestigious courses such as law at leading universities.
- Among English students entering UK universities with three A-levels in 2010–12, those with A-levels in subjects such as law, accounting or business were less likely to attend elite universities than those with traditional academic subjects such as science, maths, languages, history or geography.
 - Those taking law were also more likely to be at universities that scored lower on league tables if they had A-level law rather than a subject such as maths or science.
- Although the Russell Group publishes a list of 'facilitating' subjects, students may not realise that taking subjects that are not on this list could hinder them when it comes to admission.
 - This is particularly problematic for students enrolling on degree courses that do not require specific A-level subjects.
- Vocational A-levels such as law are disproportionately favoured by students from lower-income backgrounds and are taken much more widely at FE and sixth form colleges than at private schools.

- At leading accountancy firms, 40–50% of applicants and 60–70% of those receiving job offers have been educated at one of the 24 high-status Russell Group universities.

The Centre for Global Higher Education (CGHE) at the UCL IOE published [Does academic self-concept predict further and higher education participation?](#).

- Young people generally overestimate their own academic ability, both in actual terms and relative to their peers; however, such self-belief varies widely depending on their characteristics, family backgrounds and the schools they attend.
- Analysis of 'next steps' longitudinal data for young people in England suggests that prior attainment is an important predictor of self-belief and accounts for socioeconomic differences; it reduces previously significant differences in parental social class, education and income to statistical insignificance.
 - Self-belief varies by ethnic background, gender, special educational need and school type.
- There is a positive and significant association between academic self-concept and A-Level participation, and a negative and significant association between academic self-concept and FE participation.
- The results for HE participation are slightly more mixed: before taking into account A-Levels, higher academic self-concept is associated with 9% higher odds of studying for a degree; however, once A-Level participation is taken into account the association between academic self-concept and HE is not significant.
- This suggests that the pathway to university is important, as academic self-concept is a significant predictor for continuing on the academic track by taking A-Levels.
 - Therefore if policy makers were to focus on increasing the self-belief of young people they would increase participation in A-Level study and aspirations for studying at high-status universities.

The Social Market Foundation published [On course for success? Student retention at university](#), analysing the factors that affect drop-out rates from universities across England.

- London over-performs in getting its young people into university, but performs worst across all English regions in terms of retention, with nearly 10% of students dropping out during their first year of study.
- Many of the disadvantaged groups targeted through widening access initiatives are also the groups most likely to drop out.
 - Institutions are more likely to have higher drop-out rates where they have a higher intake of black students, students whose parents work(ed) in lower-level occupations and students who come from low participation localities.
 - Universities with lower student satisfaction scores in the National Student Survey (*see p14*) have higher drop-out rates on average.
 - There is an association between lower drop-out rates and campus universities, although the relationship does not emerge as significant in regression analysis.

The Institute for Public Policy Research (IPPR) published [Not by Degrees: Improving student mental health in the UK's universities](#).

- Around three-quarters of adults with a mental illness first experience symptoms before the age of 25, although the evidence from around the UK is mixed.
- As the UK's student population more closely reflects its socioeconomic and demographic make-up, a growing proportion of students would appear to be affected by mental illness.
 - In 2015/16, 15,395 UK-domiciled first-year students at UK HE institutions (HEIs) disclosed a mental health condition – almost five times the number in 2006/07; this equates to 2% of first-year students, up from 0.4% in 2006/07.
 - Female first-year students are more likely than male first-year students to disclose a mental health condition, whereas in 2009/10 they were equally likely to do so.
- 20–24 year-olds are less likely than any other age group to record high levels of wellbeing (life satisfaction, feeling that things done in life are worthwhile, happiness and low anxiety).
 - In 2017, less than 1 in 5 students reported high levels of each of these four key wellbeing indicators.

- In 2014/15, a record number of students (1,180) who experienced mental health problems dropped out of university, an increase of 210% on 2009/10.
- 94% of HE providers report an increase in demand for counselling services, while 61% report an increase of over 25%; in some HEIs, up to one in four students are using, or waiting to use, counselling services.
- There is variation in the ways in which providers design their strategic response to student mental health and wellbeing.

The Higher Education Academy (HEA) published [Happiness in UK Postgraduate Research](#), analysis of over 100k responses from the Postgraduate Research Experience Survey of 124 UK institutions.

- Most students are satisfied with their experience.
- A positive relationship and regular contact between student and supervisor is central to happiness.
- Non-traditional study, e.g. part-time and distance learning, do not diminish experience.
- Black and ethnic minority students are relatively unhappy, particularly females.
- Institutions appear to be better at dealing with students who want to become academics than those who want to pursue other career paths.

HIGHER EDUCATION: WIDENING PARTICIPATION

The Institute for Policy Research (IPR) at the University of Bath published [Diverse Places of Learning? Home neighbourhood ethnic diversity and the ethnic composition of universities](#), looking at students attending UK universities.

- Students from the most and least diverse neighbourhoods tend to attend university with a similar level of ethnic mix.
 - Very few students from largely white-dominated areas attend the most diverse universities, but over half of students from the most diverse neighbourhoods attend the most diverse universities.
- Of the 20 most diverse universities, only Aston University and University College Birmingham are not in London.
 - The least diverse universities tend to be those in Northern Ireland and Scotland, as well as elite arts, music and agricultural institutions.
- Students from ethnically-diverse neighbourhoods in London worry about studying outside the capital on grounds of racism.
- Subjects are even more segregated than universities: in 2014/15 Black Caribbean students accounted for 0.3% of all new medical and dentistry students in the UK – just 25 students; veterinary science was 94.2% white, with just over 50 students from non-white backgrounds.
 - In contrast, at certain universities – often those that are less diverse and/or geographically peripheral – medicine and dentistry is the most diverse subject area.
- Some subjects tend to be more diverse than the university as a whole, including law, business studies, subjects allied to medicine and, to a lesser extent, computer science and engineering.

The report is part of a new programme of research by the IPR on public policy economics with a particular focus on widening participation in higher education.

HEPI and the social mobility charity Brightside have published [Where next for widening participation and fair access? New insights from leading thinkers](#).

- Universities can and should be more imaginative in thinking about their role in supporting schools and raising attainment.
- England's approach of making teaching and learning more inclusive is crucial, but shies away from targeted work to address specific challenges faced by learners.
- In Scotland, the college sector will be the linchpin for success in achieving fair access ambitions, and universities could afford to learn from its good practice.
- Activities that 'speak to the heart' may be more effective than some forms of information that 'speak to the head' in making university more attractive.

- Simply compelling a greater range of people into systems that comply with long-established concepts of HE is likely to be met with indifference at best and outright alienation at worse.
- Policies put forward by the contributors include:
 - much bolder contextualised admissions policies for highly selective universities
 - more support for people in care with the potential to benefit from HE
 - new personalised learning accounts to meet demand for more flexible lifelong learning.

Universities UK International (UUKi) published [Widening Participation in Outward Student Mobility: A picture of participation](#), as part of a project supported by the UK National Agency for Erasmus+, and managed by England’s Department for Education.

- Outward mobility gives students life-changing experiences and contributes to graduates’ skills and collaborative opportunities beyond the traditional academic outcomes a university offers; institutions are increasingly interested in ways to support such activities.
- The project focused on groups under-represented in mobility experiences: from low socioeconomic background; from low participation neighbourhoods; black and minority ethnic; with a disability; and care leavers.
- 70,615 UK-domiciled undergraduates undertook experiences abroad between 2013 and 2016.
 - Of 175 countries visited, the most popular were: USA, Canada, Australia, France, Spain, Germany, Italy, the Netherlands and China.
 - Three-quarters of mobility experiences were study abroad.
- In 2015/16:
 - Students from higher socioeconomic backgrounds were 65% more likely to participate in outward mobility than their peers from lower socioeconomic backgrounds (2.5% participation rate compared to 1.5%).
 - The participation rate was 1.8% for students from areas with high participation in HE and 1.0% for students from low participation areas.
 - BME students represented 22.2% of the student cohort but only 17.6% of the outwardly mobile group, although the rate varied by ethnicity, with Asian British students having the lowest participation rates.
 - 1.5% of students with a disability and 1.0% of care leavers participated compared with the average of 1.7%.
- A growth overall in numbers was due to an increase in provider-led programmes, which have proven particularly popular across all the target demographics.
 - Most of the target groups were more likely to undertake short-term mobility, particularly one-week mobility, which has grown for all groups, but particularly the target groups.
 - There was a higher level of growth in mobility for work placements across the target demographics compared to their peers.

The project will also develop a toolkit to support universities and FE colleges in developing and implementing effective strategies to increase participation in mobility programmes by students from disadvantaged and under-represented backgrounds.

England’s Office for Fair Access (OFFA) published [Understanding the impact of outreach on access to higher education for adult learners from disadvantaged backgrounds: an institutional response](#).

- Four universities collaborated on the project – The Open University (OU), Birkbeck University of London, University of Leeds and University of Bristol; five case studies highlight different approaches:
 - a science, technology, engineering and maths (STEM) access module, designed to prepare students to succeed in undergraduate science
 - outreach with adults in the arts and humanities
 - the use of certificates of higher education to support transition to degree study
 - an exploration of participants’ involvement in adult outreach activity in low participation neighbourhoods
 - the use of free online learning and resources to engage adult learners from disadvantaged backgrounds.

The CGHE at the UCL IOE published [English and American higher education access and completion policy regimes: similarities, differences and possible lessons](#).

- For both countries, goals of widening participation are hampered by sharp inequalities in access to HE, entrance into the most selective institutions, graduation, and economic success post-graduation.
- In England, although FE colleges account for around 8.5% of HE students, they have received little mention in recent government papers on HE reform.
 - Under both Labour and Conservative governments, attention has focused instead on greater access for disadvantaged students to selective universities, particularly the Russell Group.
- Recommendations for England include:
 - Further development of 'transfer agreements' that enable movement from vocational training into university first degree programmes, which currently only apply to a small set of universities.
 - More linkages between FE colleges and highly selective universities.
 - An expansion of need-based bursaries and scholarships, as working class and minority students are wary of taking out loans even if repayment is on an income-contingent basis.
 - A greater policy focus on school decisions and a reconsideration of what constitutes merit in university admission.

The Republic of Ireland Department of Education & Skills published [An Independent Review to Identify the Supports and Barriers for Lone Parents in Accessing Higher Education and to Examine Measures to Increase Participation](#), supported by the Department of Social Protection and the Department of Children & Youth Affairs.

- While lone parents have attracted considerable policy attention in welfare and education and training, much less specific attention has been paid to lone parents in HE and widening access policy.
- Few research studies have addressed the specific needs of lone parents in accessing HE.
 - Existing research is critical of stringent activation policies for lone parents in other institutional contexts, where HE pathways are de-emphasised in favour of rapid labour force attachment.
 - This body of research also highlights that the quality of education matters, and cautions against a general education approach.
- Research has consistently identified lone parents as a group with lower levels of HE, but also as a group at higher risk of social exclusion, financial exclusion and economic vulnerability in Ireland.
- The empirical European literature suggests that there are clear returns for investing in HE for lone parents, in terms of not only reducing poverty and deprivation rates among adults and children, but also increasing labour market activity.
- Lone parent experiences are occurring within a potentially changing policy context of how HE is to be funded, and research from the UK context highlights the potential negative impact of a student loan scheme on lone parent HE participation and debt levels.
- In relation to lone parents, there is:
 - limited visibility of lone parents in a range of policies and practices of HEIs
 - very limited data collection around lone parent participation, experiences and outcomes
 - limited targeting of lone parents for entry to HE
 - limited policy development regarding the needs of lone parents once they transition into HE
- The current childcare infrastructure for lone parents attending HE is underdeveloped and HEIs do not appear to be equipped to support lone parents in accessing childcare support.

University of Aberdeen researchers published [The relationship between school type and academic performance at medical school: a national, multi-cohort study](#) in *BMJ Open*.

- Researchers analysed data from those who graduated from 33 UK medical schools in 2012/13.
- When students from independent and state schools enter medical school with similar pre-entry grades (UCAS tariffs), those from state schools are likely to outperform those from independent schools.
 - Students from independent schools had significantly higher mean UK Clinical Aptitude Test (UKCAT) scores and significantly higher mean Graduate Medical School Admissions Test (GAMSAT) scores than those from state schools.

- However, students from state schools were almost twice as likely to finish in the highest rank of the UK Foundation Programme's educational performance measure (EPM) ranking.
- Results will feed into discussions about changing medical school admissions criteria to take context and circumstances into account.

GRADUATES & GRADUATE EMPLOYMENT

The Higher Education Statistics Agency (HESA) published [analysis](#) of the 7,540 2015/16 graduates from higher education providers in Northern Ireland who are working abroad:

- 375 are working in 31 of the world's 195 countries.
- 41.1% graduated in STEM subjects, considerably higher than the 34.3% of UK graduates from UK institutions.
- 58.1% are working in the Republic of Ireland (compared to 5.8% of UK graduates working abroad).
- Top ten destinations in order are: Republic of Ireland, Spain, USA, Australia, Canada, Qatar, France, China, United Arab Emirates and Germany.

HESA published [Destinations of Leavers from Higher Education Longitudinal Survey](#) of 2012/13 leavers 3.5 years after graduating.

- Of first degree graduates from higher education providers in Northern Ireland:
 - 80.9% were in work – 72.0% full-time paid work, 8.3% part-time paid work, 0.4% voluntary/unpaid work.
 - 6.3% were in further study, 6.6% were in both work and further study.
 - 1.8% were assumed to be unemployed and 3.1% were unavailable for work.
 - 83.4% of those working in the UK were in Northern Ireland, 14.5% were in England.

The CGHE at the UCL IOE published [Graduates and 'graduate jobs' in Europe: A picture of growth and diversification](#), investigating how the supply and demand for graduates is changing in western, northern and southern Europe.

- The proportion of the population with tertiary qualifications is increasing in all of the countries studied, and this trend is predicted to continue; however the future for graduate jobs is especially uncertain.
- Across all country groups, job polarisation has further continued; however, despite similar exposure to global drivers, there are differences in patterns across country groups, notably in the growth of high-skilled employment.
 - The share of high-skilled employment has grown fastest in the Anglo and Nordic countries.
 - In southern Europe, the employment share of low-skilled occupations grew the most, followed by high-skilled occupations.
 - Continental European countries had an overall more stable employment structure.
- The prevalence of graduate underemployment in different countries reflects an imbalance between the supply of graduates and the existence of graduate (or high-skilled) jobs.
 - The rate of graduate underemployment increased in southern Europe and in Ireland, but not in other European countries.
- In most countries, the average graduate earnings premium has remained largely stationary; the exceptions are Portugal and Greece, where it declined markedly.
 - There is a growing earnings penalty for underemployment of graduates in Austria, Ireland and Italy, but none elsewhere.
- The potential for new technology to affect different forms of employment remains unclear.
- The most likely scenario for the coming decade in the majority of developed western countries is for an increase in the prevalence of underemployment among graduates, with some slowing in the pace of HE expansion.
 - However, this would take place over very long intervals, with little short- or medium-term effect.

HIGHER EDUCATION: TEACHING, RESEARCH & INSTITUTIONS

The HE Funding Council for England (HEFCE) published [*the results*](#) of the annual National Student Survey.

- Wonkhe, a non-partisan forum for those who work in and around universities, has provided a [*helpful analysis*](#).
- Overall satisfaction is at 84%, down 2ppt on last year.
- The top performing Northern Irish institutions are: St Mary's University College, Belfast, joint fifth for overall course satisfaction (92%), and Stranmillis University College, joint 11th (90%).
 - Queen's University Belfast is joint 37th (87%); Ulster University is joint 90th (83%).
- Overall UK scores for individual categories – including some new ones – are as follows:
 - The teaching on my course: 85%
 - Learning opportunities: 84%
 - Assessment and feedback: 73%
 - Academic support: 80%
 - Organisation and management: 75%
 - Learning resources: 85%
 - Learning community (new): 77%
 - Student voice (new): 73%
 - Students' union: 57%.

Universities UK published the 2017 edition of the annual [*Patterns & Trends in UK Higher Education*](#) looking at the ten-year period to 2016.

- In 2015/16, UK HEIs reported a total income of £34.7b, up 3.6% on 2014/15.
- Students from a wider range of backgrounds are now entering HE, with the number of 18 year-olds from disadvantaged backgrounds on full-time undergraduate courses increasing by 52% since 2006 and reaching record levels in 2016.
- Since 2006/07 entrants have increased to full-time first degree (+31.2%), postgraduate taught (+30.5%) and postgraduate research (+25.7%) courses, and the overall proportion of 18 year-olds applying and entering HE was at record levels in 2016.
 - However, demand for part-time courses has continued to decline, with entrants to first degree courses falling by 28.6%, and to other part-time undergraduate courses by 63.1%.
- Non-UK nationals accounted for nearly 66% of growth in all academic staff.
 - Between 2009/10 and 2015/16, BME professors increased by 50.7%, compared to 10.5% for white staff; female professors increased by 41.8%, compared to 6.5% for males; however both groups remain under-represented.
- Young and older graduates have had consistently lower unemployment rates and higher earnings compared with non-graduates, even during recessions.
 - In 2016, graduates aged 21–30 were 40% less likely to be unemployed compared to non-graduates in the same age group.

The Quality Assurance Agency for Higher Education (QAA) published [*International Insights – An insight on QAA's work strengthening cross-border cooperation in quality assurance for the benefit of UK higher education*](#).

- Over 80% of UK universities are engaged in some form of transnational education, via distance learning, partnerships, or branch campuses.
- The number of students studying for UK higher education awards in countries outside the UK has grown by 39% over the past five years.

England's Department for Education published [*The wider benefits of Transnational Education to the UK*](#).

- Transnational education offers an achievable means to participate in UK HE and obtain a UK degree; those choosing it expect it to be of higher value to them and their future employers than many local alternatives.
- Most alumni related positive experiences of their programme and would recommend similar study to others.
 - Such recommendations lead not only to further participation in similar programmes but also to additional enrolments of international students at UK campuses.
- Modest additional economic benefits to the UK ensue in the form of additional travel to the UK by students relating to their transnational programmes and also subsequently as tourists.
- In terms of students' home countries, an element of economic benefit takes place through a more skilled workforce, and 'trickle-down' societal and other effects from their employment.
 - Healthcare, development, and science and engineering related programmes, as well as education programmes help to build capacity in students' home countries.
 - Local partner institutions develop educational capabilities through their engagement with UK institutions, as evidenced by the observation that direct UK staff involvement decreases as a programme matures.

WORKFORCE ISSUES

IZA published [Gender Bias in Teaching Evaluations](#), an investigation into whether the gender of university instructors affects how they are evaluated by their students.

- Students' grades and self-study hours were not affected by the instructor's gender; however, women received systematically lower teaching evaluations than their male colleagues.
- The gender bias discovered:
 - was driven by male students' evaluations, was larger for mathematical courses and particularly pronounced for junior women
 - may have direct and indirect effects on the career progression of women, e.g. by affecting junior women's confidence, or through the reallocation of instructor resources away from their research and towards their teaching.

The Workplace

APPRENTICESHIPS & TRAINEESHIPS

The OECD and the International Labour Organization (ILO) jointly published [Engaging employers in apprenticeship opportunities: making it happen locally](#), examining best practice in employer engagement.

- The report draws on case studies from nine countries: Australia, Bangladesh, Germany, New Zealand, Norway, Turkey, UK and USA.
- The success of apprenticeship programmes depends on robust implementation at the local level, and local governments can play a critical role in developing a community-wide vision for training and skills.
- Key lessons include:
 - Local leaders can be important 'champions', reaching out to employers, helping them to navigate the system, and forging connections with young people and training providers.
 - Building 'spaces' or networks for employers to provide advice is central.
 - SMEs will often require specialised assistance and incentives to provide apprenticeships, including tax exemptions, subsidies, networks or help with placements.
 - If apprenticeship programmes are to remain an attractive option, they need to be flexible to meet the diverse and shifting needs of the different stakeholders.
 - Young people who do not traditionally participate in apprenticeship schemes should be targeted, in order to provide pathways to quality jobs.

The European Commission published [Teachers and trainers in work-based learning/apprenticeships: Mapping of models and practices](#) by ICF, providing advice to the Education and Training 2020 [Working Group on Vocational Education & Training](#).

- In VET institutions, teachers are part of broader regulatory frameworks that apply to the entire education and training system.
- The role and competences of trainers in business are generally defined by sectors and the minimum trainer requirements generally focus on years of experience and position in the company.
- Particular areas in work-based learning that lack coverage concern trainers' working conditions and payment, international mobility and dealing with learners' special needs.
- With work-based learning and the learning outcome approach becoming more prominent in VET, cooperation and continuous dialogue between learning venues is more essential.

BEIS published [Apprenticeship Pay Survey 2016: Great Britain](#), based on 9,400 telephone interviews undertaken in summer 2016.

- At that point, apprentices were entitled to at least £3.50 per hour if aged under 19, or over 19 but in the first year of their apprenticeship; after this age, they qualify for the National Minimum Wage (NMW) rate for their age group.
 - From 1 April 2016, the government introduced a new mandatory National Living Wage (NLW) for workers aged 25+, initially set at £7.20 an hour – 50p higher than the adult NMW rate (£6.70).
 - Apprentices aged 25+ are entitled to the NLW if they are in the second or later year of their apprenticeship.
- Among Level 2 and Level 3 apprentices the median basic pay was £6.70 an hour, and the mean £6.98.
- 18% at Level 2/3 were not receiving the mandatory NMW, up from 15% in 2014; at Level 4 or 5 it was 5%.
 - Non-compliance had increased for the two groups where the biggest increases in the NMW had taken place.
- There were large differences by framework, with the median hourly pay figure lowest for Hairdressing (£3.47) and highest in Management (£8.75).
 - 46% of Hairdressing apprentices received less than the NMW.
- Among both Level 2/3 apprentices and Level 4/5 apprentices, those in Scotland had the highest mean average pay.
 - Highest median pay for Level 2/3 was in England; for Level 4/5 it was in Wales.
 - However, variations can often be explained by structural differences in the demographic make-up of particular groups.

SKILLS POLICY

The Chartered Institute of Personnel & Development (CIPD) published [People Skills: Building ambition and HR capability in small UK firms](#), an evaluation of a pilot programme that provided small firms with HR support and advice.

- In each of three locations – Hackney (London), Stoke-on-Trent and Glasgow – independent HR consultants provided advice to small businesses on demand; the CIPD's online support system was also made available.
- Take-up of the service exceeded expectations, with 449 SMEs making an initial enquiry and 416 proceeding to work with an HR consultant; 17 were funded for a 'deep-dive' engagement over a longer period of time.
 - However, there was some concern that 'hard-to-reach' SMEs remained so.
- The support was highly regarded, particularly the flexibility of the offer and the bespoke nature of guidance; 'deep-dive' participants reported a substantial difference to their business.
- Tangible improvements in employment practices were seen, which in turn laid the foundation for more transformational change and greater business confidence.
- The project was less successful in 'unlocking demand for investment in people management', with little increase in, for example, investing in leadership and management development.

- The project was also less successful in encouraging investment in employing young people and/or apprentices.
 - Many SMEs reported barriers in terms of 'work-readiness', perceived bureaucracy of apprenticeship schemes and a lack of resources to support inexperienced workers.

Hays published [Regional Dynamics of the Global Labour Market – Skills in Demand and Tomorrow's Workforce: Global Skills Index 2017](#) in partnership with Oxford Economics, rating 33 economies.

- The index is based on seven indicators: education flexibility, labour market participation, labour market flexibility, talent mismatch, overall wage pressure, wage pressure in high-skill industries, and wage pressure in high-skill occupations.
- The small drop in labour market pressures suggests that governments, educational establishments and organisations are becoming more focused on the levers and drivers of skills supply and demand.
- Increasingly well-educated, skilled migrants are helping to ease global labour pressures.
- UK businesses are finding it easier to recruit those with desired skills, however shortages persist in niche, high-skill areas.
- Key skills in demand include those of IT security architects, data and risk analysts, part-qualified accountants and civil engineers.
- Recommendations include:
 - Embracing skilled migration and facilitating greater workforce participation to address an ageing workforce.
 - Ensuring readiness for technological disruption through training and education.

The IPPR published [Another Lost Decade? Building a Skills System for the Economy of the 2030s](#), the latest report in a JPMorgan Chase-sponsored programme to identify strategies to improve labour market infrastructure and workplace skills globally.

- Productivity growth in the UK has stagnated and is falling behind European nations; at the same time, the UK economy will be transformed as a result of Brexit and trends such as rapidly advancing technology and an ageing society.
- Governments have assumed that 'supply-side' boosts to the skills level of the population alone will help workers succeed in the face of such challenges; the evidence suggests that improvements in skills levels must be complemented with action to increase employer demand for and utilisation of skills in the workplace.
- There are four priorities for reform:
 - boosting investment in the skills system
 - improving employer demand for and utilisation of skills to raise productivity
 - increasing the availability of high-quality specialist vocational provision
 - supporting industries and communities facing economic decline to adapt to the demands of the global economy.
- Recommendations include:
 - Expanding the Apprenticeship Levy into a 'Productivity and Skills Levy' to provide a £1.1b regional fund to drive skills devolution.
 - Introducing a 'Personal Learning Credit' worth up to £700 a year for low-paid, low-skill workers to help people invest in their future careers.
 - Supporting both demand for and utilisation of skills as part of a modern industrial strategy, including by establishing strong sectoral institutions to drive a collective commitment to skills and productivity.
 - Introducing a 'Personal Retraining Allowance' of £2,000 to support low-skilled workers made redundant to return to the labour market.
 - Establishing a cross-government framework to identify and monitor industries in transition.
 - Appointing a minister for productivity and skills.

The OECD launched a new [Skills for Jobs Database](#).

- Its goal is to provide regularly updated international evidence on skill shortages, surpluses and mismatch, going beyond the traditional measures based on occupations or field of study.

A suite of documents accompanying the above OECD Database includes [Getting Skills Right: Skills for Jobs Indicators](#), providing explanation and initial analysis.

- Three domains are measured and presented – skills, knowledge and abilities – with the indicators based on quantitative data from large-scale household surveys.
 - Shortages in ‘skills’ are concentrated in content skills (e.g. writing, speaking), process skills (e.g. critical thinking), complex problem-solving skills, and social skills (e.g. instructing).
 - In ‘knowledge’, the most common shortages are found in computers and electronics, education and training, and in some maths and science fields and the healthcare field; surpluses are found in transportation, manufacturing and production, and building and construction.
 - Verbal, reasoning, perceptual and quantitative ‘abilities’ are most commonly in shortage; surpluses are more frequent in manual and routine abilities (e.g. strength, flexibility, manipulation).
- The database can also be used to analyse how economies and jobs use and combine these skills.
 - The biggest shortages are found in occupations using several different skills simultaneously, with high intensity and across multiple knowledge areas; the biggest surpluses occur in low-skill intensive occupations

A number of short country profiles have been published, including [a UK profile](#).

The OECD Database accompanying documents also includes [Getting Skills Right: Good Practice in Adapting to Changing Skill Needs](#), exploring the role that policy can play in matching skill supply and demand, based on experience in France, Italy, Spain, South Africa and the UK.

- Changing skill demands brought about by broad-based trends like globalisation, technological change and rapid population ageing have contributed to skill imbalances across OECD countries.
 - While some degree of mismatch between the supply and demand for skills is inevitable, the cost of persistent skill imbalances for individuals, employers and society is substantial.
- All five countries have experienced significant labour market polarisation, while knowledge-intensive services have grown to represent a sizeable part of GDP in all four European countries.
- All five have shortages primarily in social and creative skills and STEM knowledge, while surpluses are predominantly in routine non-cognitive skills.
- Best practice principles in designing policies to reduce skill imbalances include:
 - Expanding opportunities to participate in adult learning; France grants training leave rights that are preserved on job loss and transferable between employers.
 - Linking training for the unemployed closely to labour market needs; in Finland, public procurement of training courses is based on estimated regional labour market needs.
 - Recognising formal and non-formal learning – it strengthens individual incentives to invest in training, promotes job-to-job transitions and reduces the incidence of under-qualification.
 - Strengthening employer incentives to invest in training but minimising the administrative burden; in Spain, an initiative provides free technical support to SMEs interested in developing an apprenticeship programme.
 - Involving the social partners in vocational education; in England, employer panels are leading on designing new apprenticeship standards.
 - Ensuring that HE and FE provision responds to labour market needs; in England, public funds are distributed to HE institutions in a way that promotes policy objectives.
 - Ensuring all relevant stakeholders are involved in the production of information on skill needs; the UK Commission for Employment & Skills (UKCES) used to play a key coordination role in producing skills intelligence and fostering sectoral and regional responses.

Cedefop published [Investing in skills pays off: the economic and social cost of low-skilled adults in the EU](#).

- European economies have recovered to varying degrees from the 2008 economic crisis, but the effects on labour market dynamics in many member states have proved profound and lasting.

- A persistent lack of employment opportunities, especially among the young and low-skilled, may lead to serious long-term consequences, including growing social exclusion, disengagement from the labour market and underuse of human resources.
- Low-skilled status must be conceptualised as a multi-dimensional and dynamic phenomenon, which goes beyond educational attainment to include a wider typology, such as those with obsolete skills and mismatched workers.

The World Economic Forum published [Accelerating Workforce Reskilling for the Fourth Industrial Revolution](#), a 'white paper' drawing on a dialogue among leaders and experts on shaping the future of education, gender and work.

- Skills mismatches and skills 'churn' have increased the need for adult skilling, reskilling and upskilling throughout a person's career.
 - By making the appropriate investments, companies and societies can reap the benefits of productive, innovative and experienced employees who continue to adapt and deliver over time.
 - However, opportunities for broad-based and inclusive reskilling are currently not available at the appropriate levels of access, quality and scale of supply in most countries.
- Growing awareness of technological changes associated with the 'Fourth Industrial Revolution' creates a new window of opportunity for concerted action for investing in the skills and potential of the future workforce at all ages.
- Improvements are needed in the way countries:
 - take stock of and recognise existing skills
 - understand skills demand
 - adopt the right mix of financing instruments
 - build and sustain motivation for adult learning
 - determine the role of different stakeholders and promote on-the-job training and informal learning opportunities
 - reach SMEs and lower-skilled and older workers.
- Shorter learning modules need to be created to foster continued learning; teaching needs to be customised for adults, and the power and scalability of blended and online learning need to be harnessed.

The report includes examples of successful implementation led by businesses and the public sector, plus an 'action framework' of how different stakeholders can contribute to building a robust and inclusive ecosystem for adult reskilling.

Cedefop published [People, Machines, Robots and Skills](#), a briefing note arguing that joblessness in the digital age will depend on human, not artificial, intelligence.

- Historically, technology has had positive effects on employment, but now innovation cycles are much faster and disruptive changes – such as big data, cloud computing and the digital platform economy – are leading to changing skill needs in all sectors.
- The greatest effect of technology is the way it is transforming jobs and content.
 - 10% of adult workers in the EU are at risk of technological skills obsolescence; 21% think it very likely that several of their skills will be outdated in the next five years, rising to 30% for those working in ICT services.
 - A worryingly high share of EU workers are excluded from the digital economy, including 56% of those in elementary occupations.
- Digital skills are among those most likely to be developed through non-formal and informal learning, therefore promoting digital skill use in more workplaces, especially in SMEs, is important.
- Easier and more widespread validation of digital skills acquired non-formally and informally would make them more visible and improve job prospects.
- Training in digital skills should be targeted at specific groups falling on the wrong side of the digital divide.
- New forms of partnership are needed, involving employers, social partners, learning institutions and governments at various levels working together.

The World Trade Organisation published [Investing in Skills for Inclusive Trade](#), focusing on the links between trade and skills development policies.

- Skills development policy is a key instrument that can enable firms and workers to participate in trade by lowering adjustment costs and distributing more evenly the benefits of progress.
- There are four main mechanisms through which trade affects the relative demand for skills.
 - It raises the demand for products in which countries have a comparative advantage and increases the demand for factors used intensively in their production, including skills.
 - It leads to firm selection, driving out the least productive and allowing the most productive to expand; more productive firms tend to have a higher relative demand for skills.
 - As tasks are offshored, the tasks performed both offshore and onshore increase in complexity.
 - Lower trade costs may induce skill-biased technological change, i.e. a change in the production technology that favours high-skilled over low-skilled labour by increasing its relative productivity.
- Recent trends suggest that trade and offshoring are associated with a decline in demand for medium-level skills in developed countries, and an increase in high-level skills; they also alter the type of skills demanded.
 - Medium- and high-skill occupations that require social interaction, communication and non-routine abstract thinking experience the most significant increase in demand.
 - New technologies are complementary with high-skilled labour and often replace low-skilled labour.
- Labour market frictions and an unresponsive skills supply system result in a tendency towards greater wage inequality between high-, medium- and low-paid jobs.
 - Skills mismatches can amplify the impact of trade on the skill premium, lead to higher unemployment for certain skill groups and constrain expansion of successful firms.
 - Skills upgrading can dampen the impact on wage differences and increase the employment shares of skilled workers.
- Principles that may be helpful for responding effectively include:
 - coherence across trade and skills policy
 - broad access to lifelong learning
 - targeted training for those at risk of displacement
 - investment in training for employed workers
 - strong 'core' work skills
 - skills needs analysis and anticipation
 - effective labour market information and employment services
 - quality and relevance in skills development.

SKILLS GAPS & SHORTAGES

The CBI and Pearson published [Helping the UK Thrive: Education and Skills Survey 2017](#), presenting the responses of 344 companies.

- School leavers:
 - The most important factors employers consider when recruiting school and college leavers are: attitude to work (86%), aptitude for work (63%) and general academic ability (43%).
 - 71% are satisfied with teamwork skills and 67% with attitudes to work; 51% are dissatisfied with analytical skills, and 48% with behaviours such as resilience and self-regulation.
 - Only 34% rate as satisfactory the foreign language skills of school and college leavers, with the major EU languages of French (51%), German (47%) and Spanish (45%) most commonly mentioned as in demand.
 - Businesses value qualifications as demonstrating effort, capability and readiness to learn, but 48% have no particular preference between academic and vocational, and 31% prefer a mix of both.
- Employer links:
 - 81% have at least some links with schools and/or colleges (83% in Northern Ireland): 66% with schools and 63% with FE colleges.

- A positive balance of +31% have increased engagement with primary schools over the past year, +35% with secondary schools and +45% with FE colleges.
- 81% of those with links to secondary schools are involved in delivering careers advice and talks, while 78% offer work experience placements, 92% of them for one or two weeks.
- 75% are willing to play a greater role in delivering careers advice in schools and colleges, but 72% have experienced barriers, including a lack of interest among schools or pupils (47%), and lack of guidance and support on making work experience worthwhile (35%).
- Skills needs:
 - A net balance of +73% expect to need more people with higher-level skills over the coming years, +34% intermediate-level skills, and +69% leadership and management skills.
 - 29% expect to cut back on the number of low-skilled jobs, compared to 20% that expect to grow them – a net balance of -9%.
 - 61% are not confident there will be enough people available in the future with the necessary skills to fill their high-skilled jobs; net confidence balances range from -25% in Scotland to -35% in Northern Ireland.
 - 45% have had to organise training in at least one basic skill for some adults recruited in the past year (50% in Northern Ireland).
- Apprenticeships:
 - 83% operate apprenticeship programmes, with an expansion in 'non-traditional' sectors such as professional services (74%).
 - 49% have experienced difficulty in recruiting apprentices or expect to do so in the next three years (53% in Northern Ireland).
 - 63% plan to use the Apprenticeship Levy to invest in upskilling their workforce by reconfiguring their existing training into apprenticeships; 27% will be cutting back on non-apprentice training, and 23% curbing their graduate intakes.
- Graduate recruitment:
 - 85% have maintained or increased their levels of graduate recruitment over the last year; a balance of +2% report higher graduate intakes in Northern Ireland (+6% in London).
 - Most businesses are satisfied with graduates' basic skills and general readiness for employment; 96% report satisfaction or better with IT skills, 92% with literacy/use of English and 91% with numeracy.
 - Areas where graduate job seekers are often seen as having weaknesses are international cultural awareness, business and customer awareness, and self-management and resilience.

47% of respondents had at least some employees in Northern Ireland, Scotland and/or Wales; 22% were based in Northern Ireland. Although some national statistics are highlighted, in general there is no national breakdown.

Pearson and Nesta published [The Future of Skills: Employment in 2030](#), which uses a novel and comprehensive method to map out how employment is likely to change.

- The methodology combines trends analysis, foresight workshops and careful analysis of the results from a machine learning classifier, trained to generate predictions for all occupations.
- It 'challenges the false alarmism that contributes to a culture of risk aversion and holds back technology adoption, innovation, and growth', and calls for investment in skills to be 'at the centre of any long-term strategy for adjusting to structural change'.
- Around 10% of the workforce are in occupations likely to grow as a percentage of the workforce; around 20% are in occupations likely to shrink – a much lower figure than recent studies of automation have suggested.
- 70% are therefore in jobs where we can't know for certain what will happen; however, skills findings suggest that occupation redesign coupled with retraining could promote growth in these occupations.
- Many of the jobs likely to fall in employment are, unsurprisingly, low- or medium-skilled, although not all such jobs are likely to face the same fate.
 - Manufacturing production, administrative, secretarial and some sales occupations are likely to decline.

- Agricultural, skilled trades and construction occupations may have pockets of opportunity throughout the skills ladder.
- Non-tradable services, such as food preparation, elementary services and hospitality are likely to grow in importance; they are associated with differentiated products, which consumers increasingly value, and may therefore be ripe for job redesign and skills upgrading.
- Public sector occupations, including education and healthcare, feature prominently and are predicted to see growth, and buoyant demand is expected for some, but not all, professional occupations, such as creative, digital, design and engineering.
- In terms of skills, there is a strong emphasis on interpersonal skills, higher-order cognitive skills and systems skills.
 - The ability to recognise, understand and act on interconnections and feedback loops in sociotechnical systems – judgement and decision making, systems analysis and systems evaluation – feature prominently.
- Broad-based knowledge areas such as English language, history, philosophy and administration and management are strongly associated with occupations projected to grow.
- Complementary skills associated with higher demand are customer and personal service, judgement and decision making, technology design, fluency of ideas, science and operations analysis.
- Two new occupation types for the future are identified by the model.
 - One has high levels of creativity and combines traditional craft and tech-based skills; the other fits hospitality and sales occupations and requires originality, flexibility and management skills.

They have also published [The Future of Skills: Trends impacting on UK employment in 2030](#), which provides useful contextual information gathered as part of this research.

Nesta published an [update on its *Prototype Skills Map*](#), based on a dataset of over 11,000 unique skills and software programs drawn from job adverts and mapped to occupations.

- The aim is to build up a detailed picture of the latest skills required in a range of occupations, and identify the key changes in skill demands over time.
- The top ten skills for employers in 2014–16 were:
 - Communication; organisational; planning; customer service; Microsoft Excel; business management; teamwork/collaboration; writing; detail-orientated; and sales.
- The skills that have shown the fastest growth in mentions between 2012–14 and 2014–16 are:
 - Big data; IT industry experience; contract accountancy; onboarding; digital marketing; information security; transportation logistics; front-end development; patient care; and mental health.
- The ten skills now mentioned less often are:
 - Warehouse management; basic internet; materials design; mechanical design; advertising sales; insurance underwriting; retail sales; teaching English; computer numerical control; derivatives.

TRAINING & DEVELOPMENT

England's Department for Education published [Using behavioural insights to examine benefit claimants' approaches to training opportunities](#), with research by the Institute for Employment Studies.

- Claimants were generally open and willing to train, particularly if they felt it was a good fit with their skills and experience and would add value by helping them to work towards their employment goals.
- All claimants who had a constructive, two-way dialogue on training options decided to undertake training.
- For some claimants, making training mandatory created a sense of anxiety that overshadowed the learning experience.
- Some wanted greater access to training leading to recognised qualifications, of longer duration or at a more advanced level.

- Matching a claimant's capability to training opportunities and generating motivation requires an in-depth understanding of the claimant's skills, experiences and work goals, plus an understanding of the local labour market.
- The type of training claimants undertook was influenced by whether they had self-referred or were mandated to training, and by their awareness and understanding of provision.
 - Mandated claimants were more likely to take employability courses, such as CV writing or job-search skills.
 - Self-referred claimants were more likely to take vocational courses.

The UK Department for Business, Energy & Industrial Strategy (BEIS) published the 2016 [Longitudinal Small Business Survey](#).

- Responses were received from 9,248 owners and managers of UK SMEs, including 374 in Northern Ireland (NI).
- 55% of UK SMEs had arranged or funded training in the previous 12 months (52% in NI, compared to 62% in Wales), the same as in 2015, but 5ppt lower than in 2010.
 - By sector, the highest figures were in human health (85%) and education (80%), and the lowest in retail/wholesale (45%).
 - The overall figure for medium-sized businesses was 91%.
 - 41% provided off-the-job training and 44% informal on-the-job training (the same as 2015).
- 34% provided training for managers, down 3ppt due to a decrease among micro-businesses; 21% provided training only for other employees, up by 2ppt.
 - 83% that offered training to managers provided it for technical, practical or job-specific skills; 63% in health & safety; 41% for leadership and management; 38% for IT skills; 36% for team working; 24% for financial management.
- 17% had offered formal apprenticeships in the last three years, down 2ppt, again driven by micro-businesses.
 - Apprenticeship offers were most likely to have been made in the previous three years by employers in education (36%), human health (29%), manufacturing (26%) and construction (23%).
- 30% said recruitment and skills were major obstacles; this was highest in Northern Ireland, at 35%.
 - Of those concerned about recruitment and skills: 78% cited recruiting staff as a specific obstacle, up 4ppt (75% in NI); 70% shortages of skills in the external labour market (70% in NI); 45% skills shortages in the existing workplace (57% in NI); and 29% shortage of managerial skills/expertise (42% in NI).
 - Those in construction (94%) and manufacturing (79%) were most likely to mention skills shortages in the external labour market, and those in construction (53%) skill shortages in the existing workplace.

The World Economic Forum published its [2017 Global Human Capital Report](#), which ranks 130 countries across four dimensions and five age groups.

- Core to the Index is the concept that investment in developing talent across the lifecycle – through education and employment – enhances human capital.
 - Even with similar levels of upfront educational investment, on-the-job learning is critical for generating returns on the initial investment as well as ensuring that people's skills grow and appreciate in value over time.
- The dimensions are:
 - Capacity: the level of formal education as a result of past education investment.
 - Deployment: skills application and accumulation among the adult population.
 - Development: formal education of the next-generation workforce, and continued upskilling and reskilling of the current workforce.
 - Know-how: breadth and depth of specialised skills-use at work.
- Among the findings:
 - Nations are neglecting or wasting, on average, 38% of their talent; only 25 nations have tapped 70% or more of their people's human capital, while 14 countries score below 50%.

- The top five countries are Norway, Finland, Switzerland, the USA, Denmark and Germany.
- The UK ranks 23rd overall: capacity 54th; deployment 51st; development 17th; know-how 10th.
- The leading countries are generally economies with a longstanding commitment to their people's educational attainment, which have deployed a broad share of their workforce in skill-intensive occupations across a wide range of sectors.

The website features a Data Explorer tool, making it possible to compare countries, plus comprehensive ranking tables by age group, region and income group.

[Adult Learning and Qualifications in Britain](#) by Andrew Jenkins of the UCL IOE, published via Academia, counters the prevailing view that few people gain qualifications in adulthood and that almost no-one upgrades to higher levels of qualification.

- Data from the 1958 British birth cohort dataset (the National Child Development Study) suggest that, of 9,000 respondents, around 71% obtained a qualification between the ages of 23 and 50, and 52% did so between 33 and 50.
- There was considerable evidence of progression between levels:
 - Of 2,500 people who were below Level 2 at age 23, 20% had reached at least Level 2 by age 33, and 38% by age 50.
 - 43% of those at Level 4 or above at age 50 had only reached that level after the age of 23.
- The 1958 cohort obtained their qualifications within a policy environment that was broadly favourable to adult education, but which is now very poorly aligned to the goal of upskilling significant proportions of the workforce.
 - Participation in further education and the numbers of part-time mature students in higher education have fallen dramatically.

CESifo published [Can Subsidising Job-Related Training Reduce Inequality?](#)

- Training subsidies for the unskilled have a significant impact on their labour income.
- However, the subsidies also increase earnings for skilled workers and raise aggregate income, implying that training subsidies are not very effective in reducing inequality when measured as the distance between skilled and unskilled wages and incomes.

OLDER WORKERS

A European Commission cross-agency report, [Towards age-friendly work in Europe: a life-course perspective on work and ageing from EU Agencies](#), highlights the range of interacting factors involved in achieving sustainable work.

- Eurofound (the European Foundation for the Improvement of Living & Working Conditions) provides a statistical analysis of data from the European Working Conditions Survey (EWCS), and discusses policies developed by EU member states to keep workers at work and foster longer working lives.
- EU-OSHA (the European Agency for Safety & Health at Work) provides policy examples showing how challenges related to occupational safety and health and demographic change can be tackled through an integrated, multi-disciplinary approach.
- Cedefop focuses on the role of VET and related policies to support active ageing by keeping older workers employed, active and skilled.
 - It presents recent demographic and labour market trends, including employment, skills and lifelong learning participation.
 - It covers guidance and counselling for mature learners, the role of suitable learning approaches, validation and comprehensive age management strategies in enterprises.
- EIGE (the European Institute for Gender Equality) considers the different challenges that men and women face and how lifelong inequalities accumulate and result in limited economic independence for many, particularly in older age.

EMPLOYMENT: RIGHTS, RESPONSIBILITIES & WAGES

The UK Department for Business, Energy & Industrial Strategy (BEIS) published [Good Work: The Taylor Review of Modern Working Practices](#), looking at the UK labour market.

- Strong levels of employment are accompanied by persistent underemployment, with the number of workers wanting more hours remaining at around 3.5m, compared to 2.5m at the start of the recession.
- There are strong flows from employment to unemployment and inactivity, and vice versa.
- 'Traditional' full-time employment has only declined by 1.6ppt over the last 20 years, to 63.0%; 71.2% of employees are in permanent employment.
- The key factor affecting the extent to which the labour market works for everyone is an imbalance of power between individuals and employers; at a local level this is linked to immobile labour.
- The current employment status framework and the rights of individuals under each state are difficult to understand.
- Recommendations are based on seven key policy approaches, including:
 - The British strategy for work should be explicitly directed towards the goal of good work for all: the same basic principles should apply to all forms of employment; there is a need to adapt to technological change, but it can also offer smarter regulation, more flexible entitlements and new ways for people to organise.
 - The flexibility and new opportunities offered by platform-based working should be protected, while ensuring fairness for those who work through such platforms and those who compete with them; there is a need to be clearer about the difference between 'dependent contractors' and those who are self-employed.
 - Everyone must feel that they have realistically attainable ways to strengthen their work prospects, and can record and enhance capabilities developed through formal and informal learning, both on and off the job.
- Specific recommendations around skills include:
 - Examining how the new apprenticeship system could be made to work better for atypical workers; and considering making Apprenticeship Levy funding available for off-the-job training other than apprenticeships, once the 3m target is achieved.
 - Exploring a new approach to learning accounts, perhaps with a focus on those who have a long working record but need to retrain, and those in receipt of Universal Credit.
 - Bringing together employers and the education sector to develop a unified framework of employability skills and a consistent strategic approach to employability and lifelong learning, possibly linked to a lifetime digital learning record.
 - Paying particular attention to how those in low-paid and atypical work are given careers support that helps them to progress.
 - Stamping out 'exploitative unpaid internships, which damage social mobility'.

The UCL IOE published [Economic activity and health](#) – initial findings from the Next Steps Age 25 Sweep, which analysed data on more than 7,700 people living in England born in 1989–90.

- Having a zero-hours contract and being unemployed were associated with poorer self-assessed general health, after taking into account individual and behavioural characteristics.
- There was no statistically significant association between shift work and reporting good, very good or excellent health.
- Shift workers were at higher risk of mental ill health than non-shift workers; those with zero-hours contracts were at greater risk than those not on such contracts; those who were unemployed were more than twice as likely to have psychological disturbance as those in work.

ACAS published [Flexible working for parents returning to work: Maintaining career development](#), which considers the impact of flexible working arrangements (FWAs) on individual working lives as well as team and organisational effectiveness.

- When flexible workers actively 'craft' their work environments they improve their own efficiency and may also benefiting their team's productivity.
 - They help colleagues more, and are more focused in their work effort; managers feel they are more organised and productive.
- Homeworkers are more efficient due to fewer distractions, although they may experience more barriers to greater productivity, such as communications and team coordination issues.

- Employees allowed to work flexibly tend to demonstrate greater commitment and a willingness to 'give back' to the organisation.
 - However, a greater willingness to work overtime, take work home, etc. can result in greater work intensification.
- There is evidence that occupational stress can be reduced through less work-life conflict and commuting stress and fewer interruptions.
 - It can also be increased through work intensification, conflicts with co-workers and disrupted information flows.
- Managers expect those working flexibly to be 'flexible with flexibility'; they need to ensure fairness and consistency and avoid ad hoc arrangements.
- Hidden benefits include employees working at their peak hours of productivity, helping others and being highly committed.
- Hidden penalties include the tendency to under-value flexible workers or perceive them as lacking in ambition, and therefore fail to include them in senior management teams.
- Inconsistency in the application of flexible working policy can disrupt working relationships, while flexible workers often feel that more senior roles might not be open to them.

The Chartered Management Institute and British Academy of Management published [Delivering Diversity: Race and ethnicity in the management pipeline](#), based on research involving several universities.

- 12.5% of the UK population are black, Asian and minority ethnic, but they hold only 6% of senior management positions.
- Recommendations include:
 - Building diversity training into management and leadership development as a requirement for career progression.
 - Involving more role models from all levels to show that career progression is possible, and more mentoring, including peer mentoring, mentoring circles and reverse mentoring.

Government

NORTHERN IRELAND

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

ENGLAND

The Department for Education published [Assessing the vocational qualifications market in England](#), including an annex of evidence from Denmark, Singapore, the Netherlands, Canada and Finland.

- Four key characteristics – each with a suite of indicators – demonstrate efficiency in the vocational qualifications (VQ) market:
 - Recognisable: all relevant stakeholders can quickly and easily identify learners' skill levels.
 - Rigorous: all learners holding the qualification meet the required standard.
 - Responsive: content remains relevant and responds positively to changing employer and learner demands.
 - Innovative: awarding organisations are able to find new and better ways of meeting current or anticipated demand.
- Tensions between the above 'RRRI' characteristics mean that it may not be possible to achieve all at once; given the potential for trade-offs, different characteristics can be seen as important for different parts of the market.
- In England, there is evidence of the following market weaknesses:
 - Misaligned incentives, potentially leading to a 'race to the bottom' in terms of rigour.

- Insufficient content regulation, potentially leading to lower rigour.
- High barriers to training providers switching between awarding organisations (AOs) in other parts of the market, potentially leading to lower rigour, responsiveness and innovation from AOs.
- Smaller training providers lacking the tools and capacity to navigate the system, potentially leading to lower rigour, recognisability, responsiveness and innovation from AOs.
- Smaller employers are less likely to be represented in the development of vocational qualifications, potentially leading to lower responsiveness from AOs.
- Insufficient head-to-head competition on qualifications between AOs, potentially leading to lower responsiveness and innovation from AOs.
- Designing structural reforms in the market requires a number of decisions along key dimensions, and each of these involves trade-offs between benefits and risks.

The Department for Education published [Traineeships: Year Two Process Evaluation](#), exploring the views and experiences of trainees, providers and employers.

- 58% of the trainees surveyed were aged 16–18; 23% said they had a disability or learning disabilities; 85% were qualified to Level 2 prior to starting the scheme.
- 82% were satisfied with the traineeship overall (up from 79% in year one), including 47% who were very satisfied.
- 84% felt that the traineeship had helped them to develop skills required for the workplace, and 83% felt it had improved their chances in future job applications.
- 54% of those no longer on the traineeship were either on an apprenticeship (20%) or in work (34%); 12% were in training or education.
 - Those who left the traineeship early – usually to study or for employment – were in similarly positive destinations, although slightly less likely to be in an apprenticeship (17%).
 - Those aged 16–18 were more likely to be in a positive outcome (74%) than those aged 19 or over (56%); the respective proportions for apprenticeships were 27% and 11%.
- 40% of those who were employed or on an apprenticeship were in the same organisation where they did the work experience element of the traineeship; 24% were in a different organisation but in the same industry.

The Institute for Fiscal Studies published [Higher education funding in England: past, present and options for the future](#), a briefing note that considers the impact of recent changes.

- The shift from grants to student loans has dramatically reduced deficit spending and reduced the expected long-term taxpayer contribution, although the latter has become more uncertain.
- Students now graduate with average debts of £50k, and £57k for the poorest students.
- The recent reforms have considerably changed the landscape for UK universities, including the relative per-student income of providing different courses.
- Cutting fees while protecting university funding would increase the deficit and the long-run taxpayer contribution, but would also increase flexibility; replacing the fee income by teaching grants would allow government to target high-priority subjects e.g. STEM, or particular students e.g. the disadvantaged.

The Centre for Research on Learning and Life Chances in Knowledge Economies & Societies (LLAKES) at the UCL IOE published [The Case for an All-Age Graduate Tax in England](#).

- The debt repayment obligations of new graduates are:
 - inequitable, because students are expected to pay for HE opportunities that previous generations of graduates received for free
 - difficult to sustain, because 75% of current borrowers are not expected to be able to repay their loans in full, making the long-term fiscal foundations both uncertain and weak.
- Many argue that it is also inequitable to load too much of the costs of HE on non-graduate taxpayers.
- Two options are presented, both with a £21,000 earning threshold:
 - 2.5% of taxable income for employed graduates in England aged 20–64 who received a subsidised education in an English university.

- 2.0% of taxable income in the basic rate tax band and 3.0% of taxable income in the higher rate tax band.
- The proposed tax would have three key advantages:
 - It would be applied to all existing generations of graduates, not just to recent graduates.
 - Graduate tax payments made by those earning over £21,000 would be lower at all levels of earnings than current annual loan repayments.
 - An all-age graduate tax would contribute to government tax revenue from the first year that it was introduced, bringing substantially more revenue than current loan repayments.

The Higher Education Funding Council for England (HEFCE) published [Evaluation of the National Networks for Collaborative Outreach \(NNCOs\)](#).

- HEFCE allocated £22m to fund 38 NNCOs from 2014 to 2016, comprising 200 universities and FE colleges and a range of formal and informal partners.
- The scheme:
 - created networks of universities, colleges and other partners to deliver outreach in their sphere of operation
 - provided national coverage of outreach so that all state secondary schools and colleges know how to access information about outreach activities
 - established a single point of contact for each network.
- Partners were almost wholly positive about involvement in the scheme; FE colleges in particular reported that the scheme had been of significant value.
- The scheme has been successful in terms of effective collaboration, an overall expansion of provision and resources, and a better evidence base for activities.
- There are now: stronger and more coordinated relationships between HEIs, FE colleges and other new partners; better strategic direction at network level; and better formal and informal links between academics and practitioners.
- Greater engagement has been demonstrated with schools not previously involved in activities; they reported an impact on learning, and an appreciation of the time and resources offered to their pupils.

SCOTLAND

The Fraser of Allander Institute at the University of Strathclyde published [The value of college graduates to the Scottish economy](#), commissioned by Colleges Scotland.

- Colleges are described as 'significant economic institutions in their own right', whose activities 'support and sustain employment' and 'develop Scotland's growth potential through enhancing human capital'.
- For 2008/09–2015/16 graduate cohorts:
 - Scottish GDP will be better off by more than £20b over the long-term, amounting to around an extra £55k boost to productivity per graduate.
 - The present value of the increase in public sector revenues is estimated to be £6.8b.
 - Total costs to the public sector of investing in these learners was around £2.4b (35% of the cumulative tax revenues generated).
 - The investment is estimated to support 13,896 full-time equivalent jobs in present value terms.

WALES

The QAA published [Reviews of Higher Education in Wales: Key Findings 2010–16](#) of 10 universities and three colleges.

- Areas of strength include:
 - employability
 - postgraduate delivery, management and training
 - teaching – almost all institutions require staff to have or undertake a formal teaching qualification
 - use of data to support improvements in learning and teaching

- communicating with and engaging students in their learning.

REPUBLIC OF IRELAND (RoI)

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

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