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Briefing Paper – White Paper: Skills for Jobs: Lifelong Learning for Opportunity and Growth

The Department for Education's (DfE) White Paper on Further Education, "Skills for Jobs: Lifelong Learning for Opportunity and Growth" was published on the 21st January 2021 and sets out the Department's vision for further (post 16) education over the next few years as the economy re-positions itself following the pandemic and Brexit. Its overall aim is to make post-16 technical education a more prestigious choice for students and better aligned to employers' needs.

The White Paper aims to:

- Make higher (post-18) technical education a high-quality alternative to a degree that delivers greater employment outcomes by providing the training and education that employers want.
- Put employers at the heart of post 16 education, giving them a greater say in how training needs are identified and courses developed.
- Bringing together employers, colleges, other providers and local stakeholders to create 'Local Skills Improvement Plans' which will identify local skills needs and shape how courses are run.
- Increase accessibility to technical courses by extending the 'student loan provision' currently only available for academic qualification, to students undertaking technical courses through the new 'Lifelong Loan Entitlement' scheme.
- Give colleges and other providers greater clarity and predictability of funding with more autonomy as to how that funding is used while making them more accountable through a greater focus on outcomes.
- Support the provision of training for those in need of lower-level skills to help them progress, including the most vulnerable and those with special educational needs and disabilities (meeting the levelling-up agenda).

The White Paper includes more than 30 proposals, many of which repeat or build on previous announcements and current reforms. However, there are a number of significantly new proposals, including:

1: Create 'Local Skills Improvement Plans' and college business centres

To ensure technical skills provision is "responsive to local labour market needs", the Department for Education will pilot "new Local Skills Improvement Plans" created by employers, colleges and training providers in trailblazer local areas in early 2021.

They will be led by accredited Chambers of Commerce and will see employers setting out a "credibly articulated and evidence-based assessment of skills needs to which providers will be empowered to respond". It is the DfE's "intention" to legislate to put the employer leadership of Local Skills Improvement Plans on a "statutory footing".

A £65 million Strategic Development Fund will be launched in 2021/22 to aid the plans and support providers to "reshape their provision to address local priorities that have been agreed with local employers".

Proposals will be invited through the Strategic Development Fund to establish “College Business Centres” within FE colleges, which will offer capital and revenue funding to help colleges “respond to locally agreed priorities”.

2: New intervention ‘powers’

The DfE says it will introduce new powers for the Education Secretary, so the government can “intervene quickly and decisively in cases where there are persistent problems that cannot otherwise be addressed, either with colleges not delivering effectively or where local providers are unable to deliver the skills priorities for that area”.

Through legislation, this strengthened power would enable the Education Secretary to “intervene locally to close or set up college corporations, bring about changes to membership or composition of governing bodies or review leadership”.

Use of these powers is “envisaged only as a last resort, where agreement has not been possible through other means and there are no alternative options for resolution”.

3: Strengthened governance

The DfE plans to set out clearer expectations, requirements and support for governors to “empower weaker colleges” to address problems earlier.

This will include refreshing existing guidance on appointments to communicate a clear government position on what constitutes good leadership, and make it clear that an “independent person” should be included on college leader interview panels to ensure “objectivity and due diligence”.

There will also be new requirements for annual board self-assessment and regular external governance reviews, as well as consideration of the possibilities for enabling board chairs to be paid in “specific circumstances” within the confines of charity law.

4: Potential switch to outcomes-based funding

The government plans to reform the funding and accountability systems to “better support” providers by simplifying funding streams and giving providers more autonomy, such as by relaxing ringfences and reporting.

But the DfE will move to hold providers to account for the “outcomes that colleges are delivering to improve progression and respond to employer demand”.

The DfE will consult on how they can “best assess” the performance of providers, building on the “new progression performance metrics being introduced and considering effectiveness of employer engagement, quality of provision and the outcomes achieved, such as how well provision supports individuals to progress in their learning and secure good labour market outcomes”.

By taking an outcome-focused approach, the department says providers will be “incentivised to review their provision to ensure it leads to meaningful employment for their learners, scaling back where there is an oversupply of provision and expanding other areas in line with agreed Local Skills Improvement Plans priorities”.

5: Multi-year funding to be considered

The DfE says it wants to “give more certainty to providers” over their funding, including considering how they could “move to a multi-year funding regime which is more forward-looking”.

The idea would be subject to the government’s spending review cycle, the White Paper says, and does not give a timeframe of when this could be introduced.

6: Implement the flexible lifelong loan entitlement from 2025

As part of the previously announced lifetime skills guarantee, which is enshrined in the White Paper, the government plans to launch a lifelong loan entitlement.

The DfE describes this as “new transformative funding provision”, enabling people to access four years’ worth of student loan funding across further and higher education providers throughout their lifetime.

Details of this new policy will be consulted on in 2021, but it will not be rolled out until at least after the next general election.

7: Central role for employers to design technical courses

The White Paper pledges to give employers a “central role” in designing “almost all” technical courses by 2030, to “ensure that the education and training people receive is directly linked to the skills needed for real jobs”.

This will include aligning the “substantial majority” of post-16 level 4 and 5 qualifications to employer-led standards set by the Institute for Apprenticeships and Technical Education, as is the case for apprenticeships.

8: New national teacher recruitment campaign

“Significant new investment” to improve the FE workforce will be provided in 2021/22.

This will include a “nationwide recruitment campaign to get more talented individuals to teach in further education and investing in high-quality professional development including a new Workforce Industry Exchange Programme”.

The campaign, expected to be launched this year, would “reach millions of prospective teaching staff, targeting those with experience and skills in industry, who can train the next generation of technical experts”.

The campaign would direct potential teachers to a new ‘Teach in Further Education’ platform, which, alongside a dedicated telephone helpline, will give potential applicants “all they need to take the next step into teaching, with information on how to access relevant training, for example the Taking Teaching Further programme, and financial incentives such as training bursaries”.

It will also signpost current vacancies and help existing teachers and lecturers find professional development opportunities.

Reception

The White Paper has broadly been welcomed by the FE sector, who view positively the focus on improving the quality and prestige of technical qualifications, the capital investment in colleges, and the involvement of employers in course design. However, as always, there are critical voices:

- It is not certain that employers are going to be willing to engage in the way and to the extent envisaged by the White Paper. The level of employer involvement in skills and training has actually been diminishing in recent years and Chambers of Commerce are not necessarily the power-houses of innovation they once were and are not uniformly dynamic.
- The role of Local Authorities and Local Economic Partnerships in the skills agenda is largely overlooked.

- There is a failure to integrate action on skills and jobs across Whitehall departments, and there could have been greater emphasis on the co-ordination and collaboration across other relevant departments such as BEIS and DWP.
- Given the level of the current challenge to the economy, some see the White Paper as insufficiently transformational, despite the paper's rhetoric, and therefore a missed opportunity. Many commentators believe a complete overhaul of both Higher and Further Education is required for these ambitions to become a reality.
- Although the extra funding announced is very welcome, it may not be sufficient to realise the ambitions contained within the White Paper. With one of the major proposals not being implemented until 2025, and no commitment (as yet) to long-term multi-year funding, there are still big gaps in funding the proposals. In what is going to be a difficult spending review for Government departments, the success of the White Paper will be determined by how much the Treasury is able to direct to this agenda.

The White Paper will now be subject to a process of consultation. The full text of the White Paper is available at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/957856/Skills_for_jobs_lifelong_learning_for_opportunity_and_growth__web_version_.pdf