Skills Research Digest
Quarter 4 2020

Department for the Economy
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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.

For ease, items focused exclusively on COVID-related issues are listed first within each section.

Highlights this quarter include:

- There continues to be a focus on ways in which the pandemic has acted as a catalyst for change in the workplace, 'turbocharging' the adoption of both technology and more flexible practices.

- There is also an increasing sense of urgency around the need for coherent, universal and lifelong support for skills. Whether in response to COVID-19, automation or the ambition for net zero, there appears to be consensus around the key elements.

- Related to this are several items highlighting the critical role of both FE and HE in the local as well as national recovery.

* 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.

Contents

Preparing Young People for Work

16–19 EDUCATION

Ecorys and the University of Huddersfield published *To Lockdown and Back: Young people's lived experiences of the COVID-19 pandemic*, **the first report from their Nuffield-funded research project Growing up Under COVID-19.**

- It presents findings from an initial phase of qualitative research carried out July–September with 62 14–18 year-olds from seven countries, including the UK.

- Findings cover topics including: coping mechanisms and adjustments; impacts on self and others; public attitudes, behaviours, social issues and the media; political and public health responses; and hopes, concerns and aspirations.

England's Department for Education published *International progression report: Good practice in technical education (Final report)*, **exploring how other countries support progression in upper secondary technical and vocational education & training (TVET).**

- It considers eight countries with similar demographics to England, where technical education is recognised as a strength: Australia, Denmark, Finland, France, Germany, the Netherlands, New Zealand and Norway.

- Among the findings:
  - Level 2 (L2) equivalent qualifications are a significant part of the offer in all the countries except Finland; most have a very limited number of qualification types at that level, although they are available in a wide range of occupational areas.
  - In six countries qualifications are modularised, allowing for some flexibility in programme design and for recognition of partial achievement.
  - In Denmark, Norway and Germany an apprenticeship is a requirement for most occupations; in the Netherlands, the same qualifications can be obtained through work- or classroom-based routes.
  - Most countries have a 'transition' programme for those not deemed able to complete upper secondary TVET.
  - In Denmark, Finland, France and Germany there is an emphasis on providing flexible and personalised learning pathways and promoting validation of prior learning.
  - In the Netherlands and New Zealand, recent and current reforms focus on developing smooth transitions and continuous learning pathways between lower and upper secondary.
  - In Australia all working-age people without at least a L2-equivalent certificate have an entitlement to a subsidised training place.
  - In response to low completion rates and poor attainment, Norway is currently exploring how classroom-based courses can be made more similar to apprenticeships.

England's Department for Education published *Behavioural insights and engagement with technical education*, **the findings from a one-off study.**

- England's current reforms are expected to result in technical qualifications that better suit employer requirements and make them easier for learners to navigate.
  - However, young people will require additional support to make informed choices in an environment where A levels are seen as the default.

- Following the behavioural insight team's TESTS methodology (target, explore, solution, trial, scale), the following potential solutions were developed to counter various behavioural biases:
  - Encounters with regular real-life scenarios, both in and out of school, so that young people develop experiential insights about and greater familiarity with technical education.
  - Exposure to other students who have experience of technical education and first-hand insight into the dilemmas students face in an environment where A levels are the social norm.
  - Technical education information provided automatically with timely prompts, so that young people do not have to seek out information about pathways and institutions.
  - More consistent use of labour market information to convey the returns of technical education, so that young people appreciate the employment benefits of technical options.

- Information on the ties between technical education and skilled employment and employer involvement in its design, including by using employers to relay information, so that technical education is not perceived as a lower status path.
- Reflective interventions embedded in careers advice to counteract negative prior assumptions about technical education.
- Drip-feeding information and experiences to help young people consider how their interests might align with technical education, so they do not feel like they are giving up favourite subjects/teachers.

SCIENCE, TECHNOLOGY, ENGINEERING & MATHS (STEM)

The Centre for Vocational Education Research (CVER) published *Gender, achievement, and subject choice in English education*, documenting changes over the last 20 years in the light of international evidence.

- The underachievement of boys overall but their over-representation in STEM presents significant challenges for policy; in terms of underachievement, the literature suggests:
  - The very small differences in intrinsic cognitive abilities do not consistently favour either sex; however, this does not prevent stereotypical attitudes and bias that might lead to inequality.
  - The OECD finds that students' attitudes towards learning, behaviour in school, use of leisure time and self-confidence are all important reasons for the gender gap.
  - Males are over-represented in populations with learning disabilities, antisocial behaviour, attention disorders, dyslexia, stuttering and delayed speech; these are subject to strong environmental influences, with boys' behaviour more strongly affected by parental inputs than girls'.
  - There is evidence that adolescent girls score higher in tests measuring non-cognitive skills such as attentiveness, organisational skills and self-discipline.
  - Girls and boys react differently to school and family problems: boys through behavioural problems and girls through anxiety and depression; both lead to poor outcomes in the longer term.
  - The high stakes nature of the GCSE and subsequent tracking to different 'pathways' aligns with the age at which boys are going through adolescence – gender gaps in attainment are lower in countries that track students at an earlier age (although this also has disadvantages).
  - As males are not going to university to study degrees in such high numbers, they may benefit disproportionately from reforms to expand higher-level vocational education.
- In relation to girls' participation in STEM:
  - Many studies find even girls who are equally competent to boys have lower self-efficacy in maths at all stages of education; this can be accentuated by teachers' gender stereotypes.
  - Boys have more confidence, self-efficacy and competitiveness, which all have an impact on STEM-related participation, as students perceive STEM to require technical mastery.
  - The literature suggests girls are sensitive to the 'female friendliness' of their educational environment both at school and in tertiary education, manifesting itself in a dislike of competitive environments and a positive response to female role models.

The Centre for Economic Performance (CEP) published *Gender differences in tertiary education: What explains STEM participation?*, a review of evidence on how well prepared male and female students may be for studying STEM.

- Women remain severely under-represented in maths-intensive science fields; the STEM gender gap in tertiary education results from factors that influence the educational preparedness of those who are 'STEM ready' at the point of making choices; the factors are often similar, e.g.:
  - Lack of confidence among females, particularly with regard to maths ability
  - Lack of 'female friendliness' of educational environments, including in upper secondary education
  - The common stereotyping of male and female abilities and of particular fields of study.
- Policy responses need to vary by educational system, e.g.: curriculum reform in upper secondary education as shown in Denmark; improving the quality of teachers to remove grading along the lines of gender stereotype as in Greece.
- Some policy ideas could be tested without making major changes to curriculum or personnel, e.g.:
  - Providing students with more information on their own performance relative to a broader cohort

- Experimenting with teaching high-ability students maths and science within gender-specific groupings.
- There are numerous interventions to encourage more girls and women to enter and stay in STEM – the need for more female role models in such fields stands out in this review.
    - However more evaluation is required, as well as dissemination of their findings.

The Royal Society of Chemistry (RSC) published *Is chemistry accessible for all? Learning from five years of outreach to widen participation*, drawing on research by the Institute of Education.

- In 2014, the RSC set out to explore and address the barriers to participation in post-16 UK chemistry education through its five-year research and outreach study, Chemistry for All.
- Four English universities conducted a wide-ranging programme of intervention activities in 17 schools, aimed at less advantaged students who might not normally study chemistry.
- 53% of participants stated an increased interest in science/chemistry compared with 28.8% in comparison schools; students also expressed a higher level of confidence.
- Key findings:
    - **Utility value**: designing outreach programmes that raise students' perceptions of how science/chemistry can benefit not only specific jobs, but careers in general will help raise their aspirations to continue studying.
    - **Intrinsic motivation**: providing science clubs and ambassadors – volunteers who provide career talks and advice and run demonstrations – increases students' interest in science/chemistry, particularly when the ambassadors are relatable for the students.
    - **Self-confidence** is improved by opportunities to get involved in extracurricular activities, particularly if they are able to make connections with role models who are 'people like me'.
    - **Encouragement** from family and teachers improves self-confidence, regardless of background.
    - **Personal value**: examples of successful people who have 'worked hard' rather than relying on 'natural cleverness' help to make chemistry feel more appealing and approachable.

A separate report with full findings is available here.

The Institute of Labor Economics (IZA) published *High-ability influencers? The heterogeneous effects of gifted classmates*, on how exposure to gifted students (in the context of the Swiss education system) affects achievement in secondary school, enrolment in post-compulsory education and occupational choices.

- The strongest effects are seen among male students and high achievers.
- Male students benefit from the presence of gifted peers in all subjects regardless of their gender, whereas female students seem to benefit primarily from the presence of female gifted students.
- Exposure to gifted students in school has 'powerful, lasting effects' on career choices and post-compulsory education – it is a catalyst for pursuing an academic track or STEM-intensive vocational training.
    - However, it is found to perpetuate (and even deepen) the gender gap in the likelihood of choosing occupations that require higher STEM skills.
    - Males – but not females – react to gifted peers by taking up STEM-intensive occupations.
- Gifted students diagnosed with emotional or behavioural disorders have no or negative effects on their classmates' performance.
- Gifted students are fundamental forces who should not be ignored in designing successful policies, especially when considering whether they should be segregated in more 'elite' schools/programmes.

EMPLOYABILITY & CAREERS

COVID-related

CEP published *Generation COVID: Emerging work and education inequalities*, initial findings from a survey of 10k people undertaken in September/October.

- 'Generation COVID' had experienced worse labour market outcomes in terms of job loss, not working and earnings losses during and after lockdown.

- Those aged 16–25 were over twice as likely as older employees to have suffered job loss, with over 10% losing their job and just under 60% seeing their earnings fall.
- Labour market losses were more pronounced for women, the self-employed and those who grew up in a poor family.

- University students from the lowest income backgrounds lost 48% of their normal teaching hours, but those from the highest income groups only lost 40%.
  - Female students were far more likely than males to report that the pandemic had adversely affected their wellbeing.

There were also important inequalities in learning loss among school students, but these are not broken down by age or phase.

Cedefop (European Centre for the Development of Vocational Training) published *Career guidance policy and practice in the pandemic: Results of a joint international survey*, from June to August 2020, based on responses from 93 countries.

- 40% said that career guidance had been part of policy actions to deal with the pandemic, mainly in relation to online learning, reskilling and upskilling; 40% said that it had not.

- Innovative practice included greater use of social media and online resources, along with other changes to make guidance more accessible; this could result in more equitable practice in the future.
  - While digital means were widely used, lower-tech solutions – such as telephone support – appear to have more relevance for vulnerable groups.

- Cooperation was led by individual providers rather than motivated by inter-ministerial coordination.
  - There was some evidence of a rise in collegial support among practitioners, and of cooperation between practitioners and new actors such as social workers or health professionals.
  - Many countries established national career guidance forums or similar that brought together relevant partners to share knowledge at national, regional and local levels.

- There was increased demand for services during the first stages of the pandemic, in particular for labour market information, job search assistance, reskilling opportunities and other education and training.
  - There was also a considerable increase in demand for psychosocial support, reflecting the uncertainty created for specific groups: final-year students; low-skilled, low-qualified and low-income workers; and the unemployed and other workers at risk.

- Career guidance can contribute to the recovery in terms of efficient investment in education, skills development, labour market efficiency and social inclusion; it can support new distance and blended learning provision.
  - Debate has focused on systems adaptation: the supply or provision of blended forms of career guidance and the move towards remote forms of delivery.
  - Individualised solutions are important: career counselling, coaching, mentoring and psychosocial support.
  - Existing problems of access have increased, especially for people with disabilities, migrants and refugees.
  - Guidance can contribute to social inclusion and support, such as accessing social protection benefits and accessing learning and work by women, migrants and refugees.

Other research

The Learning & Work Institute (L&W) published *Unleashing talent: Levelling up opportunity for young people*, the final report of its Youth Commission.

- It provides a blueprint to improve education and employment opportunities for England's 16–24 year-olds, comprising ten recommendations, including:
  - **World class ambition**: by 2030 more than 90% of 25 year-olds should be qualified to L2 and 75% to L3; the youth employment crisis must be tackled and low pay must end.
  - **Raising 16–18 participation**: increase the funding rate and develop clear learning and career pathways; continue with T levels, but retain other qualifications where they are needed to provide local opportunities.

- **Increase apprenticeships**: 33% of young people to take part in an apprenticeship by age 30, with employers paid £5k for each young apprentice they employ in the pandemic; directly fund apprenticeships for 16–18 year-olds and consider ringfencing some of the levy for young people.
- **Diverse higher education (HE) routes**: focus on higher technical routes and access for all ages; and introduce maintenance grants of around £3k per year and evaluate access initiatives.
- **Career support**: a career advancement service for young people in low-paid work; a £5k Learning Account; and grants to help with the costs of moving job or area.
- **Foundation of skills**: make the requirement to study English and maths to L2 to age 18 work better; build community action and cultural activity further into study programmes; count functional skills towards apprenticeship training; and explore incentives for employers to invest in basic skills.

The Institutional Landscape

THE FURTHER EDUCATION & SKILLS SECTOR

The Independent Commission on the College of the Future published *The College of the Future: The UK-wide final report*, setting out a new vision for colleges as part of a joined-up system.

- The college of the future will:
  - For **people**: be a touchpoint throughout their lives and in a changing world
  - For **productivity**: provide strategic advice and support for employers to drive business change, innovation and future workforce planning
  - For **place**: have the resources and funding to play an even greater role in fostering healthy and connected communities.
- This vision will be realised through:
  - **Nation strategies** for education and skills: to provide a framework for local economic growth, industrial change and lifelong learning, based on whole-government approaches integrating employment and skills
  - **College network strategies** to meet local priorities: developed in consultation with employers and other key stakeholders to ensure a coordinated offer
  - **Colleges as anchor institutions** within the local and regional ecosystem: supporting wider community action and services and helping build stronger partnerships, including around public health
  - A **statutory right to lifelong learning**: including a free entitlement up to L3/Scottish L6, with equal maintenance support across loans and grants for further education (FE) and HE
  - **A skills guarantee** for a post-COVID economy and future labour market changes: providing free training for affected individuals to help them maintain relevant skills, including in priority sectors
  - A new **strategic partnership with employers**: particularly reaching out to SMEs
  - A new **support service for employers**: providing business support and brokerage as the basis for sector-/skills-focused employer hubs
  - An ambitious future college **workforce strategy**: including significant investment in digital skills
  - Diverse and representative **systems leaders**.
- 11 UK-wide recommendations include the following three priorities:
  - Upskilling people by enabling everyone to learn throughout their lives with a statutory right to lifelong learning.
  - Backing business, driving innovation and addressing skills gaps by establishing a unique service for employers at their local colleges.
  - Overhauling, rebalancing and integrating the post-16 education and skills system in each nation, addressing unproductive competition between institutions.

The vision and recommendations are endorsed by leaders from business, academia, unions, colleges and the student body from all four nations. Separate reports for each nation are also being published – see page 54 for England's report and page 58 for Scotland's – Northern Ireland and Wales are to follow.

Jisc published *IT infrastructure reviews: Key findings*, based on 118 UK member reviews, mainly in the FE and skills sector, between 2016 and 2020.

- Key findings include:
  - The importance of an institution having someone in a technical senior role, resulting in the use of technology becoming embedded due to improved organisation-wide technology decision-making.
  - Most colleges find capital spending on IT infrastructure difficult; funding issues have led to a large number of out-of-date infrastructure systems still being used.
  - IT support teams in FE have reduced in size, particularly over the last two years: the average ratio of user to support staff in general FE colleges is 814:1; in most colleges an IT skills shortage was reported, and in many cases IT staff who left were not replaced.
  - The most mature IT organisations take a joined-up approach to accessibility and assistive technology to improve support for disabled students.
  - Servers and storage provision are impacted by difficulties associated with capital funding; this can mean that resilience is insufficient or capacity is constrained.

The European Commission published *Innovation and Digitalisation: A report from the ET2020 Working Group on Vocational Education and Training*, the final report of a two-year project examining how innovation and digitalisation can boost high-quality VET.

- Digital and green skills are key to navigating a fast-growing, changing world; people of working age need to continuously update their skills or reskill to enter, re-enter or remain in the labour market.

- **The vision** is for VET to make proactive and smarter policy choices in terms of priorities, reforms and investments that: better anticipate and integrate innovation and digitalisation, and drive innovation and digitalisation beyond the VET sector.

- The future of VET should be considered from **two viewpoints**:
  - The impact of innovation and digitalisation on VET – anticipate better the increasing pace of innovations and digitalisation with new tools and pedagogies.
  - Building the capacity of VET to support innovation and digitalisation through smart specialisation strategies, universities and research.

- **Eight insights** include:
  - Embrace the benefits of innovation and digitalisation and spearhead more advanced innovation, e.g. by stepping up the pace of adopting more advanced innovations.
  - Enable effective governance and management arrangements and strong leadership, e.g. by enabling bodies to intermediate with the growing market of edtech.
  - Innovative teachers and trainers are needed to encourage innovations in teaching and training, e.g. via collaborative platforms, appropriate career structures, and new models like 'hybrid' professionals.
  - Integrate digitalisation in work-based learning in a 'smart' way, e.g. by making more use of immersive tech such as virtual and augmented reality, artificial intelligence, etc.
  - Boost learner diversity and inclusion through innovation and digitalisation, e.g. by better understanding how social background, ethnicity and gender can affect digitalisation.
  - Implement new approaches for VET excellence, e.g. by driving forward high quality at higher levels, and through centres of vocational excellence.
  - Develop skills for mastering innovation, digital and green transitions, e.g. by using ICT to deliver cost-effective continuing VET (CVET), green digital skills modules and virtual mobility.

HIGHER EDUCATION (HE): APPLICANTS & ADMISSIONS

Universities UK (UUK) published *Fair Admissions Review: June 2019–November 2020*, which makes eight recommendations, mindful of diverging UK policy.

- Universities and colleges should:
  - Abide by a set of updated admissions principles on fairness and transparency, centred on the applicant's interest, originally set out in the 2004 Schwartz Review
  - Ensure that admissions and offers are made in the best interests of students, without limiting ambition or adversely influencing course choices; this includes ending 'conditional unconditional'

offers, restricting the use of unconditional offers to specific circumstances and ensuring that incentives are clearly published and do not place pressure on applicants

- □ Be ambitious in ensuring that admissions practices address inequalities in access and participation, including greater transparency in the use of contextual admissions through: clear, consistent messaging; the use of standard indicators; and guaranteed offers for care-experienced applicants who meet minimum entry requirements

- □ Improve the level of transparency of information and guidance for applicants, including by: publishing historic, actual entry grades; and collaborating with schools to ensure that careers advice is joined up to better support applicants' aspirations.

- UCAS should progress its planned reforms to improve fairness and transparency in admissions, including: a pilot adviser tool; revised guidance on references; enhancements to the adviser portal; and an enhanced My Application student interface and Clearing Plus tool.

- The UK and devolved governments should support fairness and transparency in admissions, including by: facilitating access to free school meals data at the point of application; and providing continued funding to support school/FE/HE collaboration.

- The HE sector should take a more proactive approach, including: developing a 'code of practice', with consequences for breaches of the code; and convening a forum for applicants, schools, college and university representatives to assess where further action is needed to uphold fairness and transparency in admissions.

- Further consideration should be given to a reformed system based on a post-qualifications admissions (PQA) model whereby applicants do not receive offers until their results are known.

The recommendations on contextual admissions and the recommendation on PQA will be part of a wider, UUK-led sector consultation. On the day of publication, England's Education Secretary separately announced plans to review the country's admissions system, with a view to potentially moving to PQA.

The Higher Education Policy Institute (HEPI) published *[Demand for Higher Education to 2035](#)*, looking at the impact of demography and participation across the UK and the English regions.

- The demand for HE is largely dictated by the size of the young population; this is even more pronounced than it used to be, due to the decline in mature learners since 2010.

- In England, if demography were the only factor, there would be an increase in demand of 40k full-time HE places by 2035 due to an increase in the 18 year-old population.
  - □ This rises to 358k places if participation also increased at the same rate as the average of the last ten years, with the greatest growth in demand in London and the South East (40%).

- In Scotland, based on demography, there would be a fall in demand of 18k full-time places.
  - □ If participation increased at the average rate of the last five years, the fall in demand would shrink to close to nil.
  - □ This suggests Scotland would be able to accommodate a growth in participation without increasing student numbers.

- Changing demand in Northern Ireland is expected to be closer to Scotland than England, due to similar demographic and participation changes; equivalent data are not available for Wales.

IZA published *[Higher education financing and the educational aspirations of teenagers and their parents](#)*, based on 2009–15 data from the UK longitudinal study Understanding Society, covering the impact of the 2010 Higher Education Act and increased tuition fees.

- Four main findings:
  - □ The large increase in tuition fees produced no significant impact on the aspiration of teenagers to obtain advanced secondary education qualifications or attend university.
  - □ Although there were significant socioeconomic and gender gaps in these aspirations at baseline, the Act did not alter them significantly; despite its redistributive elements, the effects of the reform appeared homogeneous.
  - □ Despite large differences in the implementation of the Act between England and Wales (Welsh students did not face increased tuition costs but benefitted from redistributive changes in financial study support), the effects on aspirations were very similar.
  - □ Parental aspirations did respond to the reform, reflecting the financial incentives set by policymakers: richer parents adjusted university aspirations downwards, while poorer parents

increased aspirations in line with the expansion of financial support and a reduction in the financial risk of poor labour market outcomes due to the increased income threshold of debt repayment.

- Overall:
  - The socioeconomic gap in parental aspirations for their children shrank substantially.
  - Teenagers' educational aspirations are not predominantly shaped by financial considerations over the costs and benefit of HE but mostly by 'consumption value of university'.
  - The Act had little impact on the demand for HE, but reduced the social gap in participation.
- Policies to reduce the social gap in participation should focus on increasing the consumption value of university for students and on lifting parental aspirations for children from lower socioeconomic backgrounds.

IZA published *Gender differences in college* applications: Aspiration and risk management*, **based on data for all applicants in the Republic of Ireland (RoI) between 2015 and 2017.**

- As in many other countries, women are more likely than men to attend college and more likely to enrol in prestigious institutions and selective programmes.
  - Females favour field of study over institution, with their top three choices being more likely to cluster on field of study and less likely to be for a particular college.
- Gender differences in risk management are concentrated among high-achieving students.
  - Low-achieving females are more likely than equivalent males to aspire to more selective institutions and programmes.
  - Higher achieving females are much more likely than equally high-achieving males to diversify their college choice rankings by including many low entry point programmes – this is most likely due to higher levels of risk aversion or greater attention to managing the risk of not obtaining an offer.
- There is a role for providing greater guidance counselling to males, to help them to better understand and target their preferred programme of study while managing the risk of not obtaining an offer.

*The paper does not draw a distinction between 'college' and 'university'.

CESifo published *Skill formation, temporary disadvantage and elite education*, **investigating how motivational, technological and institutional factors affect skill formation from childhood to adult life.**

- The researchers developed a stylised skill-formation model in which: all individuals have the same innate talent; those born early in the year have a temporary advantage; and there is selection into HE based on achieved early skills.
  - Children born late in the year face an initial disadvantage from being less mature or lacking physical strength; it might therefore be expected that individuals born early in the year should be more successful not only at a young age but also as adults.
  - However, the model predicts that it is the individuals who are born late, but not too late, who become the most successful as adults.
- Because of their initial disadvantage, individuals who are born later in the year – 'underdogs' – are forced to expend excessive effort at a young age to be admitted into HE.
  - This excessive effort, which their earlier born peers do not find the need to match, enables 'educated underdogs' to excel in HE and in later work life – the 'underdog-incentive effect'.
  - However, for underdogs with a severe disadvantage, the required amount of youth effort is excessive, and they eventually give up on trying to attain HE.
- The results also suggest that the skill requirements for HE programmes force students with lower age capital or talent to study harder in order to gain admission.
  - This hurdle mitigates the underinvestment problem in early education, where students may fail to internalise the full value of future skills.
- Transposed to a setting with permanent talent asymmetries, the model finds that it is, in general, talented, but not the most talented, individuals who become most successful as adults.

The research uses football as a running illustration: compared to a random male in the population, individuals on elite youth teams are more likely to be born early in the year, while adult superstars are more likely to be born late, but not too late. Similar patterns have been found among young chess players, where children with lower IQ perform better than children with higher IQ.

UUK International (UUKi) published *[The scale of UK higher education transnational education [TNE] 2018–19: Trend analysis of HESA [Higher Education Statistics Agency] data](#)*, **the fourth edition of its annual report.**

- 142 providers had TNE students; 85.5% of all UK providers offered TNE degree programmes.
  - 75.5% of UK TNE students were enrolled with 20 providers.
  - 75 providers (54%) reported more than 1k students in TNE, compared to 66 (50%) in 2014/15.
- 666,815 students were on UK TNE programmes – 1.4 times the number of international students in the UK; numbers were down 3.9% on 2017/18.
  - 52.1% were studying with an overseas partner organisation; 24.7% through collaborative provision; 18.1% via distance, flexible and distributed learning; 4.3% at an overseas campus.
  - 80.9% were undergraduates; the number of postgraduates was up 7.4% on 2014/15.
- UK TNE was operating in 226 countries and territories.
  - Asia hosted 50.2% of students, Africa 20.3%, the EU 12.4%, the Middle East 9.2%, North America 4.2%, non-EU Europe 2.7%, Australasia 0.5% and South America 0.5%.
  - China had the most students (11.7%), followed by Malaysia (10.3%), Singapore (6.2%), Pakistan (5.4%) and Sri Lanka (4.3%).
- Students registered with an overseas partner organisation were prevalent in Africa (71.3%) and Asia (48.9%); distance, flexible and distributed learning predominated in Australasia (70.7%), South America (55.4%) and North America (55.7%).
  - Most students in overseas campuses were located in Asia (65.9%) and the Middle East (27.0%).

Country-specific reports are available for [Scotland](#) and [Wales](#).

The British Council and UUKi published *[Transnational routes to on-shore UK higher education](#)*, **exploring the extent to which TNE is supporting international student mobility into the UK.**

- In 2018/19, 17% of all non-UK first degree entrants (15k+) started a degree course in year 2 or later, without having previously studied at a UK institution.
  - These 'transnational entrants' are a mix of students who: were enrolled on a UK course overseas; transferred from overseas universities through credit recognition/articulation agreements; or enrolled on the basis of overseas sub-degree HE qualifications.
- More than 50% are from mainland China, with more than 33% of all Chinese first degree entrants joining their course in year 2 or later; Malaysia is the second largest country of origin.
  - Only 10% come from EU countries, compared with 34% of all international first degree entrants.
- Transnational entrants make up 21% of international first degree entrants to institutions with lower average entry tariffs, compared to only 12% at high-tariff institutions.
- The number of transnational entrants has fallen over the last five years, with the sharpest decline in 2014/15 followed by stability over the last three years.
  - The largest single drop has been in Malaysia, possibly due to the increasing attractiveness of local private institutions.
  - The number from China has increased slightly but has not kept pace with growth in year 1 entrants.
- TNE is a significant contributor to UK postgraduate recruitment: large numbers of students from China progress to master's degree study in the UK after completing a UK degree taught in China, although most choose a different university.
- Anecdotal evidence suggests a strong short-term negative effect from COVID-19, especially among students from China.
  - Some universities have reported increased interest in TNE from students who would otherwise have gone overseas for their whole degree course.
  - This could lead to an increase in transnational entrants in due course, although economic difficulties may make students more likely to complete their course in their home country.

HE: THE STUDENT EXPERIENCE

COVID-related

[12 November] **Unite Students published _Experiences during the COVID-19 pandemic – Student Survey_, findings from 1k UK students.**

- 72% had transitioned well to starting or continuing university; 63% said their university had done a good job of supporting them.
    - 46% said their friends at university were their most helpful source of support, followed by 31% their parents and 31% their university.
- 52% agreed they were meeting new people and making new friends, but 29% disagreed.
- 81% said they were glad they hadn't deferred, and 82% were happy they had moved into student accommodation rather than staying at home.
    - 41% were driven by wanting to 'immerse themselves in university life', 34% by living with people their own age away from home, 27% by independence from their parents.
- 81% said that, although it wasn't how they expected their first year to be, they still valued their time at university.
- 93% intended to stay on at university, despite COVID-19 challenges; 85% said it was likely they would stay in their current accommodation to do that.

[3 December] **HEPI published _Students' views on the impact of coronavirus on their higher education experience in 2020/21_, based on its third such poll of over 1k full-time undergraduates, conducted in late November with YouthSight.**

- Among the findings:
    - 59% were very/quite satisfied with the new online learning, up from 42% in June.
    - 51% were receiving some face-to-face teaching.
    - 58% said their mental health was worse since the beginning of the pandemic; 14% said it was better; 28% said it was the same.
    - 56% were satisfied with how their institution had handled any outbreaks; 79% said they felt very/quite safe.
    - 54% were very/quite concerned about the return to university in January.

[12 December] **The National Union of Students (NUS) published _Coronavirus Student Survey Phase III_, findings from its survey of 4,193 students in November 2020.**

- Students believe that the biggest single priority for the UK Government is to provide better, honest and clear information, followed by reducing tuition fees, and having a clear plan on combatting the virus.
- Only 18% agreed/strongly agreed that the UK Government was acting in students' best interests (up 2ppt), and 16% felt it had adequately considered the difficulties students might face (up 3ppt).
- There has been a general decrease in how well students studying in the devolved nations feel their respective governments have been acting with regards to their best interests and difficulties faced.
    - 17% of students in Northern Ireland agreed/strongly agreed that the Executive was acting in their best interests, down 16ppt; 43% the Scottish Government, down 14ppt; and 38% the Welsh Government, down 11ppt.
    - 25% in Northern Ireland felt that the Executive had adequately considered the difficulties students might face, down 8ppt; 41% the Scottish Government, down 5ppt; and 31% the Welsh Government, down 8ppt.
- 52% said that they felt more political as a result of COVID-19, up 6ppt from July 2020.

Other research

Advance HE published _UK Engagement Survey 2020_, the sixth annual report, measuring the levels of engagement of almost 14k UK undergraduates from February to June 2020.

- Seven categories of engagement were measured, comprising 29 individual question items; overall:
    - 89% reported finding their course challenging (down 1ppt from 2019).

- 78% reported high levels of critical thinking (down 1ppt).
- 66% were involved in reflecting and connecting (unchanged).
- 52% were engaged in learning with others (down 2ppt).
- 67% were engaged in research and enquiry (unchanged).
- 42% were positive about staff–student partnerships (unchanged) – during lockdown this increased to 45%.
- 36% were positive about interacting with staff (down 1ppt) – during lockdown this increased to 38%.

- Black, Asian and minority ethnic (BAME) students reported higher levels of engagement than white students in every measure, e.g. 71% compared to 66% in research and inquiry, and 46% compared to 40% in staff–student partnership.

- A significantly greater proportion spend time devoted to caring – 31% (up 5ppt) and 45% during lockdown.

- 26.5% were considering leaving their course (down 0.9ppt); those who responded during lockdown were 2% less likely to have considered leaving their course.

- There appears to be no detrimental impact of a long commute on how a student engages or develops.
  - Slightly higher levels of engagement or development were seen for those living alone and/or away from other students.
  - Age appears to be a key factor – levels of motivation and organisation of older students, who tend to be those living far away from campus and not with other students, can overcome some of the potential barriers posed by distance or circumstances.

The Edge Foundation published _A contemporary approach to employable graduates: Cardiff National Software Academy [NSA]_, investigating the delivery model used by the NSA.

- The NSA was established in 2015 by the University of Cardiff and the Welsh Government in order to address skills shortages in the local technology sector.
  - It offers a three-year BSc in Applied Software Engineering, using an approach that aims to better prepare students for the world of work.

- The curriculum has been developed and is kept up to date and relevant in partnership with external industry experts; NSA staff are responsible for fostering close relationships with a wide range of industry partners, which also keeps their industry knowledge up to date.
  - Non-traditional teaching methods are used, with 2.5-hour teaching blocks based on a continuous cycle of theory and practice, with the support of teaching staff, peers and tutors from industry.
  - Employability skills are taught explicitly, e.g. through workshops run by external experts, and referenced in module objectives to ensure they are developed throughout the course.

- All students take part in regular, four-week team projects, set by employers or other partners, that address a real-world issue and align with current teaching material and learning objectives.
  - Researchers found that the projects developed team working and problem solving skills and gave students the opportunity to develop their communication skills.

- The physical environment emulates a workplace, and industry practices are integrated via e.g. daily briefings, walls that can be written on to plan and inspire, and bookable meeting rooms.

- Students are supported to take up opportunities to work in relevant short-term or ongoing placements, and are encouraged to bring their learning back into the teaching.

Policy Connect and the Higher Education Commission published the inquiry report, _Arriving at Thriving: Learning from disabled students to ensure access for all_.

- Disabled students regularly: can't physically get to or sit in lecture theatres or other academic spaces; can't access learning materials; don't receive promised lecture capture; and don't benefit from other reasonable adjustments set out in support plans, including adjustments to assessments.
  - Some say there is no accountability at their institution for ensuring they can access teaching and learning; others that senior leaders have made great progress by clearly prioritising their needs.

- Disabled students face the heavy administrative burden created by having to apply for, be assessed for, organise and chase up the support they need.

- Many struggle with the extra costs relating to their disability, including the cost of accessible accommodation, medical evidence, prescriptions and the Disabled Student's Allowance (DSA) charge; they often interrupt their studies because of the financial burden and lack of support.

- Some can't access social activities, clubs and societies; 26% of 513 survey respondents said they always or often felt excluded; less than 50% said they never felt excluded.
  - There is: a lack of accessibility information on adverts; a failure to provide accessibility adjustments when requested; and a lack of consideration of accessibility when planning events or activities.

- Providers and practitioners highlighted the difficulty of encouraging students to disclose their disability pre-enrolment, and thus of putting support in place before the start of term.
  - School and college careers advisers seem to know little about disabled students, and/or the DSA.

- 12 recommendations are made, including for a new cross-government system to support disabled people 'from the classroom to the workplace', and reform of the DSA to align it with the Government's objective of empowering and supporting disabled people.

Vitae published *Catalyst Fund: Supporting mental health and wellbeing for postgraduate research students [PGRs]*, the evaluation of a programme funded by England's Office for Students (OfS) and Research England.

- 17 projects over a two-year period trialled a range of approaches such as the development of peer support networks, workshops on academic writing and online coaching programmes.

- More than 66% reported evidence that the PGRs had improved their mental health and wellbeing literacy, were more aware of how to support and improve their own mental health, and had improved knowledge of where to get help and support.
  - Co-production was a positive theme, with 171 PGRs directly involved across 11 projects.

- A variety of resources, including training materials, wellbeing apps, blogs, hubs and videos, have been developed for the sector and are available on the OfS website.
  - Two projects produced literature reviews and seven submitted papers to peer-reviewed journals; 15 provided case studies.

Common themes from the projects have been structured so that they can provide guidance to institutions implementing UUK's Stepchange *framework for mentally healthy universities.*

Advance HE published *Unconscious bias literature review: Bias in assessment*, including in HE marking practices. *[The full report is available for members only.]*

- Bias in assessment and marking practices is contentious for institutions as it is difficult to ascertain where bias lies.

- For example, studies have found few differences in bias shown towards demographic student groups when using or not using anonymous marking; results are inconclusive.
  - However, students' perceptions of fairness have led to demands for institutions to adopt anonymous marking practices regardless.
  - In a 2020 NUS survey, 67.4% of BAME students agreed with the statement 'marking and assessment has been fair' compared to 74.9% of white students.

- Anonymous marking policies used by institutions in 2019/20 varied in their application; however they mostly all applied only to summative work, rather than impacting on the student–tutor relationship nurtured for formative work.

- Institutions must ensure that feedback remains personal and meaningful for students' learning experience; the needs for anonymity should be carefully considered, and institutions need to be transparent when implementing new marking practices, particularly in light of COVID-19.

- Alternative, automated assessment approaches, which are gaining interest to help mark large volumes of work with minimised instances of bias, will need to be consulted and/or piloted with students.
  - Perceptions of fairness will continue to 'tip the balance' in decision-making.

Two other literature reviews – on bias in the curriculum and online pedagogy, and in decision-making – will be published in 2021.

HE: WIDENING PARTICIPATION

Advance HE published *2020 Equality + Higher Education: Students statistical report* **for the UK for 2018/19.** *[The full report is available for members only.]*

- Findings include:
  - 57.2% of students were female; a higher proportion of females achieved a First/2:1 (5.1ppt gap); 48.9% of research postgraduates were female.
  - 25.5% of undergraduate students were BAME, 18.1% of research postgraduates; a higher proportion of white students achieved a First/2:1 (81.4%) than black students (58.8%).
  - 13.9% of students were disabled (up 1.9ppt): undergraduates 15.5%; postgraduates 9.9%.

See page 24 for the equivalent report on staff.

England's OfS published *Evaluation of the OfS Addressing Barriers to Student Success Programme***, the final report from a programme that ran 2017–19.**

- 17 collaborative projects each involved a minimum of three HE providers working together to better understand the issues that underpin differential student outcomes and identify possible solutions.
  - Most of the projects focused on addressing gaps in outcomes for BAME students and those from low socioeconomic backgrounds.

- The 2015 research informing the programme identified four key areas that could influence outcomes: teaching and assessment practices; relationships between staff and students; social, cultural and economic capital; and psychosocial and identity factors.

- Each project addressed a specific issue and implemented a wide range of activities, including:
  - Online modules, resources and toolkits to aid transition to university and further study, support academic skills and enhance employability
  - Student ambassador programmes and peer mentoring/support networks
  - Changes to modules and course content to embed inclusive assessment practices, resilience techniques and accredited employability elements
  - Dedicated support for academic staff in applying inclusive learning and teaching practices and events to raise awareness of and discuss differential outcomes.

- Student engagement was an important element of many of the projects: students were involved in the design and implementation of interventions, including discussions around the curriculum and approaches to learning and assessments; they also supported events and outreach activities and many were employed as student ambassadors.

- Findings include:
  - Inclusive teaching led to increased student confidence and attendance levels and higher grades.
  - Technology can play an important role in providing an inclusive environment.
  - Enhanced student support led to greater confidence and resilience as well as improved staff understanding and confidence in supporting students from under-represented groups.
  - One-to-one support was popular with students from lower participation areas, disabled students and those disclosing mental health conditions.
  - Getting buy-in from senior leaders is important and will have a greater impact and chance of future sustainability.

- The approaches and interventions are highly transferable, and the programme has accelerated the sharing of what works and the rollout of innovation solutions.

The Sutton Trust published two reports exploring how the UK compares on widening access:

- *Room at the Top: Access and success at leading universities around the world*
  - Financial support for learners from low-income and other marginalised groups needs to be ambitious and significant in scale; in the US, leading institutions are adopting a goal of '100% financial support' for low-income students.
  - There is positive evidence regarding quota admission systems in several US states.
  - Universities in other countries are making 'first generation' a celebrated identity for students, and providing dedicated student support units for them.

- ***University access, student success and COVID-19 in a global context***
  - An overview of how university admissions across 45 countries have been affected by COVID-19 and the particular support being provided for low-income/marginalised students.

GRADUATES & GRADUATE EMPLOYMENT

Prospects, part of Jisc, published *What do graduates do? 2020/21*, providing insight and analysis from the UK's largest HE survey.

- This is the first edition to be based on data from HESA's Graduate Outcomes rather than its Destinations of Leavers from HE (DLHE) survey.
  - It is based on data from 15 months after graduation in 2017/18, rather than DLHE's six months; it also includes graduates' own voices – what they think as well as what they do.
- Of the 193,115 UK-domiciled first degree graduates who responded:
  - 69% were employed; 3.1% were self-employed/freelancing; 1.3% were running their own business
  - 5.5% were unemployed and looking for work; 12% were in further study
  - 71.8% of those employed were in a professional-level job: 14.5% in health; 8.8% in business, human resources or finance
  - 66% were working in their home region and 53.7% in the region where they had studied; 25.5% were working in London.
- After nursing the most common job was in marketing, from dealing with big data to the creative end of digital marketing – the majority of entrants had studied subjects other than a marketing degree.
- The graduate labour market has been – with certain exceptions in the arts and media – the part of the economy least affected by COVID-19.
  - Health – much the largest graduate employer in the UK – has been relatively lightly affected and in some areas demand for graduates has held up or even strengthened.
  - Many areas of business services, IT and tech switched to more remote working without losing workforce; many businesses feel that the changes were positive and were not going to cost jobs.
  - In October, vacancy levels were running at around 55% of the usual annual level, but most areas of the graduate labour market were performing better.

Data are also presented for: business & administrative studies; creative arts; technology, engineering & maths; and humanities/science/social sciences.

The Institute of Student Employers (ISE) published the *Student Recruitment Survey 2020* based on responses from 179 ISE members. *[The full report is only available to members.]*

- Employers recruited 46,068 students in 2019/20, down by 12% – the largest fall since 2008/09, when the market contracted by 25%; the majority of employers anticipate further decline in 2021.
  - Graduate jobs in retail and FMCG (fast-moving consumer goods) saw the largest cut, at 45%.
- Employers were able to fill 97% of graduate, school and college leaver posts; students were very likely to accept offers: 86% of graduates and 92% of school/college leavers said 'yes'.
- In contrast, 42% of employers found it difficult to fill IT jobs in programming and development and 35% struggled to recruit engineers.
  - Heavy competition and a lack of graduates with the necessary skills were the most common reasons.
- 83% continue to set minimum requirements, usually academic qualifications, followed by psychometric tests, CV screening, face-to-face assessment centres and automated interviews.
- The number of internships fell by 29% and placements by 25% – the largest drop since ISE started collecting the data in 2010.
- As offices closed due to the pandemic, employers moved attraction, selection and development, and the delivery of internships, online.
- Opportunities for school and college leavers – largely apprenticeships – were relatively stable, increasing by 6%.

- Similar to graduate roles, employers found it difficult to recruit school and college leavers into IT programming as well as in more skilled trades.
  - This was mainly due to the location of job opportunities and that school and college leavers find it difficult to travel or relocate to take them up.
- Employers received 14% more applications for graduate roles and 9% more for internships and placements; applications for school and college leaver roles increased by 8%.
- Employers are most worried about the 'intertwined threats' of economic recession and COVID-19.
- Candidates will be needed with greater resilience, emotional intelligence and the capacity to work remotely; concerns continue for a shortage of those with high numerical or technical skills.

The Edge Foundation published _Drivers of early career success for UK undergraduates: An analysis of graduate destinations surveys_.

- Overall, 70% of graduates are positive about how well HE has helped them with their career aspirations; the figures are broadly similar across socioeconomic backgrounds.
- The key drivers of career satisfaction are: support for transferable skills; the importance of degree grade, subject and type for their current work; the importance of their degree as evidence of skills; work experience within the course; whether the qualification was formally required for the job; and whether they gained their first job via the university.
  - For those from less privileged backgrounds, the strongest drivers are: the reported importance of the degree for entry to employment; whether the degree included work experience; and university support for developing transferable skills.
- Three further insights emerge:
  - The strongest relationship with career satisfaction is graduates feeling that HE provided them with the ability to function highly effectively at work across eight different transferable skills.
  - The job relevance of the degree subject has a stronger link to career satisfaction than degree grade or qualification type or whether the degree was useful as evidence for skills and competencies; however, less than 50% reported that their subject was important for their entry into employment.
  - There are positive links to outcomes, particularly salaries, when universities help students connect with employers; careers provision can also support outcomes through career planning, navigating subject choices and articulating skills.

The report includes practical examples of how universities have sought to address the employability of their students and support better graduate career outcomes.

England's OfS published _Graduate wellbeing recorded in the Graduate Outcomes survey_, based on data gathered 15 months after graduation.

- Graduates rated their life satisfaction and happiness less highly than the general population and were more anxious, with those who had previously studied full time reporting the most anxiety.
- Female graduates scored more highly than males for life satisfaction, happiness and feeling that things done in life were worthwhile, although females were more anxious.
- In general, older graduates were more likely than younger ones to score highly for life satisfaction, happiness and feeling that things done in life were worthwhile.

The National Education Opportunities Network and the Institute for Social & Economic Research (ISER) published _The Future of Student Outcomes_, ten contributions from thought leaders in the sector setting out a student-focused approach to improving HE outcomes.

- The features that could form the basis of such an approach include:
  - Embedding a value-added approach to teaching learners from BAME and lower socioeconomic groups that recognises their strengths and culture
  - Addressing the heavy psychological burden of debt on students
  - Investing in better financial and non-financial support for postgraduate students
  - A national work experience framework for students that goes beyond the present socially skewed, patchwork approach based on unpaid internships.

HEPI published _Mind the (Graduate Gender Pay) Gap_, drawing together new and existing literature and data to try to understand differences in pay.

- The overall graduate gender pay gap is not accounted for by subject of study, type of university attended, prior attainment, social background or ethnicity.
  - Men appear to be more willing to be geographically mobile; however, it is unlikely that increasing the mobility of women would significantly reduce the difference in pay.
- Men begin their career search earlier during their time at university, make more applications and are less likely to give up once they have begun an application.
  - They also display more confidence and are more speculative in the jobs they apply for.
- Women are more likely to be offered a job once interviewed and are less likely to be unemployed on leaving university.
  - This may in part be because they are more efficient in their job seeking, but could reflect the fact that they are less ambitious in the jobs they apply for.
- Women are more likely to work in part-time employment, both during and immediately after their degree; men are more likely to undertake an internship during their degree.
- Men are more likely to consider a high salary as the mark of a good job; women are more likely to look for job security, work–life balance, a good company culture and a job that is meaningful.
  - Women expect lower salaries than men.
- Men and women are equally satisfied in their work, despite women being less well paid on average.

IZA published _The labor market returns to 'first in family' [FiF] university graduates_, funded by the Nuffield Foundation, examining participation in England.

- Linked survey-administrative data from a sample of young people born in 1989/90 are used to examine how FiF graduates (those whose parents do not have university degrees) fare.
- Among graduate women, FiF graduates earn 8.3% less on average than graduate women whose parents have a university degree.
  - The difference for women is explained by: prior academic attainment; whether they attended an 'elite' institution; and whether they needed their degree for their job.
  - Controlling for a long list of variables, including university, subject, industry, occupation, fertility and non-cognitive traits, does not eliminate the FiF penalty for graduate women.
  - Although the wage returns to graduation are higher among FiF women, the negative effects of coming from a lower educated family counteract the high returns of graduation.
- FiF graduate men, however, earn on average more than men with graduate parents.
  - This might be due to the social pressure on men towards financial success, and men with lower initial financial resources might be more motivated to earn more than men from wealthier families.
- A larger role for university career services could be targeted at FiF women to prevent them from 'under-matching' in the labour market.

CESifo published _The Expected (Signaling) Value of Higher Education_, exploring students' expectations about the returns to completing HE and providing first evidence on perceived signalling vs human capital effects.

- While substantial returns to university education have been documented in a large body of empirical literature, the extent to which these returns reflect the signalling rather than the productivity-enhancing human capital effect of education remains open to debate.
- There are signalling effects of around 20% in terms of starting wages for a master's degree, exceeding the human capital effect of education by three to five times over the course of studies.
  - Degree effects are persistent in absolute terms, but become less important relative to expected on-the-job productivity in explaining expected wage dynamics over the course of a career.
- Given their expectation of substantive signalling effects, students' main motivation to undertake HE seems to be to obtain credentials rather than to learn new skills, concepts and material.
  - This would appear to justify academics' complaints that students are often unwilling to study material beyond what is in the exam.
- The findings provide a rationale for the sustained demand for enrolment in selective educational institutions, even though many studies find no benefits in terms of learning achievements or wages.

- In terms of policy, the fact that most of the perceived returns to education are private implies that tuition fees should have little effect on student enrolment, possibly explaining why the introduction of tuition fees has only small effects on study take-up.

Careers Research & Advisory Centre (CRAC) published *'It helps to have more strings to your bow': Exploring the careers and success of graduates of the Conservatoire for Dance and Drama***, commissioned by the Conservatoire, which comprises six member schools in England.**

- Dance and drama graduates: are employable, entrepreneurial, engaged in the arts and optimistic about their career; sometimes struggle with multiple responsibilities; are often underpaid.

- Ten recommendations for performing arts degree providers, HE policymakers, sector employers and researchers, include:
  - Improve the generic career support offered to current students and increase the delivery of performance- or production-specific career support within courses.
  - Establish or enhance alumni associations and transition support for graduates.
  - Commit to a regular longitudinal tracking exercise and make careful use of this data as part of institutional quality assurance and improvement agendas.
  - Broaden the way graduate career success is understood.
  - Ensure that the complexities of employment status are recognised.
  - Recognise the specificity and unique contribution made by performance graduates.

The findings and recommendations could equally apply to performing arts graduates in any nation.

HE: TEACHING, RESEARCH & INSTITUTIONS

COVID-related

The Quality Assurance Agency for Higher Education (QAA) published *How UK higher education providers managed the shift to digital delivery during the COVID-19 pandemic***.**

- Over 60 providers from the four UK nations were consulted, plus students' unions, professional bodies and a range of sector bodies and groups.

- Providers have used strategic steering groups and operational sub-groups effectively to ensure that decisions are taken at institutional level, managing complexity and retaining consistency and control.
  - This was particularly important where there was a tradition of autonomy at school, faculty and department level, and has facilitated a common approach to quality assuring the transition.

- Providers have developed rapid approval plans; in modifying courses for delivery in 2020–21, the speed has been added to by volume, with some large providers having over 2k modules to modify for blended learning delivery.

- Providers have engaged in a substantial rethink of assessment procedures.
  - This is particularly challenging for practice-based courses, but includes alternative and online assessment considerations for specific student groups.

- Providers have engaged with students and staff in planning changes to the delivery and assessment of learning and teaching in blended contexts.
  - Student feedback from the blended learning introduced at the end of 2019–20 is informing current approaches, and students are represented on learning and teaching sub-groups of COVID steering groups at many providers.

- A number of 'next steps' are listed for consideration, including:
  - Supporting students to understand what to expect from online teaching, and how best to undertake independent learning from home
  - Considering alternative assessments for some practical learning outcomes, or working with students to identify alternative learning outcomes, and revisiting traditional exam formats that have been moved online to ensure learning outcomes are being met
  - Checking that IT capacity can cope with increased levels of traffic, and that devices or support are provided to students in areas of deprivation and in rural or remote areas where internet connectivity is problematic

- Implementing training programmes for staff on technological upskilling and on how to embed inclusion and diversity into blended and remote module design.

Jisc published *Learning and teaching reimagined: A new dawn for higher education?* with UUK, Emerge Education and Advance HE, exploring the HE response to COVID-19 and the future of digital learning and teaching.

- A five-month initiative was supported by an advisory board from institutions across GB, and included engagement with nine sector organisations, 133 UK universities, 22 FE or skills providers, ten alternative HE providers and ten international organisations.

- The **main barriers** to greater online learning and teaching relate to culture rather than technology, with seven sector challenges to full digital transformation identified:
  - Embed digital at the heart of university culture
  - Invest in the short term but with a long-term strategic view
  - Explore new economic models for high-quality blended learning at scale
  - Embrace blended learning in curriculum redesign: focusing on learning design, with student involvement, will ensure high-quality outcomes and fully accessible and inclusive learning
  - Expand the digital skills and confidence of students and staff
  - Communicate the benefits of blended learning both within and beyond the sector
  - Strengthen the response to digital poverty – extra resources are needed to level up opportunities.

- **Vision**: In 2030 UK HE learning and teaching is regarded as world class because it is attractive to all students, seamlessly spans the physical and virtual worlds and is of the highest academic quality.
  - Students of all ages and in any location can participate by learning flexibly; highly engaging and interactive learning experiences set UK HE apart; UK universities have grown their student communities, expanding smoothly into the virtual world.
  - Students move fluidly across physical, digital and social experiences; the integration of mixed-reality technologies strengthens the strong sense of university identity and community.
  - Students benefit from a personalised learning experience through the widespread adoption of artificial intelligence (AI).
  - Student success is at an all-time high: digitally fluent leaders foster a culture of learning and teaching excellence, raise academic standards through innovations in pedagogy and bring learning to life in the most effective and compelling way.

- Nine **recommendations** include for universities to:
  - use their strategic and structural planning processes to effect the digital transformation of learning and teaching
  - review their strategic investment in digital learning and teaching
  - think radically about the scale and scope of learning and teaching activities, prioritising blended learning approaches when possible
  - accelerate the adoption of blended learning, with the close involvement of students
  - ensure inclusivity and accessibility are integral considerations in curriculum redesign
  - ensure professional development plans include digital training, peer support, and reward and recognition incentives to encourage upskilling.

Jisc, UUK and Emerge Education launched *Digital at the core: A 2030 strategy framework for university leaders*, to support longer term strategic thinking on the use of digital technology.

- COVID-19 has heightened awareness of the central and strategic role that digital technologies play in underpinning the long-term success and sustainability of universities.
  - Benefits include resilience, flexibility and competitiveness, and technology as an integral part of student and staff experience.

- Developed with the help of 40 UK universities, the framework sets a series of questions that senior leaders should ask in order to help identify strategic opportunities that digital technology can provide.
  - It is organised around four themes – leadership, staff, business model and investment – and it suggests resources, tools and techniques to support the process.

HEPI published a blog post looking at how the pandemic has accelerated a number of pre-existing trends in HE, beckoning in a period of 'unprecedented change and innovation'.

The UPP Foundation published *Covid-19: Preventing a health crisis from becoming a permanent jobs crisis: Universities' role in levelling up and building back better, Part I,* **looking at the geographical element of job losses and how that relates to the location of universities around England.**

- At least 5m jobs are at risk from a COVID-driven economic recession; this will impact all towns and cities and every community across the country.

- The Government's commitment to free training courses for low-skilled workers is welcome, but 75–80% of people identified as at risk will not be covered by it; polling indicates that many want a qualification above L3 and in wider subject areas.

- Certain areas of the country are more affected, either because they're left behind or because they have high numbers of the occupations at risk; they are disproportionately in coastal and tourism areas or ex-industrial regions.
  - However, the scale of job losses means the impact is widely spread: an estimated 2m jobs are at risk in medium-sized towns, while a further 3m jobs are at risk in cities that are often otherwise affluent.

- A high proportion of job losses will affect people who are qualified to a maximum L3 – around 1.5m in towns and a further 1.6m in cities.

- Wherever universities are in the country, there will be a cluster of job losses either on their doorstep or in nearby towns; this is likely to begin when the furlough scheme starts to unwind.

- Universities can and must play their part in helping individuals to secure new jobs, and to support the establishment of new businesses and organisations; much of this may involve digital training.

The Part II report is on page 20.

Other research

UUK published *Recovery, skills, knowledge and opportunity: A vision for universities,* **setting out how universities can be at the heart not just of a recovery, but also a more equal, healthier and sustainable future for the next generation.**

- Universities can lead the way when it comes to levelling up, skills, social justice, research and creating new opportunities for everyone – from local communities to the globally.

- Among the recommendations for government:
  - Expand financial support for HE to give greater access to shorter courses from L4/5 up to postgraduate study; remove the requirement to study at an intensity of 25% or more of a full-time equivalent (FTE) course and to follow a full course for a specified qualification.
  - Formally recognise the L4/5 components of an undergraduate degree rather than viewing them as non-completion of a degree and review how those studying flexibly are counted in performance indicators and other metrics.
  - Support a national intern scheme, getting highly skilled graduates into companies to help them thrive – the Kickstart Scheme could be supported by existing university-run schemes.
  - Develop regionally focused research hubs to help drive innovation in the local economy.

A shorter briefing note is available here*.*

Alongside the above report, UUK published *Modular finance study,* **findings from a poll by Savanta ComRes of 1,591 18–60 year-olds in England who were unemployed, at risk of unemployment or wanting to up/reskill and interested in undertaking university study online.**

- 82% said they would be keen to study on an individual modular basis, while 66% said that if the Government introduced loans to study individual modules, they would be more likely to undertake university study.

- Other key findings include:
  - Engineering was the second most popular subject choice for modular study, behind business management, followed by teaching and nursing/allied healthcare.
  - 93% of those likely to undertake modular study if loans were introduced said being able to build up to a full qualification was important.

The UPP Foundation published *Extending civic engagement to post-industrial towns: Universities' role in levelling up and building back better, Part II*, **identifying five areas where all universities ought to focus their contribution:**

- **Town centre regeneration**: improving the physical environment, including the high street plus other local amenities, e.g. through support for cultural and entertainment facilities.

- **Jobs and economic localism**: supporting, directly or indirectly, local jobs for residents, including attracting graduates to move into or back to the area, and boosting local economic capability.

- **Boosting educational attainment**: including direct upskilling both for school-aged children – particularly at secondary – and for adults who are in and out of the labour market.

- **Local research and development**: research into local challenges that can be taken forward by third parties, as well as supporting business knowledge exchange and innovation.

- **Supporting the NHS**: as trainers of professional medical staff, but also improving public health through student and research activity.

The Part I report is on page 19.

The National Centre for Universities & Business (NCUB) published *State of the Relationship 2020*, **its seventh annual assessment of collaborative partnerships, based on data from 2017/18.**

- There was an increase in university–business collaboration before the pandemic in a range of areas; government, universities and businesses will need to work to avoid any drop-off.

- **UK-wide**:
  - There were almost 113k university–business interactions, up 10.2% on the previous year; interactions with SMEs grew by 11.9% and with large businesses by 5.5%.
  - Investment by UK businesses in university R&D increased by 8.7% to £389m; there was also a 7.4% increase in foreign funds, but growth is decelerating.
  - 881 Innovate UK grants were awarded to universities (up 51) – the highest number recorded.

- For **universities in Northern Ireland**:
  - The percentage of university income achieved through collaboration was 21.4%, down 5.4ppt.
  - There was a fall in the total number of interactions with large businesses and SMEs, but the level of income from interactions with SMEs increased by 13.4%.
  - The number of patents granted, number of licences and income from licensing all fell.
  - The number of Innovate UK grants supporting collaboration fell by 8%, and the average grant offer was down 22.4%.

- New indicators were used to examine how collaboration shapes talent in three areas: joint people development, readiness for work and employment levels.
  - There was an overall increase in uptake of higher and degree apprenticeships (possibly due to the introduction of the apprenticeship levy in 2017) but a drop in the uptake of other training courses being offered to businesses.
  - The number of academic staff whose basic salaries are funded by industry has seen a steady fall from 1,630 academics in 2014/15 to 1,390 in 2017/18.
  - In 2017/18 1,745 academics left to take up roles in industry, while 5,905 industry staff took up roles in academia.

NCUB published *Showcasing collaboration: Building future talent together – Highlighting university and business partnerships formed to address skills gaps*, **the second of a new quarterly series featuring partnerships on different themes.**

- Ten case studies from across the UK include SkillsBuild Reignite courses from the Open University (OU) with IBM, and a new business in technology MSc developed by Ulster University and PWC.

Jisc and Emerge Education published *Employer–university collaboration*, **exploring four areas of collaboration that can be scaled 'effectively and rapidly'.**

- **Course co-creation and co-delivery**: marketplaces such as FutureLearn can help universities market such courses, which are doubly attractive to students as they often carry both an industry and a university credential.

- **Experiential learning**: e.g. using realistic simulated experiences to learn key professional skills and aggregating micro-internships at scale, enabling university instructors to integrate these into existing courses as credit-bearing activities.

- **Career navigation and application support**: e.g. third-party companies enabling universities to connect simultaneously with thousands of employers and vice versa.

- **Education as a work benefit**: e.g. technology platforms such as Guild Education enabling universities to reach larger numbers of learners by aggregating courses, coaching workers through course selection and completion, and providing analytics to the employer.

NCUB published *Research to recovery: Delivering an R&D-driven industrial strategy*, developed by an R&D Taskforce including industry and academic leaders from across the UK.

- In July 2020, the Government launched the *UK Research and Development Roadmap*, consulting on how it would reach its target of investment in R&D rising to 2.4% of GDP by 2027.
  - The purpose of the Taskforce was to provide UK Research & Innovation (UKRI) with advice on how the Government's ambitions for R&D could be met through greater partnerships and collaborations.

- Ten recommendations include:
  - Develop a refreshed UK Industrial Strategy, with research and innovation as its 'engine'.
  - Establish a network of 'innovation collaboration zones' across the UK.
  - Create a 'global collaboration fund' to encourage universities and businesses to pool their strengths to attract inward investment.
  - Widen the remit of the Office for Talent to help grow and deliver domestic talent, alongside attracting global talent.
  - Increase business-focused R&D incentives to mitigate the impacts of COVID-19 and stimulate R&D investment.
  - UKRI to support universities to develop a strong and diverse pipeline of R&D and innovation talent that flows in and between academia and industry.

HEPI published *Beyond business as usual: Higher education in the era of climate change*, its first ever report on the issue.

- At a national level, the report argues for:
  - the development of a massive open programme of public learning as a partnership between the Department for Business, Energy & Industrial Strategy, the BBC and UK HE
  - a 'moonshot' capital and revenue research fund to stimulate the research and innovation needed to ensure that all UK providers reduce carbon emissions by 75% by 2030 and to zero by 2035
  - the creation of a £3b 'national green livelihoods transition fund'.

- Providers:
  - must focus on greatly reducing carbon emissions from their day-to-day operations, including from staff and student travel, and commit to sustaining biodiversity
  - should interpret their civic role as including the need to help educate adults away from carbon-intensive work and towards socially positive investment
  - should collaborate more, building alliances between scientists, artists, politics and society, particularly from marginalised communities.

The Social Market Foundation think tank published *Elusive quality: How should we evaluate higher education?* setting out how policymakers can address disagreements over the purpose of quality assessment and design a better system.

- Determine the purpose of HE and thus what exactly should be evaluated, e.g.:
  - Narrow economic outcomes
  - A more holistic range of social and economic benefits
  - Student satisfaction
  - Achieved learning gain
  - Effective teaching and provision of resources necessary to learn.

- Identify the intended audience(s) and develop assessments appropriate to their needs and preferences, e.g.:
    - Shaping decisions over funding and accreditation
    - Informing prospective students deciding where to apply
    - Helping employers evaluate workers' qualifications
    - Incentivising and encouraging improvement from institutions.
- Understand the limitations of quality assessments:
    - They often come with substantial statistical uncertainty, variation across students and time lags, and so may not support strong judgments.
- Decide how important quality assessment is and invest appropriately.
    - If government is unwilling to spend what it takes to properly evaluate HE, it must trust institutions more.

UUK published _Tackling racial harassment in higher education_.

- Its recommendations, published just over a year after the Equality & Human Rights Commission uncovered widespread evidence of racial harassment on university campuses, include:
    - Publicly commit priority status to tackling racial harassment.
    - Engage directly with students and staff with lived experience of racial harassment.
    - Improve awareness and understanding of racism, racial harassment, white privilege and micro-aggressions among all staff and students, including through anti-racist training.
    - Develop and introduce reporting systems for incidents of racial harassment.
- The guidance calls on university leaders to acknowledge where there are issues in their institutions, and that UK HE perpetuates institutional racism.
    - It cites as evidence a lack of diversity among senior leaders and ethnicity pay gaps among staff as well as the BAME student attainment gap.

UUK also published a set of Case studies _from universities around the UK._

London Economics published _The economic & social impact of the Open University in 2018−19_.

- **UK-wide**:
    - 85% of OU graduates remain in the location where they studied.
    - 66% reported improvements in their working life and professional prospects; 91% of these said the OU had helped them achieve this.
    - 94% said they improved at least one aspect of personal development; 85% improved skills related to their job; and 85% believe the skills acquired could be used for a range of jobs.
    - 86% had improved their personal wellbeing.
- 3% (1,460) of UK-domiciled students were in **Northern Ireland**.
    - Activities by the OU in Northern Ireland boosted the UK economy by an estimated £50m in 2018/19 (2% of £2.77b generated by its activities across the UK).
    - Of this, £33.1m was due to formal teaching and learning and £16.8m from OU expenditure and employment, supporting 210 FTE jobs.

UUKi published _International Facts & Figures 2020_, its annual snapshot of UK HE.

- It covers:
    - International staff in the UK: where they come from and what they do
    - International research collaboration and funding
    - The UK TNE offer: overview of provision and where students are based
    - International students: where they come from; the subjects they study and at what level; and their economic impact
    - Provision for outward student mobility: where students are based and where they go, and what kind of experience UK students have and how they benefit
- Highlights include:

- 20.9% of all staff at UK universities are international.
- 57.2% of all UK publications were the result of international research collaborations.
- 666,815 students are studying for a UK degree overseas.
- International students make up 20.7% of the total: 14.9% of undergraduates and 37.1% of postgraduates.
- 7.4% of undergraduate students study, work or volunteer overseas as part of their degree.

UUKi published *[Future international partnerships: Putting the UK at the heart of global research and innovation collaboration]*.

- Wide-ranging policy recommendations include:
  - A new global prestige talent scheme to attract blue sky researchers from across the world
  - A new national policy priority for international knowledge exchange across the four nations
  - A dedicated flexible mechanism to consider proposals for retaining high-value R&D activities in the local economy, in order to avoid a 'domino effect' should big businesses move activities out of the UK
  - A competitive entrepreneurship programme, aimed at retaining international students who are entrepreneurs to start and grow their businesses in the UK
  - A 'one front door' model to promote the UK as an R&D destination of choice and signpost opportunities to potential investors and researchers
  - A revised and more strategic version of the Rutherford Fund to boost the international mobility of researchers, focusing on early career researchers.

UUK published *[Managing risks in internationalisation: Security related issues]*, guidance for institutions on guarding against hostile interference and promoting academic freedom.

- The vast majority of international collaborations are beneficial to the UK but, like every activity, there are risks involved, which have become more dynamic and complex over the years.
  - Apart from theft of intellectual property and data and the security of university campuses, there are threats to the values that have underpinned the sector's success: academic freedom, freedom of speech and institutional autonomy.
- The guidelines are divided into four sections: protecting reputation and values; protecting people; protecting campuses; and protecting partnerships.

A shorter briefing note is available [here].

WORKFORCE ISSUES

Jisc published two reports based on findings from its *Teaching staff digital experience insights survey 2020* – one for *[UK further education]*, based on responses from 2,685 staff from 26 FE and sixth form colleges, and one for *[UK higher education]*, based on responses from 2,677 staff from 14 universities.

- 62% of the data from FE staff and 48% from HE staff were collected after the start of the March lockdown.
- 95% of FE and HE staff either enjoyed trying out new and innovative technologies or were comfortable using mainstream technologies; only 5% of FE and 4% of HE staff preferred not to use technology unless they had to.
  - 70% in FE and 72% in HE were very/quite confident at trying out new technologies; 11% in FE and 12% in HE were not very/not at all confident.
- 53% in FE and 61% in HE rated their organisation's software, hardware and learning environment as good or better; 32% in FE and 27% in HE as average; 15% in FE and 12% in HE as poor or worse.
  - 59% in FE and 69% in HE could access online systems and services from anywhere.
- 65% in FE compared to 82% in HE had reliable, on-demand access to wifi; 34% in FE and 35% in HE said the teaching software was industry standard and up to date.
  - 23% in FE and 28% in HE said that classroom digital equipment was reliable and easy to use.
- 48% in FE but 58% in HE said the learning environment was reliable; 37% in FE and 31% in HE that it was easy to navigate; 33% in FE and 30% in HE that it was well designed.

- 59% in FE but only 37% in HE worked online with learners weekly; 27% in FE and 37% in HE monthly or less; 14% in FE and 26% in HE never.
  - 37% in FE and 29% in HE taught online weekly, 22% in FE and 33% in HE monthly or less, 41% in FE and 39% in HE never.
  - 54% in FE but only 43% in HE created online teaching material weekly, 32% in FE and 42% in HE monthly or less, 14% in FE and 15% in HE never.
  - 80% in FE and 82% in HE never used simulations or virtual/augmented reality.
- Key challenges for both sectors include:
  - Strategic leadership is vital in driving digital transformation.
  - More resource is needed to support staff to develop pedagogically-informed digital practices.
  - The digital environment and infrastructure require further investment.

Advance HE published *2020 Equality + Higher Education: Staff statistical report* for the UK for 2018/19. *[The full report is available for members only.]*

- Findings include:
  - 66.7% of staff on fixed-term contracts were aged 40 and under; 5.3% were disabled (up 0.2ppt).
  - 31.4% of BAME academics were on fixed-term contracts compared to 27.7% of white academics.
  - 46.3% of academic staff and 26.7% of professors were female.
  - 10.4% of UK academic staff were BAME, 9.1% of professors and 3.1% of heads of institutions.
  - 66.0% of UK professors were white males, 24.9% white females, 6.8% BAME males and 2.3% BAME females.

See page 13 for the equivalent report on students.

The Institute for Fiscal Studies published *Ethnic diversity in UK economics*.

- Despite having an important societal role, economists are not very representative of society, with a well-documented under-representation of women in the profession.
- Among the key findings:
  - The share of (non-white) ethnic minority academic economists in research and teaching increased from 19% in 2012/13 to 24% in 2018/19; this is higher than in UK academia generally (17% in 2018/19) and in the UK population (13% of 25–64 year-olds as of 2011).
  - However, while individuals of Chinese and Indian ethnicity are heavily over-represented, black individuals are under-represented, reflecting a broader pattern within the UK academic sector.
  - 50% of white academic economists work in research-intensive (Russell Group) universities; less than 30% of Pakistani and Bangladeshi and less than 20% of black academic economists do so.
  - Ethnic diversity among economics students is greater than other social sciences and STEM fields, and has increased by 4ppt since 2012.
  - Nearly 50% of white economics students study in Russell Group universities; less than 20% of black students and less than 25% of Pakistani and Bangladeshi students do so.
  - Ethnic minority students are 7ppt less likely to get at least an upper second-class honours degree and 11ppt less likely to get a First; these gaps are wider than in 2012/13.

The Workplace

RECRUITMENT

Skills Development Scotland (SDS) published *Neurodiversity in digital technology: Summary report* by the Digital Scotland Business Excellence Partnership, examining the tech workforce and education pipeline.

- 10% of people in Scotland are neurodivergent*; many have strong skills and qualities, some of which can be particularly well suited to high-quality digital tech employment; however a considerable number remain unemployed, underemployed or unsupported in education and employment.

- The report looks at the skills, strengths and barriers associated with neurodiversity and identifies how neurodivergent people can be recruited and retained in the best suited, relevant roles.
  - There is an opportunity to help meet the expanding need for digital tech skills by encouraging and supporting greater involvement of neurodivergent individuals at all stages.
- Six priorities for action include:
  - Raise awareness about the value of neurodivergent people in digital tech, encouraging employers to consider how they can better attract, recruit and retain neurodivergent people into the tech workforce, and encouraging neurodivergent people to consider career options in the sector.
  - Help education to be more inclusive; consider preparing a neurodiversity toolkit for tech providers.
  - Support digital employers to embrace neurodiversity: provide information and practical actions to help them question and adjust their recruitment processes and the tools, materials, job descriptions and interview questions they use.

Neurodiverse conditions defined by the report include autism, dyslexia, dyspraxia and ADHD.

APPRENTICESHIPS & TRAINEESHIPS

England's Department for Education published *Levy paying employer decisions and accounting for prior learning*.

Decision-making

- Employers were largely using their levy to upskill existing staff rather than to recruit younger career starters or people seeking to change career; this resulted in a general preference for higher-level apprenticeships.
- Employers with a history of provision tended to have a more diverse offer; those who primarily wanted to draw down levy funds focused largely on upskilling in order to ensure a more immediate return on investment.
  - Despite this, employers' decisions were predominantly influenced by financial considerations, with the levy regarded as the 'first port of call' to fund training.
- Decisions were also shaped by how suitable apprenticeships were for the business: some reported a lack of suitable standards; others mentioned requirements such as the 12-month minimum duration being an issue.
- Most employers perceived the levy to have had a positive impact on their training offer, widening opportunities for staff training and improving quality.
- Most employers expected to expand their use of higher-level apprenticeships as standards became available, and several had immediate plans to offer L7 Senior Leader apprenticeships for their executives.

Assessment of prior learning (APL)

- Most apprentices said they had undergone some form of APL; a small number of apprentices and employers didn't recall any, although all the providers interviewed reported that they had used it.
  - Some providers just assessed English and maths and mapped existing qualifications to standards; others assessed behaviours and skills in depth, using specialist assessors.
- Although most providers said they made adaptations to account for prior learning, the majority of apprentices and employers interviewed were not aware of any such adaptations.
  - Many apprentices felt that repeating material was actually a useful refresher, particularly when it was applied in a new context.
- Both providers and employers identified difficulties in adapting programmes while still ensuring 20% off-the-job training and a 12-month minimum duration.
  - The most frequently cited challenge was the financial disincentive of reducing programme content, both for providers and for employers who wanted to spend as much of their levy as possible.

Warwick Institute for Employment Research (IER) published *How employers set pay for apprentices*, **commissioned by the Low Pay Commission.**

- The report was based on analysis of apprenticeship pay data and 30 case study interviews with employers delivering apprenticeship frameworks where low pay was greatest.

- Findings included:
  - The minimum wage for apprentices applied almost exclusively to new recruits rather than existing employees, who were paid their existing rate for the job.
  - For new recruits, few employers paid the apprentice minimum wage – instead they added a bonus: in recognition of the apprentice's contribution to the business; out of 'fairness' as part of corporate responsibility; due to wider market rates, market forces; or because of occupation or sector-wide agreed pay rates.
  - The National Minimum Wage (NMW) apprentice rate was most likely to be used in those sectors where fully qualified workers were paid the NMW age rate in order to maintain differentials.

The Co-op Group published _Future-proofing apprenticeships_, a study by Warwick IER of how apprenticeships could be developed to meet changing job roles and skills needs.

- The study focused on apprenticeships in food retail and funeral care, including analysis of employment and apprenticeship data and interviews with the main employers, sector groups and providers.
  - Most occupational changes in both sectors will be driven by replacement demand (younger people replacing older people) rather than other drivers (such as technology).
  - The main drivers of change in retail are: domestic consumer demand affecting overall job numbers; the impact of Brexit, e.g. on the retention and recruitment of overseas workers; the impact of technology, e.g. the rise of e-commerce and online shopping; and an ageing workforce.
  - The main drivers of change in 'other personal service sectors' (a proxy for the funeral sector) are: the increasing age of the population; skills polarisation within jobs; and the impact of technology.

- Despite distinct differences between the two sectors, a number of common themes emerged, including: a broadening of job roles, more flexible working and the need to develop digital skills.

- Stakeholders raised areas where apprenticeships could be better developed, including:
  - Employers need to monitor apprenticeship recruitment to develop a more diverse workforce
  - Getting the commitment of business managers to promote and support apprenticeships when this impacts on the availability of their staff
  - The ability of apprenticeships to be used for flexible workers
  - The agility of the standards development, amendment and updating process to reflect expected changes in workforce development needs
  - The need for the standards setting process to accommodate smaller employers
  - The 20% off-the-job training requirement and how it can be better supported in certain job roles where it impacts on other staffing costs
  - The cost of additional learner support, including providing training that does not currently count towards 20% off-the-job training
  - The need to enhance progression into, within and beyond apprenticeships
  - The need for greater flexibility in what levy funding can support to reflect the different costs of apprenticeships for employers and to contribute to wider government agendas.

Cedefop published _Financing apprenticeships in the EU_, the first systematic attempt to collect and analyse overall financing information, covering 29 schemes in 21 EU countries and the UK.

- Financing instruments supporting employers to cover apprenticeship costs are: training funds based on levies (national and sectoral); tax incentives and grants for companies; and instruments supporting apprentices, i.e. grants for individuals.
  - Grants for companies are the most frequently reported instrument, followed by tax incentives.

- The instruments show large variations in terms of volumes of funding involved, education levels/types supported and target groups addressed.
  - Instruments are deeply embedded in national contexts and reflect national traditions of VET, social dialogue and the political system.
  - While most of the training funds analysed were established in the 1970s–80s, most tax incentives and grants were established in the 2000s or even in the 2010s.
  - Regardless of the length of their operation, they had been continuously adjusted as countries endeavoured to find the right balance between their strengths and weaknesses and increase their effectiveness.

- Financing instruments are the key to effective cost-sharing in apprenticeship schemes, alleviating the company financial burden, while allowing individuals to benefit from financial support.
  - However, financing instruments are rarely monitored or evaluated, depriving governments of evidence-based data for improving their effectiveness.
- Despite the difficulty of conducting reasonable international comparisons, it is possible to distinguish between three elementary models:
  - **A split financing model** in which costs for off-the job training are basically paid by the state and costs for on-the-job training by employers – this is followed by the majority of countries.
  - **A jointed financing model** in which costs are also shared, but in which employers individually and jointly contribute (including non-training companies) via training funds.
  - **A 'single' financing model** in which the costs are paid (predominantly) by the state, including apprentice remuneration – only three countries (Austria, Portugal and Sweden) follow this model.
- These models are a basis for a typology of financing arrangements that also considers apprentice remuneration and finds there is a relationship between remuneration levels and the way they are set.

An online database provides detailed information on financing arrangements.

SKILLS GAPS & SHORTAGES

England's Department for Education published *Employer Skills Survey 2019: Research report*, based on responses from over 81k employers in England, Wales and Northern Ireland.*

- 46% had recruited over the past 12 months, compared with 50% in 2017 and 51% in 2015.
  - In England and Wales it was 46%, but only 40% in Northern Ireland.
  - In England recruitment was down 5ppt on 2017, in Northern Ireland down 2ppt and no change in Wales.
- 17% overall (Northern Ireland 14%) reported having vacancies at the time of fieldwork, down from 20% (16%) in 2017.
  - England saw the highest decrease in employers with vacancies, from 20% to 17%, and was the only nation to report a fall in the total number of vacancies and a lower vacancy density.
- The proportion of employers that had skill-shortage vacancies (hard to fill due to applicants lacking skills, experience or qualifications) had fallen 1ppt to 5%.
  - This pattern was consistent in Northern Ireland and Wales, but in England it remained unchanged at 6%.
  - England saw the highest increase in skill-shortage vacancy density – up 3ppt to 25%; Northern Ireland up 1ppt to 22%; Wales down 3ppt to 24%.
  - The business services and health & social work sectors had the highest volumes of skill-shortage vacancies, however the density was highest in construction and manufacturing.
- By occupation, employers faced the greatest challenges in finding suitably skilled candidates for skilled trades, with 48% of vacancies in these roles classed as skill-shortages – a pattern consistent with previous waves.
- The ability to manage one's own time and prioritise tasks remained a common cause of skill-shortage vacancies (45%, down 5ppt).
  - 52% of skill-shortage vacancies were at least partly caused by a lack of 'self-management skills', while a lack of management and leadership skills contributed to 44%.
- 87% reported having a fully proficient workforce; however, 1.25m employees were considered not fully proficient in their job (4.5%, up 0.2ppt).
  - The increase was only seen in England, whereas in Northern Ireland skills gap density fell by 0.5ppt to 3.3% and in Wales by 0.7ppt to 4.0%.
- 61% of employers had arranged or funded staff training in the last 12 months, compared with 65%–66% from 2013 to 2017, largely due to fewer employers training in England and Northern Ireland.
  - The proportion of staff being trained fell by 2ppt to 60% – the lowest since 2011 (54%), mainly due to a fall in England; in Wales it increased by 7ppt to 65%, and in Northern Ireland by 2ppt to 62%.

The Employer Skills Survey has been a UK-wide survey since 2011, but employers in Scotland were not included in this latest wave.

A summary report is also available, along with a series of topic reports covering: apprenticeships and traineeships, developing the skills pipeline, training and workforce development and skills needs. Technical documents are available here.

National results are available for England, Northern Ireland and Wales.

The Chartered Institute of Personnel & Development (CIPD) published *Resourcing and Talent Planning Survey 2020*, findings from its 21st annual survey of 650 human resource (HR) professionals.

- It provides trend analysis and benchmarking data on areas such as recruitment, talent management, retention and employee turnover.
    - As a result of COVID-19, 32% had decreased recruitment activity and 57% had put it on hold; 39% anticipated a reduction in their recruitment budgets in 2020–21.
    - In contrast, 14% (rising to 29% of the public sector) had increased their recruitment activity, 19% had increased training, 14% had increased their focus on retaining talent, and 15% anticipated an increase in their recruitment budget for 2020–21.
    - Nearly 75% of respondents reported increased competition for talent and changes in the skills needed for jobs.
    - Professionals/specialists and technical posts remained the most difficult positions to recruit for and retain, but more organisations reported difficulties recruiting and retaining employees in all role levels compared with previous years.
    - 41% had recruited from a wider geography over the last 12 months and 44% had targeted passive candidates; many were also turning to candidates from other sectors/industries or those with potential but without experience.
    - 41% had recruited a more diverse workforce over the last 12 months.
    - 19% offered career returner programmes and 16% mid-career change programmes.
    - Many organisations were responding to skills shortages by developing more talent in-house, including upskilling existing employees to fill hard-to-recruit-for positions (69%) and sponsoring relevant professional qualifications (63%).
    - Increasing learning and development opportunities was also the most common step taken to improve retention.

The CIPD published three Case studies as an appendix.

The Skills Network published *Skills and employment gap trend report 2020*, identifying the skills and job roles in the highest demand in today's COVID-19 economy. *[Registration is required to download the report.]*

- Several sectors continue to perform well despite the recession: construction, employment law, online retail, digital marketing, technology and online learning.

- Skills in programming, coding and software development are in high demand, with roles growing 7.3% per annum.

- 60% of chief finance officers say there is a shortage of financial skills in the UK, with auditing and accounting skills being the first and third most in-demand technical skills.

- There has been a 21% annual increase in mental health-related skills being listed in job postings across all sectors, and it is now the seventh most in-demand skill in the UK.

- The ten most in-demand 'soft skills' are: communications, management, sales, customer service, enthusiasm, leadership, planning, teaching, innovation and detail-oriented.

The European Commission published *Analysis of shortage and surplus occupations 2020*, including an initial assessment of the impact of COVID-19 on skills demand and supply.

- Three skills groups are strongly represented among the most widespread and severe **shortage occupations**: professional healthcare workers, professional IT workers and construction craft workers.

- However, it is not possible to be definitive about the consequences on skill shortages, e.g. in healthcare roles: not all relevant data are available and the pandemic is continuing; most 'shortage occupations' – mainly STEM-related – represent an acceleration of existing trends.

- The travel restrictions imposed in many countries/regions may have a significant impact on the extent, severity and persistence of skill shortages in the European workforce.
  - Therefore the potential to resolve these shortages with cross-border mobility is limited.
- The list of most widespread **surplus occupations** is dominated by clerical and unskilled occupations and a few non-technical graduate occupations (e.g. journalists, sociologists and visual artists).
- The increasing demand for technical skills plus a contracting demand for non-technical expertise suggests that technology is having a growing influence on the type of skills required in future.
  - The exception is the personal services skills which are difficult to replace by technology.
- The share of female workers among the most widespread shortage occuoations was 41% while their share among the most widespread surplus occupations was 68%.
- There is an urgent need to comprehensively inform jobseekers of the skills and knowledge associated with both good and poor employment prospects.
  - Some graduates are pursuing disciplines (e.g. sociology and journalism) where there is intense competition for jobs.
  - Not enough suitably qualified young people are pursuing apprenticeships in engineering or construction.
  - Many female workers are vulnerable to becoming unemployed due to their under-representation in STEM-related occupations.

The Engineering Construction Industry Training Board published _Skills transferability in the engineering construction industry_.

- Skills transferability could play a significant role in mitigating challenges around delivering some of the £600b of planned UK infrastructure projects:
  - Tackling increasing competition for skills between sectors in the engineering construction industry and within the wider economy
  - Mitigating the impacts of an ageing workforce
  - Adapting to technological change
  - Maintaining a safe and competent workforce.
- It could also help address issues related to COVID-19 by enabling the redeployment of skilled workers and helping to support increased resilience, and accelerate the transition to net zero emissions.
- Recommendations include:
  - Cataloguing skills sets and occupations that may be particularly suitable for skills transferability, and identifying the occupations and skills that will be in more/less demand in the future
  - A guide for employers on the benefits of skills transferability to inform the recruitment process
  - The continued development of sector-specific skills passports, which are difficult to implement but represent a powerful means of demonstrating competence
  - A promotional campaign targeting potential transferees already working in the industry; and a database of competences that would allow a user to gauge their own competence and get help on how to improve it
  - Educational programmes that equip young people with a breadth of skills and a mindset that allows for flexibility and the ability to recognise where skills learnt are applicable
  - Earmarked government funding to support adults and young people to gain transferable skills.

City & Guilds Group and the National Skills Academy for Rail (NSAR) published _Back on Track: Gearing up to meet the increased demand for talent in the rail industry_, based on a YouGov survey and NSAR data.

- 242k people work in the sector, with new rail projects increasing the demand for skills.
- There is a skills shortfall: up to 120k additional people will be required over the next five to ten years, with demand for skills peaking around 2025.
- The industry has failed to attract a diverse workforce:
  - Only 16% of the workforce is female and only 24% of women would consider a career in rail compared to 41% of men.

- 27% of people from BAME backgrounds would consider working in rail, compared to 32% of white people.
- Other key challenges include: an ageing workforce – 28% are aged 50+; retention issues; reliance on contract workers and overseas talent; and reputational issues.
- Seven recommendations include:
  - Build lifelong learning commitments, such as apprenticeships, into project specifications for national rail projects; recruitment to training programmes could be incentivised through procurement.
  - Make mid-career entry to the industry and skills transfer easier, e.g. employers and training providers could work together to create a series of short 'skills bridges' courses.
  - Develop strong career paths to attract and retain talent and maximise productivity; investing in training and development at the start of careers will cut recruitment costs later and maximise productivity.
  - Transform the rail industry into a career destination, especially for young people, and raise awareness of opportunities among women and those from BAME backgrounds; educate the public about what a career in rail really looks like and showcase the spectrum of opportunities.

TRAINING & DEVELOPMENT

COVID-related

ILM, part of the City & Guilds Group, published *Leading through challenging times*, a survey of 3,500 professionals across the UK on management and leadership during the pandemic.

- Qualities and skills identified as most lacking among leaders and managers were: empowering and motivating teams (36%); problem solving (34%); and empathy and emotional intelligence (31%).
  - Almost 75% felt that leadership had been lacking during the pandemic.
- The most important skills identified for managers and leaders were: people management (68%), relationship building/interpersonal skills (48%) and communication skills (48%).
  - Skills they needed to improve were: people management (45%), communication skills (39%) and relationship building/interpersonal skills (37%).
- 81% said effective and engaging training was important for the successful performance of teams.
- 34% felt that additional training was important for middle managers, 33% for senior managers and 24% for junior managers/team leaders.
  - 24% would not prioritise additional training post-COVID.
- 31% of organisations had no measures in place to identify leadership and management skills.
  - 27% didn't offer leadership development opportunities.
  - 24% didn't offer development opportunities for progression into management and leadership roles.
- 50% thought that government policy would have no or a negative impact on training and upskilling.

Lloyds Bank published *Transformation with Tech: A study into adoption of technology and digital skills for small businesses in 2020*, based on analysis of 200k online business transactions and consultation with 2k businesses.

- Only 4% had received support with tech/digital adoption from digital skills specialists during the pandemic; 39% had received no support.
- In the next 12 months 73% might need support: 25% would appreciate free technical/digital skills training; 19% networking and learning from peers; and 14% free leadership training.
- 51% of sole traders have never used an online/digital training tool compared to 23% of those with six to nine employees.

Other research

The Social Mobility Commission published *Learning ladders: The role of adult training in supporting progression from low pay*, based on analysis of two large-scale longitudinal datasets.

- After accounting for interactions between different characteristics, the key factors that had a significant influence on pay progression were: total days of training, no children in the household, being younger, holding L2 qualifications and living in London.
  - Geographical mobility is low among low-paid workers, with almost all remaining within the same broad region.
  - Workers who were stuck in low pay had substantially lower earnings during periods of low pay than those who escaped or cycled in and out of higher pay.
- The chances of escaping low pay were 8ppt higher for those with 150 training days over eight years compared to those with no training days over that period.
- People with higher-level qualifications were generally more likely to progress from low pay; however, only 1–4% of people in the surveys analysed improved their qualifications over the time period.
- The three significant predictors of participation in training, after accounting for interactions between different characteristics, were: higher prior qualification levels, being female and living outside London.
  - Individuals with parents from more privileged backgrounds were substantially more likely to participate in training, thereby reinforcing inequalities and limiting social mobility.
- Individuals undertaking higher levels of learning, particular subjects such as engineering and manufacturing, and longer courses were more likely to escape from low pay.
  - L3 courses were found to increase the earnings of low-paid workers by an average of 5%; no other statistically significant positive returns were found for any other qualification level.

The Social Mobility Commission published _Increasing in-work training and progression for frontline workers_, exploring how effective training and careers guidance can increase progression, pay and social mobility.

- The research explored the barriers and facilitators to provision and uptake in the retail, industrial and hospitality sectors in a range of organisations, sizes and geographies.
- Key barriers included:
  - These sectors are customer and profit-focused, with a tendency to view frontline staff as replaceable and therefore not worth investing in their progression.
  - Organisations tended to have a short-term focus, hindering investment in longer term gains.
  - Social mobility was rarely a priority, and leaders didn't see the business case for investment.
  - The staff themselves tended not to see jobs as careers and were often reluctant to take on extra responsibility, lacked confidence, and/or associated progression with added stress.
  - Organisations didn't work collaboratively and consistently with frontline staff to develop appealing opportunities in an appropriate format.
  - Channels to communicate opportunities were not always effective, with few opportunities for staff to discuss their training needs or aspirations.
- Key facilitators included:
  - Buy-in from strategic leaders to develop and embed an effective progression culture
  - An environment where it was the norm for frontline staff to expect to have training and career conversations with their managers
  - A structure that enabled access to meaningful and realistic progression opportunities at all levels
  - A commitment to staff progression, with training seen as a key part of being an employee and a ring-fenced training budget.
- With increasing focus on adult skills and lifelong learning, government interventions should consider:
  - Targeting senior management to gain buy-in to the business case of investing in staff
  - Demonstrating the value of organisations adding stepping stones to staff structures to create meaningful progression routes, including opportunities to access higher pay, so staff consider the organisation to be worth investing time and loyalty
  - Encouraging organisations to listen and respond to the needs of frontline staff
  - Supporting and incentivising organisations to increase their offer of training and careers guidance to frontline staff, e.g. training schemes and subsidies, particularly for training that results in a qualification.

McKinsey & Co published *The economic case for reskilling: How employers can thrive by boosting workers' skills*, **presenting findings from an 'analysis of talent' in the UK.**

- For UK employers, reskilling would yield positive economic returns in about 75% of cases: 43% of all reskilling cases would yield payoffs in large enterprises; in a further 30% of reskilling cases, SMEs would receive a net benefit.
  - Effective reskilling tends to bring a 6–12% productivity uplift.

- If workers are to realise the full benefits of reskilling over the next decade, around 94% of the UK workforce (30.5m workers) will need to be trained.
  - However, according to the latest Employer Skills Survey *[see page 27]*, only 62% of workers received workplace training in 2017, a figure that includes training related to health & safety and employee induction.
  - There are several significant barriers in the UK, including: lack of clarity about the skills gap; concern about the costs of reskilling; lack of clarity about suitable training offerings; and learning seen as a youthful activity.

- Pioneering companies are already pointing the way to solutions, adopting bold approaches to manage human capital more strategically; three examples are outlined.

- There are clear practices that employers can adopt to drive effective reskilling, including: conducting strategic workforce planning to determine their skills gap; improving training options for employees; and fostering a culture of lifelong learning.

The RoI's Expert Group on Future Skills Needs (EGFSN) published *Leading the Way: Investing in management development for SME productivity & growth*.

- The report examines management skills and practices in SMEs in Ireland, the attitudes and barriers to management development, and the opportunities that exist to improve performance through greater investment in targeted, high-quality management training and development.

- Among the findings:
  - Managers recognise management and leadership development as a top priority, in particular for their management teams, if less so for themselves; however, fewer than half the firms surveyed reported a dedicated budget for management development.
  - Time is identified as the biggest barrier to training, but negative perceptions and concerns about relevance are also important.
  - SMEs are highly reliant on informal manager learning and strategising practices, but firms with better innovation outcomes and better management scores were found to conduct more formal training and to use more formal approaches to strategising.
  - Better outcomes were also associated with the use of more external data and networking opportunities.
  - SMEs were not exploiting the considerable training and development resources available, often because they found the offer confusing and insufficiently coherent; however, managers also lacked clarity on personal and business need.
  - There was a need for improvement in HR practices around underperformance and recruitment.
  - Most firms didn't use advanced analytics and data monitoring to assist decision-making; those that did demonstrated significantly better management practice scores and improved innovation.

- The report makes six recommendations aligned to these findings.

EGFSN membership includes government departments; enterprise development agencies, business, unions, FE and training organisations and the Higher Education Authority.

AUTOMATION & AI: IMPACT ON WORK

COVID-related

The World Economic Forum published *The Future of Jobs Report 2020*, **based on a survey of 291 global companies representing 7.7m employees, 'mostly completed during the first lockdowns.**

- The pace of technology adoption is expected to remain unabated and may accelerate in some areas.
  - Cloud computing, big data and e-commerce remain high priorities; however, there has also been a significant rise in interest in encryption, non-humanoid robots and AI.

- Automation and the COVID-19 recession are creating a 'double-disruption' scenario for workers – technological adoption will transform tasks, jobs and skills by 2025.
  - 43% of businesses were set to reduce their workforce due to technology integration, while 34% planned to expand; 41% planned to use more contractors for task-specialised work.
  - A significant share of companies also expected to make changes to locations, their value chains and the size of their workforce in the next five years due to factors beyond technology.
- Although the number of jobs destroyed will be surpassed by the number of jobs created, job creation is now slowing while job destruction accelerates.
- Skills gaps continue to be high, as in-demand skills across jobs change in the next five years.
  - The top skills in the lead up to 2025 include critical thinking, analysis, problem solving and self-management skills such as active learning, resilience, stress tolerance and flexibility.
- The future of work has already arrived for a large majority of the online white-collar workforce: 84% of employers are set to rapidly digitalise processes, including a significant expansion of remote work – 44% of their workforce could move to remote working.
  - About 33% will also take steps to create a sense of community, connection and belonging through digital tools, and to tackle the wellbeing challenges posed by remote work.
- In the absence of proactive efforts, inequality is likely to be exacerbated by the dual impact of technology and the pandemic recession.
  - Jobs held by lower-wage workers, women and younger workers were more deeply impacted in the first phase of the economic contraction.
- There has been a four-fold increase in the numbers of individuals seeking out online learning through their own initiative, a five-fold increase in employer provision and a nine-fold increase in enrolments on government programmes.
  - Those in employment are focusing on personal development courses, while those who are unemployed are focusing on digital skills such as data analysis, computer science and IT.
- The window of opportunity to reskill and upskill workers has become smaller in the newly constrained labour market.
  - For those workers set to remain in their roles, 40% of core skills will change in the next five years and 50% will need reskilling.
- On average, employers expected to offer re/upskilling to just over 70% of their employees by 2025; however, only 42% of employees are taking up such opportunities.
  - 66% of employers expected to get a return on their investment within one year; however, this risks being too long in the context of the current economic shock.
- Companies need to invest in better metrics of human and social capital through adoption of environmental, social and governance metrics matched with renewed measures of human capital accounting.
- The public sector needs to provide stronger support for re/upskilling for at-risk or displaced workers – only 21% of businesses reported being able to make use of public funds.
  - The public sector will need to: create incentives for investments in the markets and jobs of tomorrow; provide stronger safety nets for displaced workers; and decisively tackle long-delayed improvements to education and training systems.
  - Governments must also consider the longer term labour market implications of maintaining, withdrawing or partly continuing the strong COVID-19 crisis support they are providing.

Nesta published *Learning in a pandemic: Closing the digital skills gap during COVID-19*, findings from the FutureFit programme to improve the digital skills of workers at risk of job displacement.

- The response to the pandemic has brought digital adoption forward by five years and, in the 'new normal', digital skills will inevitably be required in every job and in almost every aspect of daily life.
  - Even before the pandemic, a study suggested that 85% of jobs in the EU required at least basic digital skills, but only 58% of the population had them.
- Key findings from Sweden, Denmark and Finland:

- 95% of trainees have gained better digital skills and would use the skills they have acquired, while 70% have gained new knowledge and skills to deal with the impact of COVID-19.
- Workers aged 50+ – about 33% of the EU workforce – felt less scared of 'new technologies' (e.g. Facebook, Zoom) and more self-confident when they had completed the training.
- During the pandemic, many adults could not incorporate training into their spare time due to family responsibilities and work.
- Trainees reported low motivation and lack of support from employers and family as significant barriers to completing both offline and online learning.

The programme has completed in Sweden and Denmark, where it mainly attracted women aged 50+.

Other research

The TUC (Trades Union Congress) published *Technology managing people: The worker experience* to raise awareness of the impact of employers using AI to carry out people management functions.

- While the impact of automation on functions such as the manufacture of goods and provision of retail services is well recognised, far less attention has been given to the rapid development of AI for management functions.
  - Aspects of the employment relationship (e.g. decisions on recruitment, line management, monitoring and training) are increasingly being managed by AI instead of by a person.

- 22% of workers surveyed said they had experience of such technologies being used for absence management, 15% for ratings, 14% for work allocation, 14% for timetabling shifts and 14% in the assessment of training needs and allocation.
  - This has significant implications for workers' rights to equality, privacy and data protection, their physical and mental wellbeing, and wider issues such as the balance of power between employers and the workforce.
  - Only 28% of respondents were comfortable with technology being used to make decisions about people at work.

- Many people don't know what these AI-powered management tools are, how they operate and what impact they have.
  - It is very likely that these technologies are far more widespread than the survey results suggest, possible due to a lack of consultation and transparency.
  - A recent survey for the European Commission found that 43% of enterprises were using at least one AI technology and 25% at least two types, while 18% had plans to adopt them in the next two years.
  - A survey by the CEP found that over 60% of firms had adopted new technologies or management practices since the start of COVID-19, and more than 90% expected to retain the changes.

The second stage of the project will build on objectives identified in the report, including: achieving stronger consultation and transparency; worker wellbeing; fair, lawful use of AI that is accessible and useful to all; and increasing worker control and understanding of data. A report with recommendations for reform will follow in early 2021, and a guide for trade union representatives later in the year.

The Fabian Society published *Sharing the Future: Workers and technology in the 2020s*, the final report of its Commission on Workers & Technology, chaired by Yvette Cooper MP.

- The report makes 31 recommendations (some for the UK or GB, others for England only) covering: COVID-19, a fair share in rewards, support to adapt, better jobs and making workers' voices heard.

- Recommendations for the UK include:
  - Provide immediate training for furloughed workers and more support for freelancers (England/UK).
  - Combine employer support for innovation, business development and skills to drive up productivity, technology adoption and support for the workforce.
  - Introduce a stronger universal right to request flexible work.
  - Create a platform economy council to improve gig work.
  - Clarify who is eligible for employment rights and seek to eliminate financial incentives for employers to use contractors rather than employees.
  - Employers should embrace a new culture of workplace partnership and involve workers and trade unions in technology-related decisions.

□ Extend worker consultation and introduce worker directors for large firms.

The commission was a joint initiative with Community – a 'modern' trade union that represents UK workers in various sectors. With the Fabian Society, it established the Changing Work Centre in 2016 to explore progressive ideas for the modern world of work.

Nesta and JP Morgan published *Mapping Career Causeways: Supporting workers at risk – A new system for supporting job transitions and informing skills policy in a changing labour market*.

■ By analysing how similar occupations are to one another in terms of skill requirements and work characteristics, it may be possible to advise workers whose jobs are at high risk of automation on how they might transition to a range of lower-risk jobs.

□ These are 'career causeways' – pathways that workers can follow to find jobs with better long-term prospects as the tide of automation engulfs a wide range of occupations.

■ Machine learning was used to create a map of similarities between 1,600+ jobs; similar occupations are close to each other on the map, showing how skills and experience can be transferred to a range of nearby jobs.

■ Key findings include:

□ Automation risk is higher when jobs have predictable environments and involve routine interactions; it is raised by e.g. interacting with computers, one-way routine interactions with people, monitoring resources and analysing data.

□ Automation risk is lowered by non-routine engagement with the public, knowledge building, resolving conflicts and negotiating – any activities that involve dynamic, uncontrolled environments.

□ The need for physical effort and dexterity also protects from automation, although a leap forward in robotic innovation would result in large increases in risk.

□ The UK has 16% of workers in at-risk occupations compared with 23% in Italy; however, it also has a comparatively small proportion of workers in low-risk occupations.

□ 21% of female workers are in at-risk occupations, compared to just 12% of male workers, possibly due to the high prevalence of female workers in retail.

□ Workers whose incomes are among the lowest 20% face a three times higher risk of automation than workers whose incomes are among the highest 20%.

□ Workers in high-risk occupations have significantly fewer jobs that they can transition into based on their skills: their median number of desirable transitions is 27, compared with 30 for all other workers.

□ Around 33% of all desirable transitions for high-risk workers would put them into jobs that are also at high risk; ruling out such transitions lowers their median number to 15 – 42% lower than for all other workers.

□ Workers in 'graduate' jobs have four times more transition options than those in jobs requiring only secondary school qualifications and minimal previous experience.

□ The most effective core skills can unlock two or three new options per occupation; they fall into one of four groups of skills: management, communication, information analysis & evaluation and those related to complying (with guidelines, standards or legislation).

□ Advice for workers needs to be tailored to their current role and skills in order to identify the most effective transition for them and the new skills they need to acquire.

IZA published *Does robotization affect job quality? Evidence from European regional labour markets*, **based on information from the World Robotics Survey and the European Working Conditions Survey.**

■ The paper explores the impact of increasing robot adoption on several aspects of non-monetary working conditions in Europe over the period 1995–2005, using sector- and industry-level data.

■ Findings include:

□ Robotisation had a negative impact on the quality of work in terms of its intensity – while robots are substituting for arduous, repetitive, heavy or fatiguing tasks, their precision, predictability and standardisation may lead to an increase in work intensity.

□ It had no effects on other working conditions, such as physical environment of the job or skills and worker discretion in the job.

Retail Ireland Skillnet published *Retail technologies and future skills report*, **based on interviews, focus groups, an online survey, expert input and a literature review.**

- The digitalisation of work and disruptive technologies, or 'industry 4.0', are changing the way the retail sector operates in every facet and at an ever-increasing pace.

- Almost all retailers agree that embracing technology is now a necessity, however there is a concerning level of disparity between the rate of adoption of technology among Irish retailers.
  - The key barriers identified by retailers include cost, lack of internal support, knowledge, organisational culture, talent and time.

- Retailers are engaging in new business models and leveraging capabilities and resources with other sectors and tech start-ups to develop new technologies and customer solutions.
  - Almost 40% of retailers who responded are already partnering with tech start-ups, and 33% are looking for tech start-ups to collaborate with.
  - They want to create workspaces where knowledge, ideas, opinions and skills are shared, and a more collaborative, transparent, knowledge sharing and supportive work environment.

- The integration of systems to deliver real-time, data-driven insights across the business is a top priority, however 84% reported that a shortage of data experts makes it difficult to fulfil their organisation's potential.
  - Over 30% identified a lack of talent as a key barrier preventing them from investing in new technologies.

- Enhanced staff skills are required to support more sophisticated, knowledgeable and demanding consumers.
  - A combination of human, digital and traditional retail skills will be needed to perform effectively.

- The challenge is that many of these skills are already in high demand from other sectors of the economy and attracting and retaining this talent will become more difficult.

- Retailers need to provide learning and development opportunities, competitive remuneration packages, promotional opportunities and an environment where employees can thrive.
  - The training and development function within the organisation will become more important and will need to be staffed by competent individuals who understand technology, skills and retail.

- Collaboration between retailers and education and training providers will need to be more effective.
  - The need for hybrid training and education programmes combining retail and technology disciplines will become more apparent.
  - Many of the skills identified by retailers – including communications, teamwork, creativity, enthusiasm, empathy, time management and discipline – are best acquired in the workplace, increasing the need for dual education programmes such as apprenticeships and traineeships.
  - Providers will need to 'extensively and genuinely' collaborate with employers to remain relevant.

SKILLS POLICY

COVID-related

CVER published *Trends in job-related training and policies for building future skills into the recovery*.

- Participation in job-related training in the UK is relatively high; however, there appear to be quality issues.
  - A higher share of the UK workforce is underqualified for their occupation compared to other advanced economies, and there is significant room for improvement in training and reskilling.

- The last two decades have seen a general decline in participation in job-related training, particularly among the young, high skilled and highly educated workforce that historically received more training.
  - There has also been a decline in the amount of training received by those who are trained.

- While the number of apprenticeships has expanded in recent years, the share of older apprentices has increased and there are concerns around the decline in the duration of apprenticeships.

- Employer investment in training has fallen in recent years and firms prefer to address skills shortages with recruitment.

- The COVID-19 crisis has seen a sharp decline in job-related training for those in employment, particularly among younger, less educated individuals.

- New or enhanced policies to increase the quantity and quality of job-related training are required, particularly for younger workers or those with lower levels of educational attainment.

- Increased support for adult education and training announced since the onset of COVID-19 are welcome; however, the evidence suggests that further action across the following four areas could be effective in terms of increasing employer provision:
  - **Human capital tax credits**: these can help incentivise businesses to invest in training.
  - **A more broadly defined apprenticeship levy**: reforms could be considered to more effectively target younger workers and to broaden training investments covered by the scheme.
  - **Further devolution of skills policy**: this should be considered where local knowledge of skills gaps and opportunities can increase effectiveness.
  - **Job creation and retraining schemes**: embedding re/upskilling in new programmes of job creation – including those associated with net zero-aligned investments – with stronger incentives for businesses and support for individuals.

L&W published *Levelling up skills after coronavirus: The role of trade unions and social partnership in workforce training*.

- The UK is relatively unusual in having no formal role for trade unions in the training system; their presence is associated with:
  - a higher incidence of training and higher employer investment in training
  - a more equal distribution of training, and effective engagement of workers with lower levels of qualification
  - a more strategic approach to training.

- The role of trade unions includes:
  - Engaging adults and providing training
  - Shaping training strategies at an employer level, giving workers a voice in this aspect of workforce policy, and supporting higher levels of investment and a more even distribution of training
  - Designing training content and ensuring quality; in England, the employer-led apprenticeship system provides no voice for workers, incentivising training that is narrow and job-specific
  - Shaping the training system at a national level to ensure a long-term vision, driving a common commitment to skills and ensuring that the interests of workers are represented.

- Recommendations include:
  - Government should continue to invest in the Union Learning Fund* and ensure it is central to its drive to level-up skills, boost productivity and adapt to the post-pandemic world of work.
  - Government should introduce a duty to consult on workforce training for large employers.
  - The system for designing, approving and quality assuring training should be reformed to give workers a voice.
  - Building on England's National Retraining Partnership, government should establish a 'national skills partnership' – a new social partnership body with representation from government, employers, trade unions and skills experts.

In October, England's Education Secretary announced that the Government would not be renewing funding for the Union Learning Fund. Following the announcement, the TUC published The Future of the Union Learning Fund: An independent review with specific recommendations for government.

NCUB published *Review of NCUB skills policy in light of Covid-19*.

- Recommendations include:
  - Help employers to employ young people: for the under-25s, temporarily abolish National Insurance contributions and introduce a 50% wage subsidy for apprenticeships and internships.
  - Introduce greater flexibilities to the apprenticeship levy, and amend it so it can be used to cover the real cost of an apprenticeship to businesses.
  - Establish an independent body to analyse the UK's current and future skills needs.

- Support national upskilling and retraining: provide targeted support for part-time provision and flexible adult learning.
- Address long-standing skills shortages: waive graduate debt in jobs with significant shortages.
- Attract, train and upskill diverse talented people and teams.
- Widen the remit of the new Office for Talent to help deliver domestic as well as global talent, and coordinate UK skills and talent policy.
- Support universities through the crisis so they can continue to educate the future workforce.

Other research

The OECD published *[Raising the basic skills of workers in England, United Kingdom](#)*, providing examples and recommendations to help overcome obstacles that remain, despite 'impressive measures' to help workers and employers upskill.

- An estimated 9m adults in England have low basic skills, 5m of whom are in work.
  - Adults with low levels of education, with low-educated parents or from migrant backgrounds are likely to be low skilled.
  - The wholesale & retail, health & social work and manufacturing sectors have the largest numbers of low-skilled workers, while transportation & storage has the highest concentration.
  - However, identifying low-skilled adults remains challenging – most have mid-level education and 25% have HE.
- Most employers of low-skilled adults do not currently provide basic skills training: many workers and employers lack time and resources; but they are also not convinced of the need for or benefits of training.
- The report recommends that England:
  - **Raise awareness**: set and promote a vision for raising basic skills; identify and understand the needs of low-skilled workers through improved analytics and assessment tools; and provide them and their employers with targeted guidance and information.
  - **Make basic skills development more accessible**: expand provision within workplaces; expand the supply of flexible programmes; and extend training leave entitlements in SMEs, while compensating the employers.
  - **Make basic skills development more relevant**: tailor basic skills content and programmes to vocational contexts; strengthen the capacity of FE teachers to provide flexible and tailored basic skills training; and use and reward basic skills more effectively in workplaces.

The Institute for Public Policy Research published *[Going further: The case for investing in further education and adult skills](#)*, focusing on England.

- Policy recommendations include:
  - Commit to raising per-student spend for 16–19 year-olds to help increase contact hours and staff pay, reduce deficits and introduce a 'disadvantage premium'.
  - Immediately establish a 'job training scheme' as part of reform of the Job Retention scheme.
  - Fully fund the apprenticeship training component for non-levy-paying firms and introduce greater conditionality on the expenditure of the levy to target it at younger people.
  - Immediately suspend conditionality on people on Universal Credit who want to retrain.
  - Build on the announcement of a L3 adult entitlement by introducing a maintenance loan on HE terms; over time, extend this to all people studying for their first L3, L4 or L5 qualification.
  - Invest in colleges as key institutions in supporting the ambitions of people, productivity and places; this should include funding colleges to form local networks and take on the role of innovation/skills hubs.

The Work Foundation published *[Learning to level up: The role of skills in tackling job insecurity through Brexit and Covid-19](#)* in partnership with Totaljobs, analysing the barriers to engaging in training for mid-career workers aged 25–49.

- The prospect of engaging in adult learning or skills development will feel particularly difficult for many.
  - Up to 1.9m with children under 16 may find it harder to access training opportunities due to caring and family responsibilities.

- Over 7.5m have not received any training since leaving full-time education, and have no recent experience of engaging in learning and skills development.
- Participation in training decreases with age – 31–28% of 16 to 24 year-old workers access training, but 25% of 30 to 49 year-old workers.
- Costs, fatigue and time constraints can prevent engagement in courses outside of working hours.

- 1.4m mid-career workers with L3 qualifications in routine or manual occupations would currently be ineligible for England's Lifetime Skills Guarantee or the Kickstart Scheme despite being among those most likely to benefit from training to help them progress into higher-paid work.

- Recommendations for government include:
  - Offer support with the indirect costs of taking part in training, such as childcare, to workers on low incomes.
  - Include a specific focus on engagement with FE within the role of the Disabled Students' Commission to ensure that initiatives are inclusive of disabled learners.
  - Remove restrictions on engaging in training for individuals receiving welfare benefits like Jobseeker's Allowance and Universal Credit.
  - Help employers to meet the indirect costs of staff training, such as arranging cover for staff who are away from work – there is little incentive for employers to support workers in routine and manual roles to invest in their longer term learning and development.
  - Review eligibility for the Lifetime Skills Guarantee to maximise access and participation among workers on low pay, recognising that some who hold a L3 qualification may benefit from access to further training.

The CBI published *Learning for life: Funding a world-class adult education system*, based on analysis by McKinsey & Co undertaken before COVID-19.

- 90% of workers will need some form of reskilling by 2030, with virtually every job changing – some incrementally, some radically.
  - 26m workers will require upskilling as their role evolves; 5m workers will go through a more fundamental job change and require retraining.

- Investing in reskilling workers results in:
  - An 8–10% boost to 2017 GVA (Gross Value Added), equivalent to a £150–190b uplift by 2030
  - Increased job satisfaction and higher wages for employees
  - Fewer individuals needing state income support
  - Increased competitiveness for UK businesses.

- There are four key issues government and business must work together to tackle:
  - Employers remain the biggest investors in adult training, but annual training spend per employee has fallen by 5.6% from £1,620 in 2011 to £1,530 in 2017, and needs to increase.
  - SMEs face barriers that prevent many from increasing investment in training, including a lack of scale, high fixed costs and a lack of capacity; 43% of micro and small businesses didn't provide any training in 2018, compared to 4% of large organisations.
  - The training landscape is complex and doesn't support the large-scale reskilling needed; provision is overwhelmingly targeted at young people and focused on longer courses and formal qualifications.
  - 68% of workers in the 15 occupation groups most at risk from automation believe it is unlikely that their current role will be automated in the next ten years; but individuals looking to retrain face steep challenges in finding quality information on the right jobs and training to take up.

- Recommendations include:
  - Help small businesses overcome barriers to training investment by introducing SME tax credits.
  - Boost overall business investment in skills by turning the apprenticeship levy into a 'skills & training levy' that funds high-quality accredited training.
  - Encourage people to take up new training opportunities by introducing 'career development accounts'.
  - Extend flexible loans to adults of all ages and to shorter bitesize courses, not just to longer formal qualifications.

- Encourage more people to have a stake in lifelong learning by turning job centres into 'jobs & skills hubs' that offer face-to-face support.

The CBI published _Reviving regions: Empowering places to revive and thrive_, setting out action to address long-standing gaps in productivity and equality across England, including focusing on workforce skills.

- Tackling gaps in regional productivity and spreading economic opportunity is not easy; it requires targeted interventions across multiple dimensions to be sustained over years.
  - This includes investing more in the drivers of productivity (particularly skills), addressing social challenges such as education and health deprivation, and understanding the role of cities in driving growth.
- Academic research suggests that the skills of the local workforce is one of the major factors in regional inequalities.
  - Educational outcomes and opportunities for training vary widely and can become entrenched, with high-skilled workers gravitating towards places offering the best job opportunities or amenities.
  - Areas with a higher-skilled workforce also tend to attract more private investment and infrastructure spending, and have higher R&D intensity and stronger innovation networks.
  - More devolution would allow areas to take a place-based policy approach.
- Recommendations include several to 'build vibrant local labour markets', including by: transforming job centres into regionally led 'jobs & skills hubs'; ensuring the resource and capacity to provide locally specific skills support; and establishing a roadmap that includes the devolution of funding.

Other recommendations cover: inspiring world class, innovative businesses to invest in all regions, and transforming local infrastructure to facilitate new ways of working.

SDS published _Climate Emergency Skills Action Plan 2020–2025: Key issues and priority actions_, to help capitalise on job opportunities in Scotland emerging from a transition to 'net zero'.

- Any labour market disruption must be mitigated by investment in skills to support people to move into sustainable jobs in the net zero economy.
  - Technical skills will be key, but soft skills will play an important role in driving behavioural change, communicating the ethics and urgency of the changes and the benefits of the transition.
- Potential opportunities for jobs growth and skills implications were identified across five broad areas: energy transition, construction, transport, manufacturing, and agriculture and land use management.
- Six priority areas for action, with significant implications for employers, individuals and skill providers, include:
  - Building better understanding and evidence of future skills needs
  - Developing the future workforce
  - Driving awareness and action to support reskilling and upskilling
  - Ensuring fairness and inclusion in the skills system
  - Taking a collaborative approach to ensure the skills system is responsive to changing demands.
- Short- and long-term measures include:
  - Create a 'green jobs workforce academy' to support existing employees and those facing redundancy to assess their skills and undertake any upskilling and reskilling needed.
  - Establish a 'green jobs skills hub' to provide intelligence for the skills system on the numbers and types of green jobs that will be needed over the next 25 years.
  - Maximise the uptake of apprenticeships in green jobs and develop new work-based learning pathways.

The plan complements a newly updated climate change plan published by the Scottish Government to support a 'green recovery' from COVID-19.

ADULT & LIFELONG LEARNING

L&W published _Learning through lockdown: Findings from the 2020 Adult Participation in Learning Survey_, based on a phone survey of 5,190 UK adults conducted in August/September.

- The survey adopts a broad definition of learning, including a wide range of formal, non-formal and informal learning, far beyond the limits of publicly offered educational opportunities.
- Among wider survey findings (not directly comparable with previous years due to changes in methodology):
  - 60% of adults reported that they had taken part in learning over the previous three years – far higher than in previous surveys (the 2019 figure was at an all-time low of 33%).
  - Adults from BAME backgrounds had far higher three-year participation rates than those from white backgrounds (72% vs 58%).
  - Despite this, persistent patterns of inequality continue, with older adults, those in lower social grades, those with fewer years of initial education and those furthest from the labour market remaining under-represented.
  - Participation is higher in England (61%) than in Scotland (56%), Wales (51%) or Northern Ireland (44%).
  - Within England, adults living in London (69%) and the South West (64%) are more likely to be learning than those living elsewhere; the North East has the lowest rate (55%).
  - 38% of adults who had engaged in learning over the last three years said that they had done some or all of this online.
  - 54% said they would be fairly/very likely to participate in the next three years (40% previously).
- Among the findings directly related to COVID-19:
  - 43% took the opportunity to learn through lockdown; 90% went online for all or some of their learning; 39% did more online learning as a result of lockdown (44% in England, 27% in Northern Ireland).
  - 8% struggled with consistent access to technology, 10% with motivation and 12% with the lack of face-to-face contact with other learners; however, 91% said they were likely to continue to engage in online learning in the future.
  - 37% were learning for professional or employer requirements, 14% for personal development and 12% to pursue a personal interest or hobby; 9% cited reduced pressures on their time and 9% to help fill their time.
  - 55% learnt independently, with 24% learning through apps, websites and social media.
  - Younger adults, full-time workers, those in higher socioeconomic grades and those with more years of initial education were all more likely to be learning.
  - Among full-time employees, those who continued to work during lockdown were more likely to learn than those who were furloughed.

The Social Market Foundation published *(Adult) education, education, education: How adult education can improve the life chances of those on low incomes***, drawing on desk research, quantitative analysis and in-depth interviews with people on low incomes.**

- Participation rates in the UK have almost halved since 2004, from 29% to just below 15%; those who participate in adult education tend to be more socially advantaged, better educated and closer to the labour market.
  - Among G7 countries, the UK has the lowest public expenditure on training as a percentage of GDP: 0.01% of GDP in 2011, compared to 0.31% in France and 0.25% in Germany.
- Among those in paid employment, those participating in employer-provided training in 2012–13 saw only slightly stronger income growth than those that didn't participate (12.8% vs 12.0%).
  - In contrast, those participating in a college or university programme saw notably faster income growth (25% vs 15%).
  - This premium is higher for those in the bottom half of the income distribution, suggesting that improving access to formal adult education for those on low incomes could be particularly beneficial.
- Employer-provided training appears to be less valuable to individuals than education and training undertaken elsewhere.
  - It is often seen as a 'box ticking' exercise rather than a genuine route to advancement.
  - Workers who participated in non-employer-provided training in 2012–13 were more likely to have changed occupations five years later; there was little difference in likelihood among those who received employer-provided training.

- The non-economic benefits of adult education include improved wellbeing, and developing skills that can be applied to life outside work.
  - Study can also promote a 'virtuous cycle', enthusing participants to pursue additional adult education opportunities.
- Barriers to adult education participation are significant and include those that are:
  - **Situational**: time and financial costs are likely to be a significant situational barrier; fees tend to be less of an issue than lost earnings and the time costs of education
  - **Institutional**: arising from the unresponsiveness of educational institutions
  - **Dispositional**: the attitudes, perceptions and expectations of adults who could be participating are the most frequently cited barrier; scepticism over the benefits of adult education appears to be significant, while it is often seen as providing necessary certification rather than improving job performance or creating opportunities for career advancement.

The British Council published [findings](#) of a survey of the views on foreign language learning of 2,069 adults aged 18+ in the UK, conducted online by YouGov in October 2020.

- 73% said learning a foreign language made international travel easier, 72% that it broadened career opportunities, 70% that it increased understanding of different cultures and 62% that it sharpened the mind and improved memory.
- 66% said they did not appreciate the benefits of studying a foreign language while at school.
  - 64% wished they had kept up the language they studied – only 9% had done so; 58% regretted not spending more time studying it at school.
  - 66% thought languages should be compulsory at primary school and 79% at secondary school.
  - 33% thought Spanish was the most important language for young people to learn, 20% thought French and 18% Mandarin Chinese.
- 10% tried learning a language during the first lockdown, 77% did so via smartphone apps.

Cedefop published *Adult learning and continuing vocational education & training [CVET] valued by Europeans: Insights from a pan-European opinion survey*.

- 96% of respondents across all 30 countries agreed on the importance of adult learning and CVET.
  - 70% believed that such learning would be even more important in ten years' time, and at least 66% in every country agreed that their government should prioritise investment in it.
- 88% of those in work said that their job required them to keep their skills up to date, rising to at least 90% in some countries.
  - More than 25% said that they lacked either the technical or general skills required for their job, and therefore needed training.
- More than 50% in every country agreed that adult learning and CVET supported their personal development, and 55% that they were necessary for career progression and when looking for a job.
  - 49% agreed that they could be a route to a better income.
- Although only 46% agreed that adult learning and CVET were as important as school or university education, 32% agreed that they were ways to obtain the equivalent of a degree.
- Despite the above, in 22 countries, the most frequent reason given for not taking part in organised training was that people felt they didn't need it.

The full survey report can be found [here](#).

The Foundation for European Progressive Studies and the Jacques Delors Institute published *Towards an individual right to adult learning for all Europeans*.

- While Cedefop estimates that almost 50% of European adults might need upskilling or reskilling, there are low rates of participation in adult learning, with major differences between states.
  - In addition, those most in need of new or additional skills are the least likely to engage in training.
- There is a lack of broad-based coverage and inclusiveness in adult learning, while some systems seem misaligned with labour market needs.
  - Public funding is still lagging, while workers in SMEs are offered fewer training opportunities than those in larger firms.

- Of three different types of individual learning schemes examined – individual savings accounts, vouchers and Individual Learning Accounts (ILAs) – ILAs have higher costs but create a universal and portable individual right to train.
  - ILAs encourage people to have greater control over their learning and truly personalise it.
  - If well designed, they can help improve quality of provision and alignment with labour market needs.
  - Above all, they are a powerful tool for bringing about the culture change needed for a life-cycle approach to learning.
- Guidelines should ensure that ILAs: promote universality and inclusiveness; make guidance a priority; ensure workers develop future-relevant skills; help improve the quality of training; are transparent, accessible and widely understood; and create synergies with and between existing initiatives and financing mechanisms.

THE CHANGING NATURE OF WORK

COVID-related

ISER published _Worker Productivity During Lockdown and Working from Home: Evidence from self-reports_, using data from the COVID-19 module in the UK Household Longitudinal Survey.

- With home working expected to be a more prevalent working practice after the pandemic than before, a key policy issue is how this might impact productivity.
- Overall, workers at home reported being approximately as productive on average as before the pandemic; however, self-reported productivity varied substantially across socioeconomic groups, industries and occupations.
- Workers in sectors considered less suitable for home working reported falls in productivity, while groups reporting worse productivity were low earners, the self-employed and women, particularly those with children.
  - Those in the 'right' occupations and with high incomes reported increased productivity.
  - Low productivity wasn't only related to job characteristics but was directly affected by socioeconomic conditions.
- Home workers' productivity was also related to the intensity of working from home and its change during lockdown.
  - Those who previously worked from home at least occasionally, and then increased the intensity of home working, experienced a productivity increase.
  - Those who did not increase their home working frequency or never previously worked from home reported a large productivity decline, suggesting a direct negative effect of the pandemic.
- Productivity declines were strongly associated with substantially worse mental wellbeing: those who said they got much less done at home reported declines in wellbeing comparable to the effect of an unemployment shock.
  - There was also evidence of a causal pathway from productivity to wellbeing, offering an explanation for recent declines in mental wellbeing among certain groups.
- Home working can be effective, as long as workers have the right support.
  - Policies that target workers in vulnerable socioeconomic groups or certain jobs with large productivity drops may boost both productivity and mental wellbeing.

The CBI published _No Turning Back_, using a survey of 573 businesses and five online focus groups to explore which COVID-related changes in working practices and behaviours are likely to be permanent.

- A hybrid model of working is the most popular option beyond 2021, with 47% of respondents saying they think the majority of their UK staff will split their work evenly between workplace and home.
  - 53% think remote working will have a positive/fairly positive impact on recruitment and retention, while 41% think the same of productivity.
  - However, 54% think it will have a negative impact on staff training, 50% on workforce culture and 32% on their ability to lead and manage their staff.

- The qualitative findings suggest a complete shift in mindset on remote working, with working from home seen as the natural default.
  - Businesses with flexible working practices already in place saw these 'turbocharged'; those with little or no experience of remote working discovered how to do it and the benefits.
  - However, there are concerns about mental health and isolation, burnout, sustaining informal networks, building relationships and potentially ending up with a 'two-tier' workforce.
- On average, businesses expect their office space to reduce by 18% compared to 2019, and that offices are far less likely to be used for desk-based activities and meetings with clients.
  - Offices will be used more for collaborating and connecting within and across teams, and some businesses are already redesigning offices to facilitate this; it will also be important to provide office space for people who prefer to work there or struggle to work remotely.
- The top three areas where changes will have a positive impact are work–life balance (net 72%), likelihood of meeting carbon emission reduction targets (61%) and innovation (45%).
  - A net 33% believe changes will have a positive impact on diversity and inclusion (45% positive/12% negative) and 11% on reskilling (44%/33%).
  - 67% believe they will be doing more to increase diversity and inclusion and 57% to support their local communities.

McKinsey Global Institute published _What's next for remote work: An analysis of 2,000 tasks, 800 jobs, and nine countries_ – the UK, China, France, Germany, India, Japan, Mexico, Spain and the US.

- Quarantines, lockdowns and self-imposed isolation have pushed tens of millions around the world to work from home, accelerating a workplace experiment that had struggled to gain traction before COVID-19 hit.
  - The limitations and benefits of remote work are now clearer; although many people are returning to the workplace as economies reopen, hybrid models of remote work for some employees are here to stay.
  - The virus has broken through cultural and technological barriers that prevented remote work in the past, setting in motion a structural shift in where work takes place, at least for some people.
- Building on work on automation, AI and the future of work, the analysis finds that the potential for remote work is highly concentrated among highly skilled, highly educated workers in a handful of industries, occupations and geographies.
  - Finance & insurance has the highest potential, followed by: management; professional, scientific & technical services; and IT & telecoms.
  - With its high concentration of business and financial services, the UK has the highest potential for remote work among the countries examined, with its workforce theoretically able to work remotely 33% of the time without a loss of productivity.
- In a recent McKinsey survey of 800 global corporate executives, 38% of respondents expected their remote employees to work two or more days a week away from the office after the pandemic, but just 19% expected employees to work remotely for three or more days.
  - JPMorgan Chase already has a plan for its 60,950 employees to work from home one or two weeks a month or two days a week, depending on the line of business.
- More than 20% of the workforce could work just as effectively remotely three to five days a week.
  - This would mean three to four times as many people working from home as before the pandemic, with a profound impact on urban economies, transportation and consumer spending.
- However, more than 50% the workforce has little or no opportunity for remote work, many of them in low-wage jobs and those more at risk from automation and digitisation.
  - Remote work thus risks accentuating inequalities at a social level.

Other research

ISER published _Labour market flexibility and unemployment duration: Evidence from the UK_, examining whether unstable jobs with variable hours and pay helped unemployed workers move into employment.

- The research analysed data from the UK Household Longitudinal Study, as well as experimental data probing the responses of low-income workers to uncertainty about work and pay.

- There is no evidence that jobs with variable hours and pay shorten unemployment spells or facilitate labour market reintegration.
  - This is true both of men and women, and of vulnerable groups that face barriers to employment such as the long-term unemployed or workers with lower educational qualifications.
- Workers viewed work-related uncertainty as a burden and sought to avoid it whenever possible: participants who faced a 50% probability of work not being available were 15–30ppt less likely to choose to work compared to participants who faced no uncertainty.
  - This was not only because variability in work availability reduced total expected pay but also because uncertainty itself was perceived as detrimental.
- Welfare policies can be used to encourage people to take up insecure/flexible work, either by making sure benefits provide a source of income when work is unavailable or by threatening benefit sanctions.
  - In both cases, the probability to choose work increased by around 11–15ppt.

Eurofound (European Foundation for the Improvement of Living & Working Conditions) published _Labour market change – New forms of employment: 2020 update_, examining nine innovative employment forms across the 27 EU member states, the UK and Norway.

- The report examines the policy frameworks of each country, and maps the scale and scope of the incidence of these new forms, highlighting the main opportunities and risks associated with each.
- Key findings include:
  - Some new forms of employment are expected to continue to grow, due to the transition to the digital age and a carbon-neutral economy; however, some new forms may be negatively affected due to the economic and labour market impact of COVID-19.
  - Many new employment forms are driven by the need for flexibility of employers/clients or workers; it is crucial to ensure that this flexibility does not diminish workers' protection.
  - Working time, representation, and health and safety need to be addressed for several new forms of employment, including ICT-based mobile work, platform, casual and voucher-based work.

Policy recommendations take into account new ways of working due to COVID-19.

EMPLOYMENT: RIGHTS, RESPONSIBILITIES & WAGES

COVID-related

The Centre for Progressive Policy published _From precarious to prosperous: How we can build back a better labour market_, calling for urgent legal reforms to prevent extreme insecurity, in-work poverty and exploitation arising from COVID-19.

- In spring 2020 the number of people on zero hours contracts in the UK rose to over 1m, up 80% since 2013.
  - Nearly 33% were underemployed, 3.6 times more than in the wider working population, providing a strong signal that this employment model is not working.
- An estimated 10% now also work in the gig economy, on short-term or freelance contracts rather than as permanent employees.
  - The rise of insecure work has coincided with rising poverty among those in work.
- In a survey of over 600 businesses of all sizes, 40% felt more responsibility to offer secure job contracts in response to COVID-19; 25% would support eliminating zero hours contracts.
- Among the recommendations for government:
  - Clarify employment status in law to better reflect the modern economy, including introducing a statutory presumption that a person is a worker unless it can be proved that they are self-employed.
  - Eliminate the use of zero hours contracts.
  - Protect worker rights as the UK leaves the EU, including rights derived from the Working Time Directive.
  - Implement a minimum wage for the self-employed.

- Collect more detailed information on employment status as part of the Office for National Statistics Labour Force Survey, including to identify gig economy workers and whether people are workers or employees.

Carnegie UK Trust published *Good work for wellbeing in the coronavirus economy*, a report of research into the job quality impacts of the crisis.

- 14 key messages include that investment in skills and training is going to be a main priority in the coming years.
- 30 recommendations include:
  - Create a multi-year jobs plan in a coordinated strategy for jobs creation, job search support, training and reskilling provision.
  - The UK Government to place achieving 'good work' at the heart of economic recovery plans.
  - The UK Government to work with organisations representing workers most disadvantaged by the pandemic to implement effective responses tailored to meet their needs.

Carnegie UK Trust also published *Race inequality in the workforce: Analysing the state of play in the coronavirus economy*, exploring the specific impact of the pandemic on BAME workers.

- There is evidence that BAME workers have faced additional risks, and experienced poorer quality of work and loss of employment.

11 recommendations for government and employers are highlighted from the Good Work *report above.*

Nottingham University Business School and Warwick IER published *Carrying the work burden of the COVID-19 pandemic: Working class women in the UK – Briefing Note 1: Employment and mental health*.

- 60% of female routine/semi-routine workers are key workers, disproportionately in frontline roles that require face-to-face interaction.
- 43% of working class women in semi-routine and routine jobs worked no hours in April 2020 (men 42%), compared with only 20% of women in management and professional positions (men 18%).
- 54% of female routine/semi-routine workers had been furloughed by June (41%), compared with 15% of management and professional women (16%).
- Only 9% of working class women in routine/semi-routine jobs were 'always' working from home (3%), compared with 44% of women in professional/managerial jobs (48%).
- Around twice as many employed women as men experienced psychological distress in April, falling to around 50% more in June.

Eurofound published *Women and labour market equality: Has COVID-19 rolled back recent gains?*

- More women are in employment now than ever before (67.2% in 2019); however, the gender employment gap has stagnated at just under 12ppt since 2014, after falling by over 30% since 2002.
  - European labour markets continue to demonstrate a high level of sectoral and occupational segregation, with women over-represented in low-paying jobs and part-time work.
- There is a clear economic imperative to closing the gender gap – it cost Europe over €320b in 2018, 2.4% of EU GDP – and a social imperative due to its implications for women's lives.
  - This is one of the key objectives of a new EU Gender Equality Strategy 2020–2025.
- The COVID-19 crisis and consequences of lockdown might risk gains achieved in gender equality, e.g. by women disengaging from the labour market, and developments reinforcing gender roles.

The report includes a review of policies that have supported female employment in the short term and proposes how policy should respond in the long term to avoid losing the equality gains achieved.

The International Labour Organization (ILO) published *Social dialogue, skills and COVID-19*, its second Global Deal Flagship Report.

- The Global Deal is a multi-stakeholder partnership that promotes social dialogue and sound industrial relations to address the challenges in the global labour market and to enable all people to benefit from globalisation.

- The first challenge presented by COVID-19 was the need to prevent the sudden shutdown of major parts of the economy.
  - Social partners and governments addressed this swiftly by negotiating short-term changes that kept workers in their jobs, strengthening labour market resilience.
  - Social dialogue also played a key role in developing policies to protect workers' health, providing them with a collective voice and the confidence that a return to work would be as safe as possible.
- Many agreements were signed to find flexible working-time arrangements, e.g. shifting working hours from periods of idle time (during lockdown) to periods when production could continue.
- As workers and companies at the bottom of the supply chain faced the cancellation of orders, social dialogue helped to develop several global initiatives (e.g. in the global garments industry).
- As significant evidence emerges that COVID-19 has intensified inequalities, social dialogue needs to be a key part of the 'building back better' agenda.
- At the same time, technological change and other megatrends are restructuring labour markets, thereby creating a greater than ever need for strong adult learning systems.
  - Successful skills development systems and lifelong learning policies use social dialogue to build bridges, connecting education and training to work and helping to accelerate the creation of more and better jobs, improve social cohesion and contribute to sustainable development.
- However, the involvement of social partners in adult learning varies significantly across countries.
  - Governments need to use the capacity of trade unions and employers to develop and implement training.
  - Programmes to encourage learning at work are more successful where social partners communicate effectively about changes in work organisation, and they have a key role to play in evaluation.
  - Engagement is also important to provide prompt and effective re-employment assistance to those who become unemployed.

The report includes examples of how Global Deal partners have engaged in efforts to promote and strengthen social dialogue.

The ILO published *Global Wage Report 2020–21: Wages and minimum wages in the time of COVID-19*.

- The report is in three parts:
  - Part 1: Recent trends in wages, including the impact of COVID-19.
  - Part 2: Minimum wages and inequality, including the effectiveness of minimum wages, the adequacy of the levels at which they're set and the characteristics of minimum wage earners.
  - Part 3: Wage policies for a human-centred recovery.

An InfoStory offers an easy way of exploring the key findings; it will be updated regularly.

Other research

CIPD published *Reforming employment status: Building a stronger foundation for employment rights*, calling on the Government to put the recommendations of the 2017 *Taylor review of modern working practices* back on its list of priorities.

- It is over 18 months since the Good Work Plan promised detailed proposals; while COVID-19 has dominated the Government's attention, it has also underlined the precarious situation of many in low-paid work.
- Interviews and group discussions with HR directors from digital platform and traditional companies, employment policy experts, employment lawyers and HR advisers found:
  - Addressing employment and worker status was seen unanimously as an important and unresolved aspect of the Taylor reforms that should be progressed urgently.
  - Most saw no strong rationale for employers to use worker status, nor for employees to want to be on it, other than as a route from self-employment to employment.
  - All supported aligning employment law and tax aspects of status; the majority favoured doing this on the basis of the two category definitions of employed and self-employed, although some favoured three categories for the advantages of a flexible 'middle ground'.

- Most supported other actions to better protect the self-employed and increase flexibilities for employees, as well as reducing the incentive to misclassify employees by more closely aligning tax/National Insurance rates.

- A rapid evidence review highlighted the following issues under the current UK system:
  - The major mismatch between having two statuses within tax law but three within employment law, creating risks and negative effects for all parties
  - Negative consequences for job quality, affecting individuals' health and wellbeing, employer and national productivity
  - Difficulties in legal enforcement.

The report proposes 11 specific and urgent reforms.

Cedefop and Eurofound published *[European Company Survey 2019: Workplace practices unlocking employee potential](#)*, **based on information from over 21k HR managers and 3k employee representatives in 27 EU member states and the UK.**

- Among the findings:
  - In just 36% of establishments, a small proportion of workers (less than 20%) can organise their work autonomously; in 42%, a similarly small proportion are in a job requiring problem solving.
  - Establishments use non-monetary incentives to motivate employees more frequently than monetary incentives.
  - 71% of workers have skills matching their job requirements; 16% on average are overskilled, while 13% are underskilled.
  - Only 4% of establishments didn't provide any training in the year prior to the survey.
  - 70% of managers think that involving employees in changes to the work organisation gives the establishment a competitive advantage.
  - 29% of establishments had an official structure for employee representation; 28% are members of an employer organisation.
  - Among establishments with an employee representation, those where management has a trusting and constructive relationship with it and where it can influence management decision-making score better on workplace wellbeing and establishment performance.

- Based on how they combine workplace practices, four groups of establishment were identified that differ in the extent to which they invest in employees and involve them in decision-making:
  - **High investment, high involvement**: employees have a high degree of autonomy and management has high expectations of them, matching this with high use of incentives and comprehensive variable pay, widespread training and learning opportunities and direct involvement in decision-making; they are likely to have employee representation and are often members of an employer organisation.
  - **Selective investment, moderate involvement**: employees have some autonomy and management has moderate expectations of them; deployment of incentives is moderate, with selective access to variable pay and selective training and learning opportunities; involvement of employees is irregular or focused around meetings; employee representation is average, but they are relatively likely to be members of an employer organisation.
  - **Moderate investment, irregular involvement**: employees have little autonomy, and expectations of them are moderate and matched by limited use of non-monetary incentives; they are relatively likely to offer variable pay, limited training and learning opportunities, and irregularly involve employees in decision-making; employee representation is average, but they are unlikely to be members of an employer organisation.
  - **Low investment, low involvement**: employees have little autonomy, expectations of staff are low and use of non-monetary incentives or variable pay is low; learning opportunities and employee involvement are limited; they are unlikely to have official employee representation or to be members of an employer organisation.

- The 'high investment, high involvement' group scores best in terms of workplace wellbeing and establishment performance, and thus is most likely to generate a win–win outcome.
  - An official structure for employee representation was found most often in establishments whose workplace practices are linked to better workplace wellbeing and establishment performance.

Eurofound published *Working conditions – Employee monitoring and surveillance: The challenges of digitalisation*, exploring the nature and extent of regulatory approaches to workplace monitoring in Europe.

- Technological change has opened the door to more intrusive employee monitoring and surveillance.
  - Regulatory provisions in EU member states are often out of step with technological developments.
- National data protection authorities have an important role to play in enforcing existing rules; implementation of GDPR in national legislation has, in some cases, expanded their scope of activities.
- At European level and in several member states, trade unions have been raising concerns about the potential infringement of workers' fundamental rights due to the use of advanced technologies.
- The use of electronic monitoring can limit work autonomy and diminish employees' wellbeing and trust in management, while creating possible infringements of workers' privacy.
  - The use of monitoring technologies may also include game-like dynamics, with additional pressures on workers to meet performance targets.
- Companies that use data analytics to monitor employee performance have better performance outcomes than those that do not – however there is a small, negative association between the use of data analytics to monitor employee performance and workplace wellbeing.
- National regulatory frameworks must become future-proofed and respond to the challenges of new digital technologies.

Eurofound published *Working conditions in sectors*, based on data from the 2015 European Working Conditions Survey.

- The report focuses on four main topics: changing tasks, skills, training and employability; non-standard employment and employment security; health, wellbeing and flexible work organisation; and employee representation and voice.
- Job quality is generally improving, however the trend is comparatively downwards in some sectors.
  - Social environment is the only aspect deteriorating in all sectors, especially in public administration and health.
- The sectors most affected by changes in work organisation and digitalisation (education and services) and with low levels of training participation (agriculture, construction, commerce and hospitality) should be provided with training to improve workers' employability.
- A high level of flexibility and a digitalised work environment are found mainly in service sectors and within high-skilled occupations; however, these workers are more likely to report work–life balance problems.
- Formal in-company employee representation exists for only 50% of workers, however it is an important factor in improving the situation of workers.
  - Its absence is particularly noticeable in agriculture, commerce, hospitality and other services, and in Eastern Europe than in other EU regions.
- Developing measures to address relevant issues such as skills development, job security and work intensity should be a priority for policy.
  - Employee representation and voice are key to improving the situation of employees.

CESifo published *Do employees benefit from worker representation on corporate boards?*, drawing on administrative data from Norway, which has similar board structures to the UK.

- Workers are paid more and face less risk to their earnings in firms that have worker representation.
  - On average, workers moving into firms with worker representation experience a 4% increase in wages compared with their former co-workers moving between firms without representation.
  - In response to a 10% fall in the value added of a firm, the wages of workers decrease by 0.9% in firms *without* worker representation, but only by 0.2% in firms *with* worker representation.
- These benefits are not caused by the representation per se, but rather by the fact that such firms are more likely to be larger and unionised, therefore often paying better and providing better protection against fluctuations in company performance.
  - Conditional on the firm's size and unionisation rate, worker representation has little if any effect.

- While workers may benefit from being employed in such firms, they would not benefit from legislation mandating worker representation on corporate boards.

CESifo published *How does working-time flexibility affect workers' productivity in a routine job? Evidence from a field experiment*.

- Workers were hired for a routine temporary job using two different types of contract applied randomly at applicant stage: working part time; and having the autonomy to decide when to start and stop working within the working week.

- Both part-time work and working-time flexibility substantially reduced working-time interruptions; however, part-time workers were not significantly more productive, either because they also made more mistakes or because they were more absent from work.

- By contrast, full-time workers who were given time autonomy were more effective in using their working time, which in turn increased their productivity by as much as 30%.
  - The autonomy also enhanced the attractiveness of the job for intrinsically more productive workers, resulting in up to 50% higher productivity than that of workers hired on a non-flexible full-time contract.

The Centre for European Policy Studies published *Social Innovation in the Temporary Agency Work Industry*, **commissioned by the World Employment Confederation-Europe and UNI Europa.**

- Temporary agency work has risen in Europe over the last few years and has the potential to reduce unemployment.
  - The challenges facing the labour market as a whole – such as increased flexibility – have already been experienced in the temporary agency work sector, leading in some cases to the development of solutions that might be relevant for other sectors.

- The study presents a comparative analysis of 15 such social innovation practices in three domains: skills enhancement and training (six practices), working conditions (four practices) and social protection (five practices).

YWCA Scotland published *Young Women Lead 2019/20* **in partnership with the Scottish Parliament, exploring the measures being taken to increase employment opportunities for BAME women.**

- The Young Women Lead programme for under-30 year-olds was launched in 2017, focusing on employability skills, political engagement and voter engagement.

- Three key themes were identified from this inquiry:
  - A lack of effectiveness, expertise and thorough knowledge of BAME employment issues within careers advice services
  - Societal and personal influences on employment; societal influences play a decisive part in BAME women's transition from education to employment
  - Education and systemic barriers, e.g. unconscious bias, lack of knowledge and cultural awareness, lack of representation, role models and visibility of BAME women.

The OECD published *Promoting an Age-Inclusive Workforce: Living, learning and earning longer*, **demonstrating the positive impact of age diversity and inclusion on a firm's long-term competitive growth and organisational resilience.**

- For many years, companies, managers and HR functions have been using generational or age labels to guide work practices and policies.
  - This is despite the evidence that workers of all ages are alike in their attitudes to work and broadly value the same things.

- There is compelling evidence that employers who respond positively to the changing individual needs of employees during their life cycle and career stages improve their success in attracting, motivating and retaining workers.
  - These workers are likely in turn to exert greater effort on behalf of their company and play a full part in making it efficient and productive.

- Age discrimination against those aged 50+ cost the US economy $850b in 2018 alone.

- Employers must act on three fronts in order to make the most of age-inclusive workforces and thrive in the new world of work:

Attracting and retaining talent of all ages

- Eliminate age bias in recruitment practices and encouraging age-diverse cultures where all workers feel comfortable and appreciated regardless of age.
- Use age-neutral imagery and language in job adverts and descriptions and use software to sort applications automatically.
- Target diversity-training programmes on specific individuals or teams, e.g. line managers or appointing committees – both have been shown to be more effective in reducing prejudice due to their accountability factor.
- Provide opportunities for career and financial planning throughout employees' life cycles.

Ensuring a good working environment and a healthy working life

- Offering flexible working options supports workers across the life course to prevent burnout, manage family responsibilities and engage in learning; workers at all ages need to have the digital tools and skills to work from home.
- Wellbeing programmes that offer a blend of financial, physical and social/emotional initiatives, need to be woven alongside other lifestyle and fitness interventions.

Developing and maintaining skills throughout careers

- Large differences in the incidence of training across the workforce remain entrenched: those who are younger, more highly qualified and on full-time contracts are more likely to receive training than those who are older, lower skilled and working part time.
- Mid-life career reviews are simple and cost-effective ways to identify upskilling and reskilling needs matched to the company's changing skills requirements.
- Mentoring and coaching to develop skills and competences can increase productivity provided senior managers are committed and provide an appreciative environment.
- Post-training evaluation should be undertaken to assess whether learning objectives have been met and the impact on work performance.

International Comparisons

The European Commission published *The Structure of the European Education Systems 2020/21: Schematic diagrams – Eurydice facts and figures* for 43 systems from 38 countries participating in the Erasmus+ programme.

- Information is presented on the structure of mainstream education from pre-primary to tertiary level.

Includes separate data for the four UK nations. The European Commission also published Erasmus+ annual report 2019*; in 2019, with a budget of €3.37b, it supported over 940,000 learning experiences abroad, almost 111,500 organisations and around 25,500 projects.*

The European Commission published *Education and Training Monitor 2020* plus 27 country reports, the last annual edition under this ten-year cooperation framework – the first without the UK.

- EU and country progress is measured on six Education & Training 2020 (ET2020) targets, including:
  - The share of early leavers aged 18–24 from education and training to be less than 10% (10.2% in 2019, down 0.4ppt from 2018)
  - The share of 30–34 year-olds with tertiary education attainment to be at least 40% (40.3%, down 0.4ppt)
  - 82% of recent graduates from upper secondary to tertiary education (aged 20–34) who are no longer in education or training to be in employment (80.9%, down 0.7ppt)
  - At least 15% of adults aged 25–64 to participate in formal or non-formal learning (10.8%, down 0.3ppt).
- A section is included on how Brexit has changed the EU performance on the ET2020 indicators – performance was better with the UK on all but one of the targets.
- Investment in education from 2015 to 2018 across the EU was around 9.9% of public spend.
  - EU member states invested an average 4.6% of GDP in their education systems in 2018.

- Education systems faced special COVID-related challenges in terms of end-of-year exams and enrolment to universities.
  - Member states' approaches varied significantly, e.g. Germany decided that all final exams would be conducted; Austria postponed leaving exams and the deadline of application to universities; and France cancelled exams and replaced them with continuous assessment.
- The lead theme for this report was 'teaching and learning in a digital age'.
  - Adaptation to the COVID crisis was easier for countries (e.g. Finland, Denmark and Estonia) that were more advanced due to implementing comprehensive national digital education strategies.

The European Commission published *Structural Indicators for Monitoring Education and Training Systems in Europe 2020: Overview of major reforms since 2015*.

- The report contains data with over 35 indicators on education policies in six areas: early childhood education and care; achievement in basic skills; early leaving from education and training; HE; graduate employability; and learning mobility.
  - It includes an overview of major reforms since the start of 2014/15 in each policy area.
- The indicators provide information on national policies and structures that contribute to achieving the ET2020 targets, analysed in detail in the *Education and Training Monitor 2020 [see above]*.

Includes some separate data for the four UK nations.

The European Commission published *National Student Fee and Support Systems in European Higher Education 2020/21 – Eurydice facts and figures* for 38 countries, including the 27 EU member states and the UK.

- The report shows how fee and support systems, including grants and loans, interact in HE in Europe.
  - It describes the range of fees charged to students in publicly-funded HE, specifying the categories of students that are required to pay and those who may be exempt.
  - It explains the types and amounts of public support available in the form of grants and loans, plus tax benefits and family allowances.

Includes separate data for the four UK nations.

The European Commission/EACEA/Eurydice published *The European Higher Education Area [EHEA] in 2020: Bologna Process implementation report*.

- The Bologna Process involves the intergovernmental cooperation of 48 countries, including the UK, focused on:
  - the introduction of the three cycle system (bachelor/master/doctorate)
  - strengthened quality assurance
  - easier recognition of qualifications and periods of study.
- The report outlines the current state of play of the Bologna Process from various perspectives, and explores areas including mobility and employability, degree structures, social inclusion, internationalisation, and quality assurance and recognition.

Cedefop published *National Qualifications Frameworks Developments in Europe 2019 – Qualifications frameworks: transparency and added value for end users*.

- The European Qualifications Framework (EQF) for lifelong learning has existed for more than a decade and is considered the most advanced regional qualifications framework in the world.
  - It has become a common reference point for comparing qualifications across institutional and national borders, aiming to increase the overall transparency, comparability, quality and portability of qualifications throughout Europe.
- The EQF has triggered the development of learning outcomes based national qualifications frameworks (NQFs) in Europe.
  - Before 2005, NQFs had been set up in three European countries: Ireland, France and the UK; important progress has since been achieved in all 39 EQF participating countries, and an increasing number now have fully operational NQFs.
- In several countries NQFs are becoming 'all-rounders', embedded in the wider policy context on lifelong learning and skills, as well as in statistical classifications on educational attainment.

- However, the picture is uneven and, in some countries, they are only partly forming an integrated element of national systems and policies – their full potential is still unused.

The report provides a brief overview then presents each national framework and the way it has been designed and structured, supported by detailed tables showing how qualifications have been allocated to national learning outcomes based levels and their reference to EQF levels. The UK is included, split into England & Northern Ireland, Scotland and Wales.

Government

NORTHERN IRELAND

The Department for the Economy (DfE) published *Survey of Further Education College Leavers Report: Academic year 2018/19*, its sixth annual survey.

- 50.2% of those who qualified at L3 or below were in employment six months after achieving their 2018/19 qualification, up from 47.4% before their course began; the proportion in learning also rose from 37.0% to 39.1%.
  - Typically, unemployment rates were lower for those qualifying at higher levels: 12.5% of those who had studied at Entry Level/L1 were unemployed, compared with 3.9% at L2 and 2.9% at L3.
- The subject areas with the highest proportions of FE college leavers in full-time employment were construction, planning & the built environment (73.6%), business, administration & law (62.8%) and engineering & manufacturing technologies (54.7%).
- The subject areas with the lowest proportions in employment were history, philosophy & theology (9.7%), social sciences (13.6%) and arts, media & publishing (16.3%); however, these subjects had some of the highest proportions of leavers in further full-time study.
- 23.2% did the course to improve their career prospects, 15.8% because they wanted to learn something new/gain new skills and 15.2% because they were interested in the subject.

Tables, notes and technical details can be found here.

ENGLAND

COVID-related

CIPD published *COVID-19 and the Youth Labour Market*, assessing the likely effectiveness of recent government measures to support access to apprenticeships, traineeships or work placements in England.

- A September survey of 1k senior UK HR professionals and decision-makers found:
  - 62% had recruited a young person in the last 12 months, but only 46% were planning to do so in the next 12 months.
  - Employers expected to provide fewer work experience placements in the next 12 months, with the largest falls in internships and placements for school students.
  - There was a high degree of uncertainty around future plans for recruitment and work experience.
  - Just 8% of organisations had a good knowledge of traineeships and only 9% had someone undertaking one in their organisation.
  - 57% of medium-sized employers had not provided any apprenticeships in the last 12 months, rising to almost 80% of small employers.
  - Just 5% of employers were now considering recruiting apprentices as a result of new incentives; the figure for traineeships was 8%.
  - Employers were more positive about Kickstart than other measures, but there were high levels of uncertainty; deadweight and displacement are potential issues.
- Among the recommendations:
  - Government should seek to build better awareness of traineeships and their benefits.
  - Apprenticeship incentives should be made more generous, and the deadline extended at least until the end of 2021; they should be targeted at SMEs to reduce deadweight and be focused on young people only.

- To simplify the system, making it easier to navigate and understand, consider adopting a similar approach to Scotland, joining up the various interventions under a single umbrella in the form of a 'youth guarantee'.
- Kickstart placements should adopt the Skills Builder Universal Framework of Essential Skills to ensure that employability skills are developed in a systematic and structured way.

Other research

CVER published *Closing the Gap Between Vocational and General Education? Evidence from University Technical Colleges [UTCs] in England*, evaluating the impact of attending a UTC on achievement and labour market outcomes.

- In the space of ten years, 48 UTCs have been established; however, various policy reports present a picture of performance that is poor in most respects.
  - Many have experienced recruitment and financial difficulties; students haven't performed well in national exams at age 16.
- Further analysis shows that entering the UTC at a non-standard transition age of 14 has a large detrimental effect on the probability of reaching an acceptable grade in English and maths at GCSE.
- However, for students who enter at a more conventional transition age of 16, the UTC boosts vocational achievement without harming academic achievement.
  - It also improves achievement in STEM qualifications and enrolment in apprenticeships.
  - By age 19, UTC students are less likely to be unemployed and more likely to study STEM at university.
- An important part of the large difference in UTC performance stems from differences in initial achievement between the students, which is lower at age 14.
  - UTCs deliver better performance outcomes for relatively higher-achieving students.
- The overall performance of UTCs improves after the first year of opening, which suggests a potentially important adaptation and learning phase.

The Careers & Enterprise Company (CEC) published *Careers education in England's schools and colleges 2020: Working together for young people's futures*, its fourth 'State of the Nation' report.

- This year, as well as data showing progress against the eight Gatsby Benchmarks, CEC drew on a range of evidence including school workforce surveys, evaluations of training and support structures and on the impact and outcomes for students.
- Among the findings:
  - 81% of England's schools and colleges are part of the CEC's Enterprise Adviser Network and 45% are in 'Careers Hubs', partnering them with local employers, careers professionals, universities and training providers.
  - The number of young people having regular encounters with employers has risen 70% in two years, to 3.3m.
  - 73% say they are more aware of different careers as a result of careers provision; 65% have more ideas about their future career and 69% say they have a clearer understanding about what they need to do to achieve their ambition.
  - 'Cold spot' areas like Blackpool and Darlington now rank among the highest performing for careers provision.
  - The benchmark least likely to be achieved by institutions in Hubs is 'encounters with FE/HE' (achieved by 47%); by those in the Network, 'addressing the needs of each student' and 'a stable careers programme' (both 23%); for those not in the Network 'a stable careers programme' (8%).
  - 94% of schools say the benchmarks have helped improve careers provision, and 96% of colleges say they add value.

The Independent Commission on the College of the Future published *The English College of the Future: A nations-specific final report*.

- It makes a number of central recommendations, building on the UK themes; while they must be treated as a comprehensive package, key recommendations for the forthcoming FE White Paper include:

- Introduce a legal duty on colleges to establish appropriate geographical networks – matched by a duty on all other post-16 providers – to collaborate in the interests of students, communities and the economy.
- Form a cross-departmental ministerial taskforce/body to oversee a new ten-year strategy for education and skills to drive the industrial strategy and other priorities.
- Fund colleges to deliver specialised and targeted business support, creating employer 'hubs' in key sectors/occupations, especially digital, construction, engineering and health & social care.
- Create a statutory right to lifelong learning, making it accessible and financially viable for all, regardless of circumstance or background, by offering equal loans and grants across FE and HE.
- Invest in colleges through three-year grant settlements to give them the confidence and funding to operate strategically for people, productivity and place in the economic rebuild.
- Streamline regulation, accountability and the funding system to reduce bureaucracy and to ensure that the system focuses on the mission, purpose and outcomes of colleges more than the micro-operations.

See page 5 for the UK-wide report and page 58 for the Scotland report.

The Department for Education published *Level 2 and 3 apprenticeships: A qualitative investigation***, exploring the causes and effects of changes in L2 starts in England.**

- Since 2016/17 there has been an overall reduction in apprenticeship starts.
  - Starts at L4+ have increased, while the decline at L2 has accelerated, although 81% of all starts from August 2018 to April 2019 were at L2/3.
- Employers said they mainly chose the level based on the job and the ability and experience of the candidates.
  - However, some reported that it was company policy to start all apprentices at L2, partly to lay a foundation of training and skills and partly because they tended to recruit inexperienced people.
- The desire to upskill staff, particularly into more specialised or supervisory roles, was a common driver for L3 programmes.
  - However, in engineering & manufacturing technologies L3 was a more common entry point, with applicants usually having higher entry qualifications.
- The decrease in L2 was felt to be due to: the 20% off-the-job training requirement; apprentices' ability to meet the required standards; funding changes; and the transition from frameworks to standards.
  - Some employers mentioned higher skill needs, particularly in engineering & manufacturing technologies.
- In terms of impact, some employers in health, public services & care mentioned workforce shortages due to a lack of workers progressing from L2; some in retail & commercial enterprise thought it was reducing job opportunities for young people.
  - Some providers reported reduced income; some had refocused on higher-level provision, while others were winding down some L2 provision as unviable.
- In some areas L2 starts had increased, mainly as a result of business growth; L2 apprenticeships were also often linked to a 'rich' apprenticeship culture in a company.
- Where L3 apprenticeships were increasing, this was mainly as a result of:
  - an increase in apprentices at all levels, due to business growth or the desire to use up the levy
  - specific skill and job role needs; long-term succession planning; a continuation path for L2 completers; and the lack of a L2 standard.
- All felt there was a strong need to provide an entry route into work through L2.
  - Moving from L2 to L3 depended on whether the role could be adapted to align with L3 requirements.
  - Most employers and providers tended to regard L3 as too big a stretch for current L2 apprentices; some apprentices preferred the shorter duration of L2 programmes.

The Campaign for Learning published *Growing Level 4 and 5 Technical Education: A segmented policy approach***, considering how growth might be achieved in England.**

- Between 2016/17 and 2018/19, participation in vocational sub-degrees fell from 106k to 35k; it is assumed that the Government's long-term aim is to get to well in excess of the 2016/17 figure.
- A segmented policy approach is needed:
  - There are four separate student markets that need to be engaged through different types of loan and job: full-time 18–24 year-olds, part-time 18–24 year-olds, full-time 25+ year-olds and part-time 25+ year-olds.
- Ultimately, employers don't have to offer full-time technical students a job during their studies; while they might sponsor an employee to participate on a full-time course, they are not required to do so.
  - Students might want an employer to sponsor them to study full time, but participate even when they can't find one; they will then need to turn to student jobs in unrelated occupational areas to contribute to their living costs.
- By contrast, part-time students need to secure employment, ideally through a job in which they are sponsored to study; alternatively, they can source any job to supplement their part-time loans.
  - Apprenticeships are the classic example of a sponsored job, raising the question of whether part-time L4/5 technical education is being designed in the same way or as a part-time route requiring any job.
  - Either way, employment is required to study part time or to be an apprentice, so public policy to grow part-time L4/5 technical education should be analysed in the context of growing L4/5 apprenticeships.
- The paper also brings together data on full- and part-time participation in L4–6 provision, estimating the total figures as follows:
  - 18–24 year-olds: full-time – 1.1m; part-time – 95,200
  - 25+ year-olds: full-time – 138,900; part-time – 213,500
- Recommendations include:
  - Don't look to part-time 18–24 year-olds to significantly grow participation, as less than 10% are in part-time L4–6 education or apprenticeships.
  - Be wary of replacing full-time L6 first degrees with part-time L4/5 technical education, as this would result in higher youth unemployment.
  - Increase maintenance support for full-time 18–24 year-olds, either through a higher loan or a grant.
  - Back part-time study by older adults – only 11% of students on full-time L4/6 degrees are 25+; substantial growth for this group is more likely through part-time study.
  - Provide full-time maintenance loans for 19–24 year-olds on L3 T Levels to help create a pipeline to L4/5.

The OfS published *Effectiveness in implementation of access and participation plan reform: Part 1*, the first part of an independent evaluation of English providers' plans to improve access and participation.

- Providers are increasingly working with a more diverse range of student groups; more providers referred to disaggregated student groups and there was a broad commitment to address intersectionality.
- References to whole-provider approaches have increased; plans increasingly provide tangible examples of shared measures and goals in relation to alignment with equality and diversity.
- There are increasing references to students leading campaigns and initiatives relating to access and participation, and an uplift in student engagement in evaluation and monitoring.

Part 2 will be published early in 2021 and will examine the extent to which regulatory action has sparked greater ambition and commitment to access and participation across the English HE sector.

The OfS published *Higher education financial sustainability: An update*, forecasting English provider performance in 2019/20 and 2020/21 compared with 2018/19 (pre-COVID-19), based on interim October data.

- The sector is expecting broadly similar levels of income of £35b across all three years, albeit with an expected decline in 2020/21 to below the levels achieved in 2018/19.
  - In 2019/20, total tuition fees were reported at £18.5b, up 7.2% on 2018/19; fee income is forecast to fall 1.7% in 2020/21 – still above 2018/19 levels.

- Total non-EU (overseas) fee income was £6.0b in 2019/20, up 16.4% and consistent with strong growth in overseas fees in recent years; providers anticipate this to decrease by 10.4% in 2020/21 to £5.4b.

- Although the aggregate financial position is sound, there is still very significant uncertainty and the situation could change quickly.
  - Potential issues are: higher numbers of students dropping out; reduced income from accommodation and conference facilities; and the impact of COVID-19 restrictions.

- Significant variability continues between the financial performance of individual providers, but the likelihood of multiple providers exiting the sector in a disorderly way due to financial failure is currently low.

The Department for Education published _National Retraining Scheme [NRS]: Key findings paper_.

- The NRS was announced in 2017 to help adults in England retrain as the economy changes; on 13 October 2020, the Department announced that the NRS would be integrated with the Government's new £2.5b National Skills Fund.

- The paper brings together evidence gathered during the development of the NRS, including trialling the Get Help to Retrain service with 3,600 adults in six areas of England, providing local labour market information through live job vacancies.

- Among the findings:
  - Get Help to Retrain users' primary motivation for undertaking training was to gain a better job; they were looking for a simple, linear user journey that guided them through the service and created a personal action plan.
  - Users benefitted from support to recognise the skills they already had, helping to build their confidence.
  - They valued support from qualified careers advisers to understand and evaluate their training and career options, but few accessed the telephone support; barriers included it not being open at a suitable time of day.
  - Although not all adults find webchat functions useful and accessible, some of the cohort expressed more enthusiasm for accessing support from advisers through an online webchat than by phone.
  - To be effective, online training should aim to offer: short lessons with relevant feedback; the ability to use a convenient device, e.g. a smartphone; a choice of learning media; support from empathetic tutors; learning designed for adults that encourages independence and reward; and relevant learning that takes into account prior learning.

The findings have been used to inform the design and management of digital 'bootcamps' and the development of the Government's new Skills Toolkit.

SCOTLAND

The Scottish Funding Council (SFC) published _Coherence and Sustainability: A review of Scotland's colleges and universities phase one report – Insights to develop further_, commissioned by the Scottish Government in June 2020 in light of COVID-19.

- Based on the views of over 100 submissions, it identifies the need to address immediate challenges but also shows there is 'real appetite to consider change' for the longer term.

- **'Emergency years' 2020–22** – work includes:
  - Sustaining the quality and responsiveness of learning and skills provision, and the institutions and programmes funded by SFC
  - Focusing capital funding on blended learning, safe campus development, digital development and digital poverty.

- Ten key themes for the **medium term**:
  - Keeping students' interests, and equalities, at the heart of everything
  - Supporting the digital revolution for learners, e.g. developing more efficient and high-quality curriculums online
  - Towards an integrated, connected tertiary education and skills system, e.g. review how it is funded and how students' outcomes are tracked

- Recognising colleges and universities as national assets and civic anchors
- Building long-term relationships with employers and industry
- Protecting and leveraging the excellence of the research and science base
- Driving the innovation agenda
- Enhancing collaboration
- Capitalising on the sector's global connections
- Focusing on the financial sustainability of colleges and universities, and funding models.

The review is in three phases; phase two will explore the themes, phase three is due in summer 2021.

SFC also published *The financial sustainability of colleges and universities in Scotland – Review report* as part of its phase one review.

- For both colleges and universities, maintaining short-term liquidity is the main challenge.

- **Colleges** were facing financial challenges pre-COVID, which the pandemic has heightened.
  - The impact of COVID-19 is expected to be felt most severely in 2020/21.
  - The route to financial sustainability for many is reducing staff costs, including by restructuring.

- **For universities**: COVID-19 has significantly heightened the financial challenges they face.
  - Although the sector overall appears in good financial health, this masks significant variation between institutions.
  - Most institutions have identified mitigating actions that only include staff restructuring activity in the most pessimistic scenarios.
  - The sector may never recover to the 2018/19 levels of international student recruitment.

Other supporting reports include International benchmarking*, comparing performance with FE and HE in Australia, Germany, Ontario, Singapore and Sweden.*

The Independent Commission on the College of the Future published *The Scottish college of the future: A nations-specific final report*.

- The aim is to contribute to the next phase of the SFC's review *[see above]* and to the wider debate on the future role of colleges in Scottish society and its economy.

- Ten recommendations include:
  - Ensure that the post-16 education and skills system is genuinely there for everyone, whatever their age, ability or circumstance, e.g. by ensuring that institutions are funded fairly, and by offering access to the grants and loans needed.
  - Increase the impact of the system by driving further integration, e.g. by aligning and integrating the roles and responsibilities of the SFC and SDS, and by defining the roles, remit and provision of colleges and universities to lessen competition at the higher technical level.
  - Unlock the potential of colleges to drive innovation by deepening links with employers, e.g. by establishing business support and innovation as a core part of colleges' remit, and by creating a national network of specialist 'hubs' to address critical skills shortages.

See page 5 for the UK-wide report and page 54 for the England report.

College Development Network (CDN) published *Our digital ambition for Scotland's colleges*, developed with Colleges Scotland and Jisc, in consultation with SFC and digital industries.

- Its five key areas are: strategy and direction; network infrastructure, systems and data; learning, teaching and assessment; capability; and partnership, collaboration and engagement.

- The ambition is that Scotland's colleges will:
  - encourage innovation and research-informed practice to ensure inclusive, accessible approaches and digital pedagogies to enhance the learner's experience
  - integrate digital technology into delivery of learning and assessment and support systems
  - equip learners and staff with the digital capabilities, pedagogy and confidence needed
  - ensure learners are digitally well educated, skilled and able to contribute to society.

The Scottish Government published *Scotland's inward investment plan: Shaping Scotland's economy*, aiming to 'further internationalise' the economy and create jobs.

- Nine key opportunity areas are: energy transition; decarbonisation of transport; software and IT; digital financial services; digital business services; space; healthtech; transformation of chemical industries; and food & drink innovation.

- 18 actions include:
  - Increase the number trained in Scotland in advanced digital skills from 4k to 10k every year.
  - Support stronger ties between academia and industry, and work with universities to agree a collective approach to stimulating inward investment and innovation.

The Scottish Government published *Making Scotland's Future: A recovery plan for manufacturing – Draft for consultation*, proposing a series of actions for public agencies, industry and academia for 2021.

- Four priority areas include 'skills and workforce' – enhancing workforce development to respond to the emergence of new technologies, while safeguarding and creating high-quality, green jobs.

- The other priorities are: collaboration and networks – sharing knowledge, ideas, capability and best practice; supply chains and competitiveness; and adaptation and transformation.

Scotland's Futures Forum, the Scottish Parliament's think tank, published *Scotland 2030: A positive view of our future*, to help parliamentarians think about long-term challenges beyond electoral cycles and party politics.

- Findings include:
  - A school and lifelong education system is needed that helps people adapt to changing circumstances, with freedom to be creative, to take risks and, on occasion, to fail safely.
  - More progress is needed on creating gender-equal workplaces.

- Ten ideas for 2030 include: teaching all subjects through creative arts and group work; setting up a national museum of failure; creating a 'digital haven' with no internet access; and a kitemark for algorithms.

EY published *How do you optimise for today and build for tomorrow? How Scotland's financial services industry can seek to drive long-term growth*, based on research carried out in 2019.

- The financial sector's characteristics are broadly grouped into three areas: quality, value and **skills**.
  - 81% of all respondents said that access to a skilled workforce is the most important factor for deciding to locate or invest in Scotland.
  - 86% grew their headcount in the five years prior to 2019.
  - 62% increased recruitment in 2019 in highly skilled roles in tech, digital and data science.

- Skills availability, digital technologies and industry promotion need to be addressed for the sector to best support economic recovery post-pandemic.

WALES

No relevant material sourced for this quarter's release.

REPUBLIC OF IRELAND (RoI)

SOLAS (Further Education & Training Authority) published two reports on behalf of the National Skills Council, examining the labour market and the skills needs of the economy:

- ***National Skills Bulletin 2020****
  - The report supports policymaking in employment, education and training, and immigration (particularly the sourcing of skills in short supply in the Irish and EU labour market), and informs careers guidance and choices.

- ***Monitoring Ireland's Skills Supply 2020***, a companion report to the *Skills Bulletin*.
  - Compared to other EU countries, the RoI has a higher than average share of '3rd level' (tertiary) graduates in science, ICT, health/welfare and arts/humanities.
  - Its share of graduates is considerably below the EU 27 average for engineering, manufacturing and construction.

*Refers mainly to the situation before 2020 and the 'immense' impact of COVID-19.

Skillnet Ireland published *Transforming Business Through Talent: Statement of strategy 2021–2025*.

▪ Targets include doubling the numbers participating in talent development programmes and focusing on the challenges of digital transformation and climate change.

EUROPE

The European Commission published *A European approach to micro-credentials: Output of the micro-credentials higher education consultation group*, **the final report of an expert group established in spring 2020.**

▪ Actions are proposed on establishing: a common definition for micro-credentials; the common characteristics of a European micro-credentials framework; and a roadmap to ensure the take-up, validation and recognition of micro-courses.

▪ The roadmap focuses on:

  ▫ Developing common European standards for quality and transparency, involving all stakeholders (education, training and the labour market, social partners, youth organisations, civil society, chambers of commerce and employers) and all member states and EHEA countries

  ▫ Exploring their inclusion in NQFs, with possible reference to the EQF *[see page 52]*

  ▫ Developing a list of trusted providers and fostering quality assurance processes

  ▫ Exploring how the European Credit Transfer and Accumulation System can be used in their context in education sectors beyond HE

  ▫ Working on guidelines for a quicker recognition process by adapting existing validation and recognition instruments, or developing new ones

  ▫ Making it easier for individuals to store and showcase their micro-credentials to employers through Europass and its Digital Credentials infrastructure, and the European Student Card initiative

  ▫ Using them to improve access to lifelong learning opportunities by ensuring better transfer between education and training sectors, and ensuring informed learner choice by expanding guidance services underpinned by real time labour market data

  ▫ Providing EU support through the Erasmus+ programme and Structural Funds for HE, VET and other education and training institutions and providers, in order to promote their uptake.

These outputs will feed into wider consultations, in preparation for a Council recommendation on micro-credentials for lifelong learning and employability, to be published by the end of 2021.

The European Commission also published *Towards a European approach to micro-credentials: A study of practices and commonalities in offering micro-credentials in European higher education – Analytical report*, **including a literature review, map of notable practices and case studies to inform the above development.**

▪ Micro-credentials are gaining traction:

  ▫ Their growing use is an outcome of the changing nature of the labour market and of increasing uncertainty as to what work will look like in the future – they are particularly useful in this context as they allow for tailored, quick and accessible skills (re)development.

  ▫ There has also been growth in the number of policies and initiatives that support micro-credentials.

▪ The pandemic has increased the interest of learners in micro-credentials and massive online open courses (MOOCs) – providers have seen a huge increase in course enrolments compared to 2019.

  ▫ COVID-19 could provide an opportunity for HE institutions (HEIs) to increase their offer of micro-credentials.

▪ The use of micro-credentials by HE providers has the potential to: foster continuous learning; fill the knowledge and skills gap; increase the efficiency of HE systems; encourage innovation in provision; and reach a diverse group of learners.

▪ Challenges to scaling up the use of micro-credentials include: constraints in their recognition and quality assurance; complexity of offerings; lack of understanding of what they are; and lack of trust in some of them.

▪ An analytical framework presents:

- **Three scenarios for their use in HE**, distinguished by the context in which recognition is determined within: one social system (e.g. the educational system); two social systems (e.g. education and the labour market); and multiple systems with a high level of permeability, facilitating truly recognised lifelong learning
- **Four learning pathway models**, referred to as: 'Tamagotchi' (status quo plus); 'Jenga'; 'Lego set'; and 'Transformers'.

- Success will largely depend on the extent to which policy achieves the following key impacts:
  - Increased trust in alternative credentials across all social systems: education and training, the labour market and society
  - Enhanced transparency of learning outcomes achieved as a result of short learning courses
  - Educational innovation being encouraged rather than hindered as a result of a common approach
  - Flexibility for all learners to choose and access the most individually suitable learning pathways.

- Overall:
  - A European approach should define the critical information items that any micro-credential must provide, and should not prescribe or standardise the critical information items too narrowly, to allow educational innovation and flexibility.
  - Work should be carried out towards a European digital solution to store micro-credentials.
  - Existing criteria and measures for quality assurance must be renewed and supplemented in order to be fit for micro-credentials.
  - Opportunities should be sought to bring HEIs together with employers so that they can find the best ways of designing and delivering micro-credentials.

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