Sector Skills Assessment

Report for the Further Education Sector in England

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Alliance
Sector Skills Councils

LIFELONG LEARNING UK

Skills for Learning Professionals

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Executive Summary

Introduction and background

Lifelong Learning UK (LLUK) is the independent employer-led sector skills council responsible for the professional development of those working in lifelong learning across the UK, including the further education sector in England (adult community learning employers, further education colleges and work based learning employers). It leads the collection of workforce data and provides analysis on workforce characteristics and trends to better inform future workforce planning. In January 2010 Lifelong Learning UK published the Sector Skills Assessment for the lifelong learning sector across the UK to update the current evidence base on skills issues and priorities within the sector.

This report presents an analysis of existing workforce and skills data alongside the specific findings from the Sector Skills Assessment for the further education sector in England.

Profile of the sector

There are at least 2,600 employers who employ over 433,000 people in the further education sector in England. Approximately two thirds of this workforce are women and more than half are aged 45 or over. People with declared disabilities appear to be under-represented, as do some minority ethnic backgrounds.

Drivers of skills demand

Policies implemented by the government in relation to skills and education have an important impact on influencing skills needs and priorities across the further education sector in England. Examples of policy drivers identified in the research are given in the main body of this report, including cross sector and cross nation policies which impact upon the further education sector in England.

The economic downturn has left the sector 'fragile' or 'vulnerable', with many employers citing a reduction in already disparate funding sources. A number of employers reported increases in the number of applicants for jobs. However, this has not necessarily had the effect of reducing 'hard to fill' vacancies because applicants do not always have the appropriate experience or skills.

Another direct impact of the economic downturn reported by employers is an increase in numbers of people wanting to access learning or training to upskill or reskill. This is affecting employers across the whole of the further education sector.

The range of government policies and initiatives to extend and develop information and communication technology (ICT) skills among the UK population are driving skills demand in the further education sector. Technology is an important skills driver reported by many employers, who recognisethe importance of ICT for employment and social inclusion. Respondents across the further education sector reported that the rapid advances in ICT present an issue both in terms of updating equipment and resources, and in ensuring staff

are kept up-to-date with new developments through training and other development activities.

Skills shortages

Skills shortages occur when employers find it hard to find recruits who have the correct skills, qualifications or experience for a vacancy. Eight per cent of employers report that they experience skills shortages. Key reported skills shortages include teaching skills (with otherwise highly skilled candidates lacking teaching experience or teaching qualifications), ICT skills, management skills (with otherwise highly skilled candidates) and literacy and numeracy skills.

The research found that the impact from skills shortages creates additional workloads for other staff in providing cover and ensuring essential services are delivered. Further education colleges and adult community learning providers reported that shortages could mean that specific courses could not be offered until a post was filled. Any negative impact this might have on the learners is likely to have a negative impact on the organisation's reputation and income. Various ways of overcoming skills shortages are explored in the main body of the report.

Skills gaps

Employers are described as having a skills gap when they employ staff who they do not consider to be fully proficient in their role. Sixteen per cent of employers in the further education sector reported having skills gaps. Overall, six per cent of the workforce were reported to be not fully proficient. As with skills shortages the greatest number of skills gaps among the existing workforce reported by employers are technical, practical or job specific. Management skills, team working, ICT and customer handling skills gaps were also reported.

Low turnover of the workforce and an older profile was identified by employers as a cause of skills gaps, connected to a lack of motivation to adopt new ways of working, and a resistance to undertake training. Skills gaps in ICT were frequently attributed to the aging workforce, but also to the practice of recruiting from industry (i.e. outside the further education sector); where engagement with ICT may not have been a priority.

Skills gaps are reported to have similar impacts to skills shortages. In particular there is greater pressure on existing staff to provide cover whilst other staff are upskilled. This can have a negative influence on staff morale more widely.

Overcoming skills gaps by in house training of managers and specialist staff was commonly reported. Smaller organisations often expect people to develop their skills but not all organisations are able to provide the required training or support for this given the time and resource implications. Other responses such as employing agency staff cover or sharing of good practice between staff or across organisations are explored in the main body of the report.

Anticipating what lies ahead

Respondents reported a likely increase in the level of qualifications required for entry into the sector, and that professional qualifications will become more important, especially in light of the Further Education Workforce Reforms. It was also suggested that there will be an increasing focus on recognising and accrediting prior experience.

The increasing importance of ICT and the impact it would have on how services are delivered will be a challenge for the sector, as more courses and training will be delivered through e-learning and blended learning. Staff will need to become more skilled in the delivery of ICT and have the on-going training to keep these skills up to date. Many of the students will be very ICT literate and it will be important for their teachers to be responsive to this.

Increasingly staff will need the skills to deliver services to, and work with, increasingly diverse communities. Many interviewees reported that leadership and management skills will need to be developed and nurtured in the future. Roles will change and the demands placed on managers will require flexibility and strategic thinking.

A number of organisations reported that a high percentage of their workforce would be retiring within the next five to ten years. This would result in the erosion of skills and expertise, but was also an opportunity to recruit new staff with new skills. It would, however, have a training implication with the need to provide comparatively large numbers of new staff with induction and possibly with courses to achieve the required teaching qualifications.

There is an increasing requirement that individual lifelong learning employers work with others across the sector, i.e. through partnership working and collaboration. Examples are explored in the main body of the report.

Most interviewees reported that their organisation and themselves as individuals adapted well to change. For some it was part of the ethos of the organisation to welcome and respond to change, for others it was something that they had to do to survive.

Training and workforce development

Further education sector employers are more likely to provide training than employers from across all sectors. More than two thirds of further education sector employers interviewed in England said that they had a training plan in place, most reporting that continuing professional development (CPD) needs are identified through the annual appraisal system, or in response to training needs that arose from government regulations. Employers consistently referred to the needs of their workforce to attend mandatory or essential training, mainly for regulatory reasons.

The majority of training is provided in house. This is consistent with other findings where interviewees revealed that during tighter financial times their organisations have relied increasingly on in-house training as a more cost effective alternative. Approximately two thirds of employers in the further education sector identified the lack of financial resources

as a main barrier to increasing the amount of training that they could provide. Nearly half of employers identified restrictions on staff time as another main barrier.

Further Education Workforce Programme

Lifelong Learning UK is working with the further education sector to improve the workforce data collection processes, so as to ensure that policy and workforce development can be based on robust and reliable labour market intelligence. The Programme also includes work to evaluate the implementation and impact of government's Further Education Workforce Reforms. Details of these projects are given in the main body of the report.

Priorities for the sector

The key skills priorities for the sector that are explored in the main body of the text are: skills for managing change; skills in working with others; skills combinations; teaching and learning related skills.

There are a number of generic issues which hold back skills development in the sector. These are listed in the main body of the report, and recommendations on addressing these issues are explored.

1. Introduction

In January 2010, Lifelong Learning UK (LLUK) published the Sector Skills Assessment for the lifelong learning sector across the UK. This work was informed by a literature review and secondary data analysis, supported by primary research with stakeholders and employers.

This report sets out findings from the Sector Skills Assessment that is specific to the further education sector in England. Where possible, findings are shown by the following areas of work: adult community learning (ACL) employers, further education (FE) colleges and work based learning (WBL) employers. Comparisons to the whole lifelong learning workforce in England are drawn where appropriate. Chapter 2 sets out the profile of the further education sector and workforce. Chapters 3 to 6 present findings from the research, specifically: drivers of skills demand; current skills needs; anticipating what lies ahead; and training and workforce development. Chapter 7 provides information about ongoing work to fill gaps in workforce data and to address skills issues within the sector. Finally, Chapter 8 sets out the key skills priorities for the further education sector in England and recommendations on how to address them.

1.1 Background

Lifelong Learning UK is the independent employer-led sector skills council responsible for the professional development of those working in career guidance, community learning and development (CLD), further education (FE), higher education (HE), libraries, archives and information services (LAIS) and work based learning (WBL) across the UK. The sector comprises around 1.2 million people working in lifelong learning in England, Northern Ireland, Scotland and Wales. Lifelong Learning UK provides the strategic perspective for workforce planning and development and influences and shapes relevant policy across the four UK nations. It leads the collection of workforce data and provides analysis on workforce characteristics and trends to better inform future workforce planning.

Like the other Sector Skills Councils, Lifelong Learning UK was required to develop a Sector Skills Agreement. These were developed to encourage collaborative working between Sector Skills Councils and their employers, with stakeholders, the government(s) and other partner organisations. The aim was to enable the delivery of an agreed action plan to meet the priority skills needs of the sector. The Sector Skills Agreement for the lifelong learning sector was completed in March 2008. As the skills needs analysis for this work (Lifelong Learning UK 2006) was completed at the end of 2006, the information needed to be updated as part of the Sector Skills Assessment.

The Sector Skills Assessment has to be completed by all Sector Skills Councils on an annual basis in order to provide 'informative evidence resources that can be consulted and used as the basis for policy development' (UK Commission for Employment and Skills 2009). In January 2010 Lifelong Learning UK published the Sector Skills Assessment for the lifelong learning sector across the UK. This work was informed by a literature review and secondary data analysis, supported by primary research with stakeholders and

employers. It updates the current evidence base about skills issues and priorities within the sector.

1.2 Findings for the further education sector in England

This report presents the findings from the research for the further education sector that includes adult community learning employers, further education colleges and work based learning employers in England.

The interviews with key stakeholders and a range of employers by area of work, activity and size of organisation were used to gather perspectives in the lifelong learning sector about:

- Skills drivers
- Current skills needs
- Anticipating what lies ahead
- Training and workforce development

The research involved a comprehensive policy and literature review and an analysis of existing secondary data. Interviews were conducted with five key stakeholders representing the further education sector and twenty two employers who deliver further education and training in England.

Where possible the findings are correlated to the ongoing work that Lifelong Learning UK is undertaking for the further education sector in England.

2. Profile of the further education sector and workforce

This section presents key facts and figures about the wider further education sector employers and the workforce in England. This data provides important contextual information when considering sector skills needs.

It is important to note that multiple data sources are used throughout this chapter. Employer surveys such as the Staff Individualised Record (Lifelong Learning UK, 2009) rely on information provided by employers about the workforce. General population surveys such as the Labour Force Survey (Office for National Statistics, 2008) use information provided by individuals. Comparison of the two should be made with caution.

It is also important to note that the Staff Individualised Record is based on contracts rather than individuals. Although approximately 10 to 15 per cent of further education college staff hold multiple contracts, individual contracts are used as a proxy for individual staff as there is currently no reliable way to identify the precise number of staff.

Current national surveys and data collections rely on Standard Industrial Classification (SIC) codes, a classification that divides the workforce by industrial groups (see Appendix). Using this classification it is not possible to separate the adult community learning and work based learning workforces, as both are included in "Adult education not elsewhere classified". Lifelong Learning UK is working to improve data collection from these two distinct workforces (see Chapter 7).

2.1 Employers in the further education sector

There are over 2,600 employers in the further education sector in England. Table 1 shows the distribution of employers for England by area of work and region. It is worth noting that the figures for adult community learning and work based learning are based on publically funded organisations that are on Lifelong Learning UK's database of providers (see Chapter 7) and this is likely to be an under-estimate as there are many privately funded and voluntary organisations in England that provide this type of learning.

Table 1: Number of employers in the lifelong learning sector in England

	ACL	FE colleges	WBL	FE sector total
England	**585**	**369**	**1,716**	**2,670**
East of England	51	38	134	223
East Midlands	50	27	132	209
Greater London	64	40	249	353
North East	41	17	163	221
North West	82	58	225	365
South East	102	71	269	442
South West	63	31	159	253
West Midlands	81	48	214	343
Yorkshire and the Humber	51	39	171	261

SOURCES: ACL and WBL - Lifelong Learning UK has collated a spreadsheet of providers (see Chapter 7). FE colleges - SIR 2007-2008 (Lifelong Learning UK, 2009).

2.2 Size of the further education sector workforce

There are over 433,000 people working in the further education sector in England. Table 2 provides regional and area of work breakdown data. The distribution of the workforce is similar to the distribution of the whole lifelong learning workforce and approximately mirrors the distribution of the general population of England.

Table 2: Number of employees in the further education sector in England

	ACL	FE colleges	WBL	FE sector total
England	**140,302**	**263,257**	**30,000**	**433,559**
East of England	10,958	26,055	3,054	40,067
East Midlands	12,379	23,957	2,581	38,916
Greater London	24,528	26,555	4,476	55,559
North East	6,976	12,713	1,680	21,369
North West	14,189	43,001	3,763	60,953
South East	25,141	43,015	5,347	73,503
South West	14,057	27,539	3,101	44,697
West Midlands	12,351	33,928	2,864	49,143
Yorkshire and the Humber	19,724	26,494	3,133	49,351

SOURCES: ACL - Labour Force Survey (Office for National Statistics, 2008). FE colleges – SIR 2007-2008 (Lifelong Learning UK, 2009) Individual contracts used as a proxy for individuals. WBL - Lifelong Learning UK and stakeholder estimates.
NOTES: All figures for the English regions are from the same source as the England figures.

2.3 Gender profile of the further education sector workforce

Figure 1 shows the gender profile of the further education sector in England, with the gender profile of the lifelong learning workforce and all sector workforces in England shown for comparison.

In 2007-2008, women represented nearly two-thirds of the further education college workforce (64 per cent) and just over one-third of the workforce was male (36 per cent) in

2007-2008. Compared to the gender profile of the general workforce across England, the college sector had a significantly higher representation of female staff than males. In 2007-2008, less than half (46 per cent) of the national workforce was female (Office for National Statistics, 2008).

Data from the Labour Force Survey indicates that the ACL / WBL workforce in England has a gender profile similar to the further education colleges, although the data are drawn from different sources so comparisons should only be made with caution.

Figure 1: Gender profile of the further education sector in England
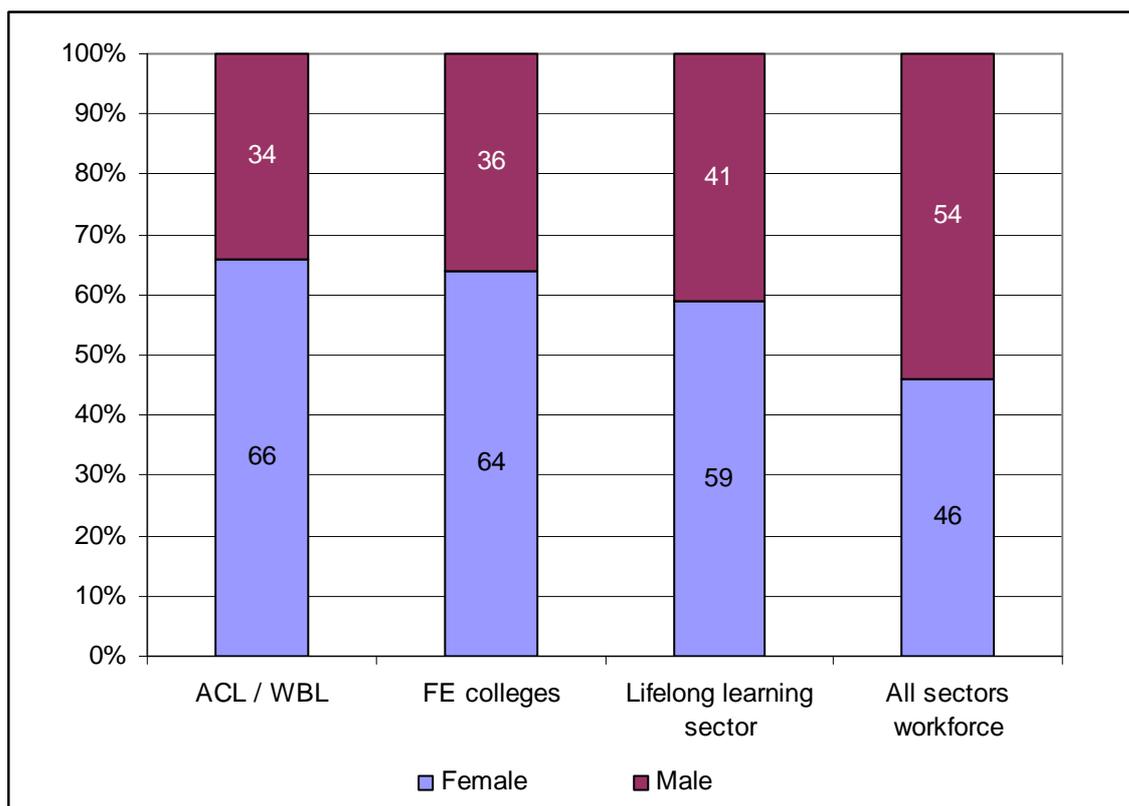
SOURCES: ACL / WBL, lifelong learning sector and all sectors workforce – Labour Force Survey (Office for National Statistics, 2008). FE colleges: – SIR 2007-2008 (Lifelong Learning UK, 2009) Individual contracts used as a proxy for individuals.

2.4 Age profile of the further education sector workforce

Figure 2 shows the age profile of the further education sector in England, with the age profile of the lifelong learning workforce and all sector workforces in England shown for comparison.

49 per cent of the further education college workforce and 54 per cent of the ACL / WBL workforce are aged 45 or over, although the data are drawn from different sources so comparisons should only be made with caution. In England, approximately 51 per cent of the whole lifelong learning workforce are aged 45 or over. Overall the age profiles for the further education sector reflect a slightly older workforce when compared to the all sector workforce age profile.

Figure 2: Age profile of the further education sector in England

SOURCES: ACL / WBL, lifelong learning workforce and all sector workforce – Labour Force Survey (Office for National Statistics, 2008). FE colleges: – SIR 2007-2008 (Lifelong Learning UK, 2009) Individual contracts used as a proxy for individuals.

2.5 Ethnicity profile of the further education sector workforce

Table 3 provides the ethnicity profile for the further education sector workforce in England. Different terms are used across the table and the data is drawn from different sources, so comparisons should only be made with caution. Approximately 91% of the lifelong learning workforce across England that is white, in line with the findings for ACL / WBL. The percentage is slightly lower for the college workforce at 84 per cent (although ethnicity for 7.2 per cent of the workforce is unknown).

Table 3: Ethnicity profile of the further education sector workforce by area of work in England

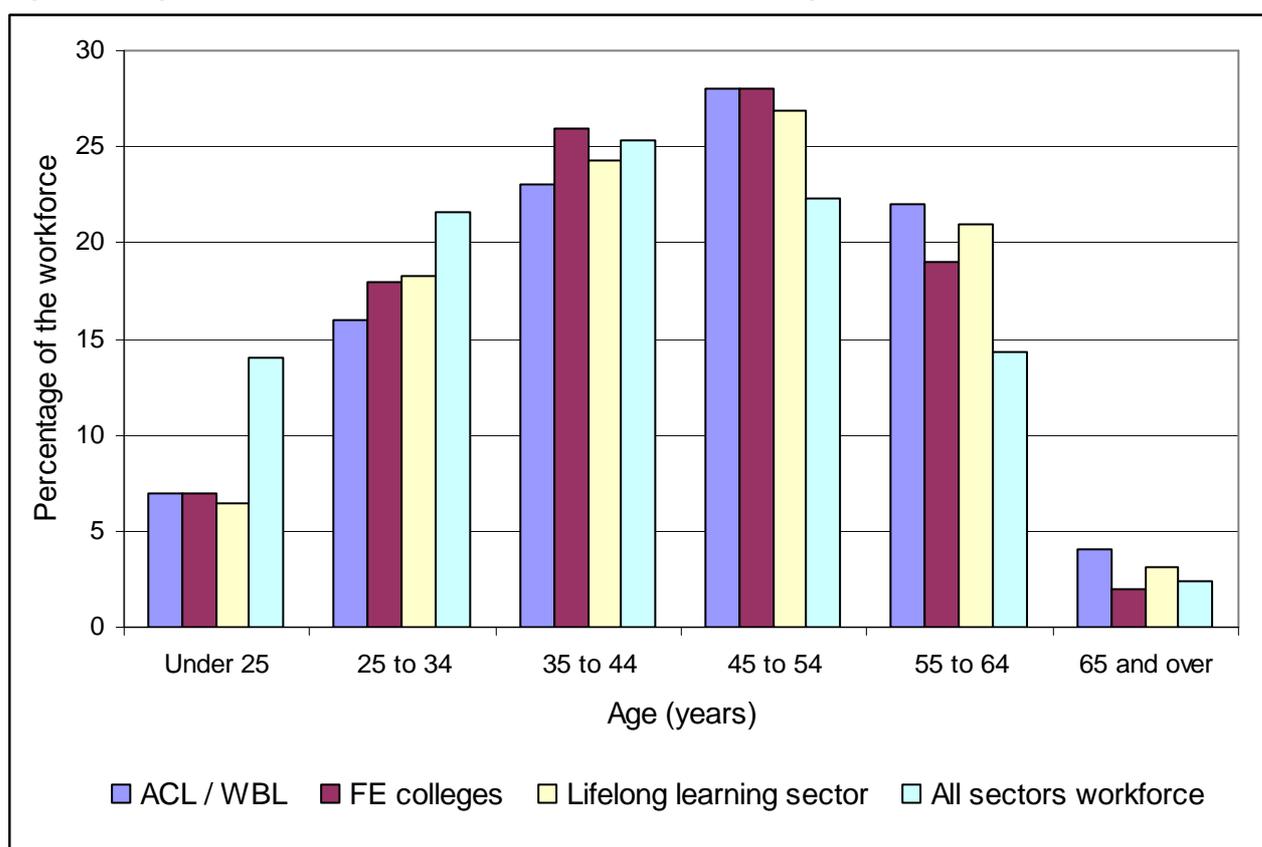|	FE colleges (%)	ACL / WBL (%)
Asian	3.4	1.5
Black	2.9	3.1
Chinese - other ethnic group	1.3	2.3
Mixed	0.8	0.7
White[1]	84.3	92.4
Ethnicity unknown	7.2	

SOURCES: ACL / WBL, lifelong learning workforce and all sector workforce – Labour Force Survey (Office for National Statistics, 2008). FE colleges: – SIR 2007-2008 (Lifelong Learning UK, 2009) Individual contracts used as a proxy for individuals.

2.6 Disability and learning difficulty amongst further education sector staff

According to the Staff Individualised Record, people with declared disabilities are under-represented in the further education college workforce: 2.7 per cent of staff in further education colleges had a declared disability in 2007-2008. This was significantly lower than the average disability status of the general population in England of 17.9 per cent (Office for National Statistics, 2008) and the general further education learner population which in the same year registered 14.4 per cent (Learning and Skills Council, 2008b).

The Labour Force Survey data shows that 17.4 per cent of the further education college workforce has a disability, which (compared to the Staff Individualised Record) is significantly closer to the general population and learner population estimates above.

The Labour Force Survey data for the ACL / WBL workforce shows that 13.8 per cent of the workforce has a disability (Office for National Statistics, 2008).

There are apparent inconsistencies between the Staff Individualised Record findings above and the estimated proportion of individuals with disabilities in the labour market. There are several possible explanations for this:

- The lower disability estimate came from a source where surveys and studies were carried out at an organisational level so staff who have not informed their employer about their disability would not have been counted. The Labour Force Survey is conducted with individuals in their home, a setting in which some may feel more able to disclose disability data and more detailed questions are asked to determine if an individual has a disability
- Not all organisations hold information about disabled staff in their workforce
- Staff may not know that their impairment, long-term illness or learning difficulty is covered by the Disability Discrimination Act's definition of disability
- Staff may have a disability but do not consider themselves to be disabled.

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[1] The categories available within the existing data for staff defining themselves as 'white' are not shown because the two different data sources used different terms within the 'white British'; 'white other'; and 'white Irish' options.

3. Drivers of skill demand

The Sector Skills Assessment 2009 identified a series of drivers of skills demand within the wider further education sector in England. The overarching categories of drivers which were evident within the research were policy, the impact of the economic downturn (including the economic condition of the sector), and regulatory requirements.

3.1 Policy drivers

Both the primary and secondary research found that a significant driver of change is public policy and legislation, which may be cross sector or sector specific, nation specific or UK wide. Policies implemented by the central government in relation to skills and education have an important impact in influencing skills needs and priorities across the further education sector in England. The following are all indicative examples of policy drivers identified in the research, including England specific policies and cross nation policies which also impact upon the further education sector in England.

3.1.1   Central government policies

- **14-19 reforms** – from April 2010, responsibility for securing sufficient education and training for all young people, including all aged 16-19, and those 19-25 year olds being assessed for a learning difficulty and/or disability, as well as juveniles in custody, will pass from the Learning and Skills Council (LSC) to local authorities. In addition, the Young People's Learning Agency (YPLA) will be established as a Non-Departmental Public Body (NDPB) to support local authorities discharge their planning and commissioning functions and to ensure funding and budgetary control within the system. The 14-19 Agenda is also reforming the options for young people (A levels, AS levels, GCSEs, Diplomas and Foundation Learning etc) which will have an impact on the skills needed by staff.

- **14-19 Diplomas** in England have resulted in new skills needs for further education staff in relation to new requirements around Child Protection, since it is necessary to ensure staff in further education sector organisations are aware of Child Protection legislation and what it means. In particular, the presence of 14 year olds studying in colleges and with work based learning providers requires staff to develop skills to meet the particular needs of younger individuals on courses, and also to have an understanding of how to safeguard young people. In addition, there is a need for all staff to be registered with the Independent Safeguarding Authority, mentioned above, as they will be working with young people under the age of 16. Providers in HE will also have a role in implementing the reforms, as institutions tailor their courses to suit those with a diploma. Staff may therefore need to develop new skills in teaching those who followed a diploma curriculum (Universities UK, 2009).

- **Machinery of government changes** around the dissolution of the LSC and the development of a Skills Funding Agency. This move towards demand-led funding is still unclear in terms of exactly how it will operate. A move to demand-led funding will

require greater and extended skills in the further education sector in England, although it is, as yet, unclear as to what these specific requirements and related skills will be.

- The requirement for local authorities to provide **integrated services for children and young people**. This change to the structures of local authorities means that youth services are no longer separate from the administration of schools or social services. Although a positive step in bringing together services in different areas, it requires more skills in dealing both with the expectations of individuals in different areas of children's services, and with the issue of how to deliver youth services within a context of children's services. A related issue is **service transformation in local authorities** whereby a number of services are brought together to make the experience easier and clearer for the user. This also has skills implications for local authority staff.

- **Caps on initiatives such as Train to Gain and apprenticeships** for further education colleges and work based learning in England have an impact on how many students an organisation can recruit. In particular, for Train to Gain, once an organisation has reached the funding cap, there are constraints on the recruiting of additional trainees. This means providers cannot always respond to employer demand - although there have been increases in target numbers in certain specialisms and in the technical apprenticeships.

- *The Learning Revolution White Paper* (Department for Innovation, Universities and Skills 2009a) promotes the benefits associated with informal learning, as a way of developing skills, improving the well-being of communities, and developing the confidence of individuals. This has skills impacts for those working in adult community learning who will be tasked with the role of increasing access to informal learning, building confidence amongst individuals who would not normally engage in learning, and facilitating networks of support and solidarity. Focusing learning through technology may also pose some challenges for staff in adult community learning and require teachers and trainers in adult community learning to update their Information and Communication Technology (ICT) skills.

- **Central government** initiatives resulting in a reduction in the amount of government funded adult provision offered at further education sector organisations have impacted upon the type of staff needed. The rising expectation that adult education provision will be accredited has led to a reduction in the 'traditional' student in adult provision, as organisations need to recruit learners who need basic functional skills rather than for example, those wanting to study sculpture for leisure purposes. This change has meant a shift in the skills of staff required to deliver a different profile of provision.

- **Increased requirement for staff within the further education sector in England to have relevant teaching qualifications** affects the way the further education sector (including all Learning and Skills Council funded providers with a contractual requirement for their teaching staff to hold such qualifications) can recruit staff. From 2007, **Further Education Workforce Reforms** require all new teachers, trainers, tutors and lecturers to hold either Qualified Teacher in Learning and Skills (QTLS) or Associate Teacher in Learning and Skills (ATLS) status as part of initiatives to ensure the quality of teaching in further education colleges. All teachers, trainers, tutors and lecturers are also required to be registered with the Institute for Learning and fulfil at

least 30 hours of continuing professional development each year (with reduced hours for part time staff). Existing teachers who began teaching in further education colleges before 2001 are exempt from having to complete the new qualifications, but nevertheless may take the opportunity to upgrade their skills. There is a five year window, from 2007, to enable people to achieve the required certificates. However the requirement has a clear impact on the selection of new teachers in further education, and for the skills development needs of existing teachers. There is also a new leadership qualification (Principals' Qualifying Programme) for all new college principals.

- **Health and safety legislation** applies to all those seeking to deliver learning, who need to assess the risks involved for learners, and may need to attend training before delivering learning.

- **Increasing participation age** – through the *Education and Skills Act* (Department for Innovation, Universities and Skills and Department for Children, Schools and Families 2008), the government has legislated to raise the compulsory education participation age in England to 18 by 2015. Young people are required to participate in education or training until their 18th birthday through full-time or part-time education; or through training – if they are also employed, self-employed or volunteering – for more than 20 hours a week. This will place additional demands on staff in learning providers in engaging all young people.

- **Policies related to social cohesion and community engagement** for all educational bodies have an impact in terms, for example, of the teaching of post-16 citizenship in further education colleges, the provision of a quiet room in learning providers, and outreach to encourage non-English speakers to use the internet in a library. These all require wide-ranging skills.

- **Priority sectors related to national strategies** can have an impact upon skills requirements and demand – for example in England key priority sectors have been identified by the government, including digital Britain, the low carbon industry, advanced manufacturing, professional services and financial services, life sciences and pharmaceuticals, engineering and construction (Department for Innovation, Universities and Skills, 2009b).

- The ***Skills for Growth*** strategy (Department for Business Innovation and Skills, 2009) focuses on ensuring the skills needed by the economy are provided for, to enable 'economic growth and individual prosperity'. Policies to simplify the skills landscape and empower individuals to have 'consumer choice' over the skills they wish to develop, may change the structures across the lifelong learning sector, particularly with regard to funding. Staff will need to develop the skills to deal with these changes. Commitments to create a modern technician class through more advanced apprenticeships, and other ways of investing in skills needed for future growth, may re-focus the courses provided by further education and higher education. The staff running these courses may therefore need to expand or develop their own skills accordingly.

3.1.2   Cross-nation policies with relevance for England

- **Equality and diversity requirements and legislation** related to the Disability Discrimination Act (DDA) which requires employers across England, Wales and Scotland to make reasonable adjustments for disabled employees to work at their organisation. This was reported by employers to require staff to be trained in dealing with reasonable adjustments.

- The **Independent Safeguarding Authority (ISA)** – the introduction of ISA will mean increased pressure on all youth organisations, as they must ensure that all their volunteers have been through an enhanced Criminal Records Bureau (CRB) check. This new legislation covering England, Wales and Northern Ireland is part of the new Vetting and Barring Scheme, initiated in the wake of the Soham murders, although similar legislation has been passed in Scotland. The requirements have been in place since January 2009, although organisations have a few months to comply. The ISA will create a register of all those cleared to work with under-16s and vulnerable adults. This legislation builds on previous requirements, but is part of a rolling and continuous programme of checking, and so has both an administrative and financial impact on further education sector organisations, particularly those voluntary and community groups with limited income.

- **Freedom of information Act and Data Protection Act** both require the storing and releasing of data to be more regulated and monitored than may have been the case previously. These policies were particularly mentioned by those working for public bodies, as having new skills implications for staff.

3.2 The impact of the economic downturn

Respondents to the primary Sector Skills Assessment research were asked about the impact of the economic downturn on their organisation in terms of current and future skills shortages and gaps, and training provision. From both the stakeholder and employer interviews, the majority of respondents across all areas of work reported that the economic condition of the sector is 'fragile' or 'vulnerable'. These fragilities are due to the impacts of the economic downturn and a reduction in, or disparate, funding sources.

From the interviews with representatives from the further education sector in England, a number of employers reported increases in the number of applicants for jobs. However, this has not necessarily had the effect of reducing 'hard to fill' vacancies because applicants do not always have the appropriate experience or skills. As one further education college employer commented:

> *"We are seeing a huge number of applicants for some posts, but not in the skills areas where there are shortages. More learners are coming into FE which increases demand in areas that are difficult to recruit already. It is a self perpetuating cycle"* (FE college in South East)

A further education college in Greater London reported that they are getting a good number of highly experienced people seeking to come into teaching, but that many of these

applicants did not hold the required teaching qualification and would therefore require investment in training.

In February 2009, the University College Admissions Service (UCAS) reported a record number of applicants, with 465,000 for the 2009/10 academic year, a 7.8 per cent increase over the previous year and a 9.5 per cent increase since 2007. The number of international applications has also increased.

Several further education stakeholders stated that this has become a skills issue across the sector.

> *"Dealing with pressure from increased student intake - applications are up 30 per cent this year, due to the recession. Many colleges have extra classes."*
> (FE sector stakeholder in England)

This direct impact of the economic downturn was also reported by employers who responded to the Sector Skills Assessment primary research. The increased numbers of people wanting to access training to upskill or reskill as a means of securing employment is affecting many further education sector providers. Employers from further education colleges in particular reported this issue, but stated that different courses have been affected in diverse ways. Some courses, such as construction and engineering, are experiencing lower numbers of applicants, whereas other courses such as business studies, accountancy or health and beauty, are experiencing higher demand. The increase in learner numbers and varying demand for different courses requires teaching staff to deliver a wider range of courses, and to adopt more flexible working arrangements to meet the demand from learners. This includes providing part time and evening courses.

One adult community learning respondent reported an increase in demand for their services, but also emphasised the difficulties they are facing in finding placements for work experience:

> *"We have got a lot more demand for our services and people looking to access training and we have used our volunteers as a source of recruitment to meet the demand. We had about eight or nine apprentices returned to us by employers because of the downturn in their business, or they have gone bust; and we have to find other work placements for learners, which is very difficult"*
> (ACL in the North East)

In contrast to many work based learning employers in the other three nations, those interviewed in England either did not identify any current impact from the economic downturn, or said their organisation had gained from the increased demand for their training services. However it needs to be remembered that this information is based on a small number of qualitative interviews and is not necessarily representative.

One of the impacts of the economic downturn is the decision of employers to reduce, or at best maintain at current levels, their training budgets at the thus preventing them from accessing as many external sources of training as previously for their staff. In this context, a UK wide report from the Institute of Directors found that investment in training had held up well under the economic downturn, but there were indications of organisations trimming their training budgets and/or prioritising the type of training on offer to their staff (Institute of

Directors, 2009). Employers reported that there is a tendency to prioritise resources on 'statutory' training - for example, that needed to meet health and safety regulations or the requirements of accrediting bodies, rather than considering longer term 'investment' training for the enhancement of the workforce. This was reported by several employers in the further education sector.

3.3 Other factors influencing skills demand

3.3.1 Changes in technology

The literature review which informed the Sector Skills Assessment highlighted a range of policy papers and initiatives produced by the government to extend and develop ICT skills among the UK population with recognition of the importance of ICT for employment and social inclusion.

Technology is an important skills driver reported by many employers. For example, interviewees across the further education sector reported that the rapid advances in ICT present an issue in terms updating equipment and resources, and in ensuring staff are kept up-to-date with new developments through training and other development activities.

3.3.2 Service changes

An adult community learning employer in Yorkshire and Humberside identified an increased demand for staff to have a variety of skills including awareness of policy and legislation, communication skills, and skills in engaging young people.

One work based learning employer described demands for new courses. For example, there was a demand for a course to train call centre managers, and the organisation had to recruit an assessor with ICT, management and customer service skills.

3.3.3 Globalisation

Consistent with trends across all the nations, some organisations in the further education sector (especially colleges) identified the increasing need to access the international market and encourage learners from abroad to attend institutions in England. This requires staff to develop their knowledge and skills of the culture and languages of learners coming from abroad.

4. Current skills needs

This Chapter presents key findings based on information gathered relating to skills shortages and gaps in the further education sector. The headline statistics are drawn from the 2007 National Employer Skills Survey (NESS 2007: Learning and Skills Council, 2008a. Analysis of NESS 2007 for the lifelong learning sector: Lifelong Learning UK, 2008). Broad comparisons are made with figures from existing skills data for adult community learning and work based learning (Lifelong Learning UK 2007) where possible. This information is supplemented for the Sector Skills Assessment by findings from the primary research carried out in the sector in England with a sample of employers.

It is important to define the key terms used to describe recruitment issues:

Hard-to-fill vacancies are those vacancies described by employers as being particularly difficult to fill. Reasons often include skills related issues, but may involve other factors such as the employer being based in a remote location, poor pay or poor terms and conditions of employment. NESS 2007 showed that **eight per cent** of all establishments in the further education sector had hard-to-fill vacancies. This is similar to the figure for the whole lifelong learning sector in England (Lifelong Learning UK, 2008).

Skills shortage vacancies are those hard-to-fill vacancies which result from a lack of applicants with the required skills, work experience or qualifications. NESS 2007 showed that **six per cent** of all establishments in the further education sector had skills shortage vacancies. This is similar to the figure for the whole lifelong learning sector in England (Lifelong Learning UK, 2008).

4.1 Skills shortages

NESS 2007 findings show that the most commonly reported cause of vacancies being hard to fill is that the applicants lack the desired skills. Lack of required experience and qualifications are the next two most commonly reported causes.

Figure 3 shows that there is evidence that qualifications lacking among applicants is more commonly reported by further education sector employers than the average from all sectors (19 per cent of further education employers compared to 13 per cent of all sector employers reported qualifications lacking as a reason for vacancies being hard to fill)

Figure 3: Main causes of having a hard to fill vacancy
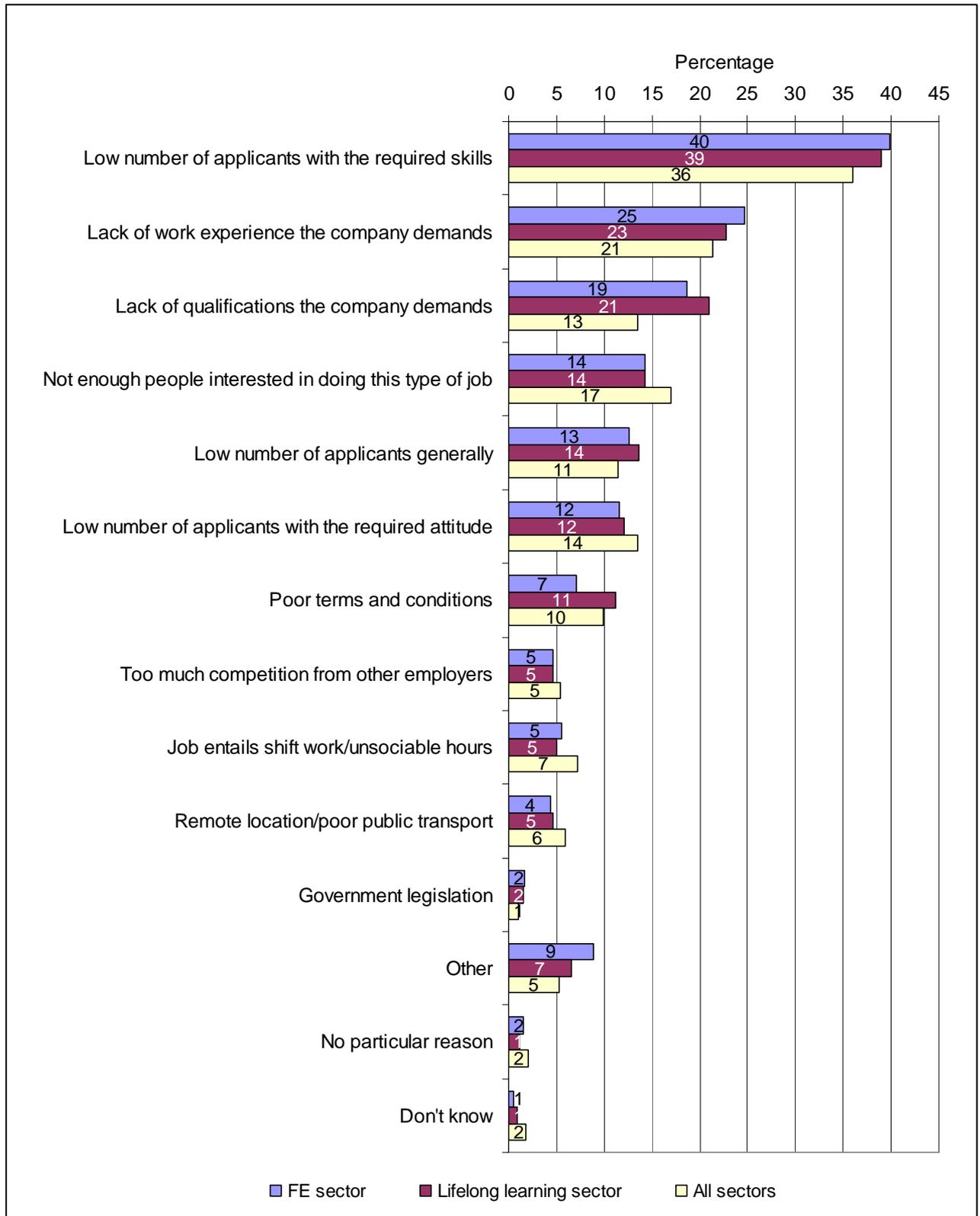
SOURCE: NESS 2007 (Lifelong Learning UK, 2008)
NOTES: Various bases – weighted number of establishments who reported hard to fill vacancies
(example: 40 per cent of employers in further education sector with hard to fill vacancies state that
one cause is a low number of applicants with the required skills).

Interviews carried out for the Sector Skills Assessment provided more detailed qualitative information about the nature of skills shortages and gaps among further education sector employers in England.

4.1.1 The overall picture

About half of FE colleges that took part in the primary research identified problems with recruitment in specific subject areas, especially teachers for the vocational trades. In part this was because, despite the economic downturn, it was still possible for those in construction trades or ICT to earn more outside further education. A further education college employer in the South West commented that it was difficult to encourage people to relocate because property prices could be fourteen times higher than the average salary.

One interviewee in a further education college thought that the difficulties in recruitment would increase as the economy came out of economic downturn and people who considered a post in the further education sector would choose another and better paid post in a different sector. There is also an issue that, although more people are currently available because of the economic downturn, they do not always have the necessary skills and experience. As one further education college in the South East reported:

> *"We are fishing in a small pond for the specialist roles, even though there is more unemployment, the pool does not get any bigger, people do not have the skills that we are looking for"* (FE college, South East)

No adult community learning or work based learning employers in England reported that they are having difficulty filling vacancies.

4.1.2 Technical, practical or job specific skills

In FE colleges and to a lesser extent adult community learning and work based learning, the greatest challenge for employers in England is to recruit applicants with the appropriate technical, practical or job specific skills. This is consistent with the NESS 2007 finding that 50 per cent of further education sector employers with skills shortage vacancies stated that these skills were difficult to obtain from applicants.

Further education colleges reported difficulty in recruiting teachers for vocational trades such as construction, plumbing, engineering, carpentry and specialist areas such as marine engineering. Applicants often have sound experience of vocational practice but lack skills and qualifications in teaching. In contrast, one college reported that they get applicants who are specialists at working with people with disabilities, but who lack vocational experience. It is the combination of relevant qualifications and experience that was identified as most challenging when recruiting. However, as one interviewee also reported it is often necessary to appoint a person and then provide training in order that they complete the necessary qualification.

Fewer than half of the work based learning employers interviewed identified skills shortages. Where skills shortages do exist, these tend to relate to the recruitment of assessors in vocational trades with the required qualifications. This was particularly an issue amongst smaller organisations where it is difficult to provide the necessary training for

new recruits who do not already possess the relevant qualifications. Other skills shortages were reported in relation to applicants with the necessary skills and experience for working with young people.

Adult community learning employers in England reported relatively few skills shortages that were a challenge to recruitment. The skill shortage that was identified was in teachers and tutors of literacy and numeracy.

4.1.3   ICT skills shortages

NESS 2007 reported that 23 per cent of further education sector employers with skills shortage vacancies stated that ICT skills were difficult to obtain from applicants.

Some further education colleges identified that there can be a challenge in recruiting staff with the required levels or competency in ICT skills. In the colleges, employers reported that, even when they recruit staff with a good knowledge of ICT, it is usual for new members to be provided with training in the use of specific software, data security and databases. One College reported skills shortages among teaching applicants in the use of Moodle and smart board technology. ICT skill shortages among applicants were only rarely identified in adult community learning and work based learning.

4.1.4   Literacy and numeracy

NESS 2007 reported that 24 per cent of further education sector employers with skills shortage vacancies stated that literacy skills were difficult to obtain from applicants and 18 per cent stated that numeracy skills were difficult to obtain.

With regard to skills shortages in literacy and numeracy, research for the Sector Skills Assessment found that this is more of a challenge for further education colleges than any of the other areas of the further education sector. The further education colleges identified these challenges as affecting recruitment to English for speakers of other languages (ESOL) tutors, other subject tutors, learning support staff and administration staff.

Skills shortages related to numeracy and literacy were reported amongst applicants for tutors in vocational areas. In terms of literacy, skills shortages in relation to report and letter writing were most commonly identified. This was also evident in adult community learning with vocational tutors.

4.1.5   Other skills shortages

Interviewees were asked whether there are any other skills shortages that they find challenging. There were a number of skills shortage areas identified in the recruitment process. For example, leadership and management skills were identified in the further education sector; with recruits tending to be appointed for their subject specific skills but lacking management experience and expertise.

One work based learning employer commented that they would like applicants to have the skills and confidence to be more proactive when working with young people, including having the ability to break down their programme of learning into more manageable chunks,

which the young people could more easily understand and respond to. This was especially important when working with challenging and/or vulnerable young people.

4.1.6 Impact of skills shortages

The research found that the impact from skills shortages creates additional workloads for other staff in providing cover and ensuring essential services are delivered. This in turn could impact on the health and morale of existing staff.

Further education colleges and adult community learning employers reported that shortages could mean that specific courses could not be offered until a post was filled. Using agency or consultancy staff is costly and can also erode continuity and stability for the learners. There were examples reported of a member of staff who had retired or left for another reason being re-employed on a consultancy basis. One adult community learning employer reported that fewer visits and learner support sessions could be delivered because of staff vacancies. As is often the case, if there is a negative impact on the learners, it is reported that the organisation's reputation and income is likely to suffer.

It was suggested that the pressures to recruit can lead employers to recruit "*the wrong person*" and that can damage the reputation of the organisation.

4.1.7 Actions to overcome skills shortages

Employers were asked about the steps they have taken in order to address skills shortages. Several reported that it is sometimes necessary to re-advertise vacancies or use different avenues of recruitment. One work based learning respondent commented that it is useful to co-ordinate job advertisements with the dates when local training courses were completed as this often results in more applicants. Other actions reported include the development of a database of likely future recruits, and being proactive in going out to schools and colleges to encourage applicants. Work based learning employers tend more than others to use recruitment agencies.

One respondent reported that their organisation has reviewed the recruitment process and registered on several recruitment websites and networking sites to reach a wider range of applicants. Greater use of on-line recruitment procedures is reported to encourage younger applicants more than traditional recruitment methods.

It was reported to be common practice to appoint people with some of the skills and identifiable potential and to provide training to enhance their abilities and develop the right skills. This is an option more open to the larger organisations as those with only a small workforce are more likely to require new staff to "hit the ground running". One further education college reported that they recruit in the understanding that they will have to deliver additional training to the successful candidate:

> *"We ask for more generic skills and willingness to learn when we are recruiting, otherwise it limits the field if asking too much for specific skills. We prefer them to have an open minded attitude which means that they are open to being trained"*
> (FE college, South West)

There was evidence that this was sometimes accompanied by changes to the job description or the working pattern, such as offering part time or sessional employment rather than full time hours. One adult community learning employer conducted a review of its staffing structure and salaries, partly to identify if they were allocating too many roles to any one post and as a consequence "*asking too much of one person*".

Many are forced to resort to the use of contractors or agency staff, although this can be costly and the lack of control and stability can potentially have a negative effect on learners and the organisation as a whole.

4.2 Skills gaps

Employers are described as having a **skills gap** in cases where they employ staff whom they believe are not fully proficient in their job. For the purposes of NESS, a member of staff is defined as either fully proficient or not fully proficient, but the degree of proficiency was not investigated (Lifelong Learning UK, 2008).

NESS 2007 showed that **16 per cent** of employers in the further education sector reported having skills gaps. This is slightly lower than the figure for the whole lifelong learning sector in England (17 per cent) and slightly higher than the figure for all sectors in England (15 per cent). Findings from the *WBL and PCDL Skills Survey* (Lifelong Learning UK, 2007) [2] showed greater proportions: 21 per cent of adult community learning employers and 34 per cent of work based learning employers were experiencing skills gaps.

Employers responding to NESS 2007 were also asked to estimate the number of staff who were not fully proficient. For the further education sector, six per cent of staff were reported to be not fully proficient. This is lower than the figure for the whole lifelong learning sector in England (seven per cent) and in line with the figure for all sectors (six per cent). Findings from the *WBL and PCDL Skills Survey* (Lifelong Learning UK, 2007) again showed greater proportions: nine per cent of adult community learning employees and eight per cent of work based learning employees were reported to be not fully proficient.

4.2.1 The overall picture

The Sector Skills Assessment research explored with interviewees what percentages of staff in different types of posts are not considered to be fully proficient in their job. Although some interviewees found this a difficult question, some patterns have emerged. Only a small number of interviewees identified percentages of their existing staff who are not proficient in their jobs. Managers tended to be more frequently identified in further education colleges, and to a much lesser extent work based learning, as not fully proficient. Again in further education colleges, there was some evidence of professionals and associate professionals and customer service staff as being identified as not fully proficient.

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[2] PCDL stands for personal community development and learning – Now defined as adult community learning (ACL).

Specific skills gaps are explored in the following sections, with findings from NESS 2007 compared to the findings from the primary research of the Sector Skills Assessment.

4.2.2   Technical, practical or job specific skills

NESS 2007 shows that technical, practical and job specific skills gaps have the greatest negative impact on further education sector employers. 55 per cent of further education sector employers stated that this skills gap specifically needed improvement. Figure 4 shows that the percentage of employers who reported this skills gap has the greatest negative impact is slightly higher in the further education sector than the rest of the lifelong learning sector. This is true for most occupational levels, with the exception of managers.

Figure 4: Percentage of employers reporting technical, practical or job-specific skills gaps having greatest negative impact
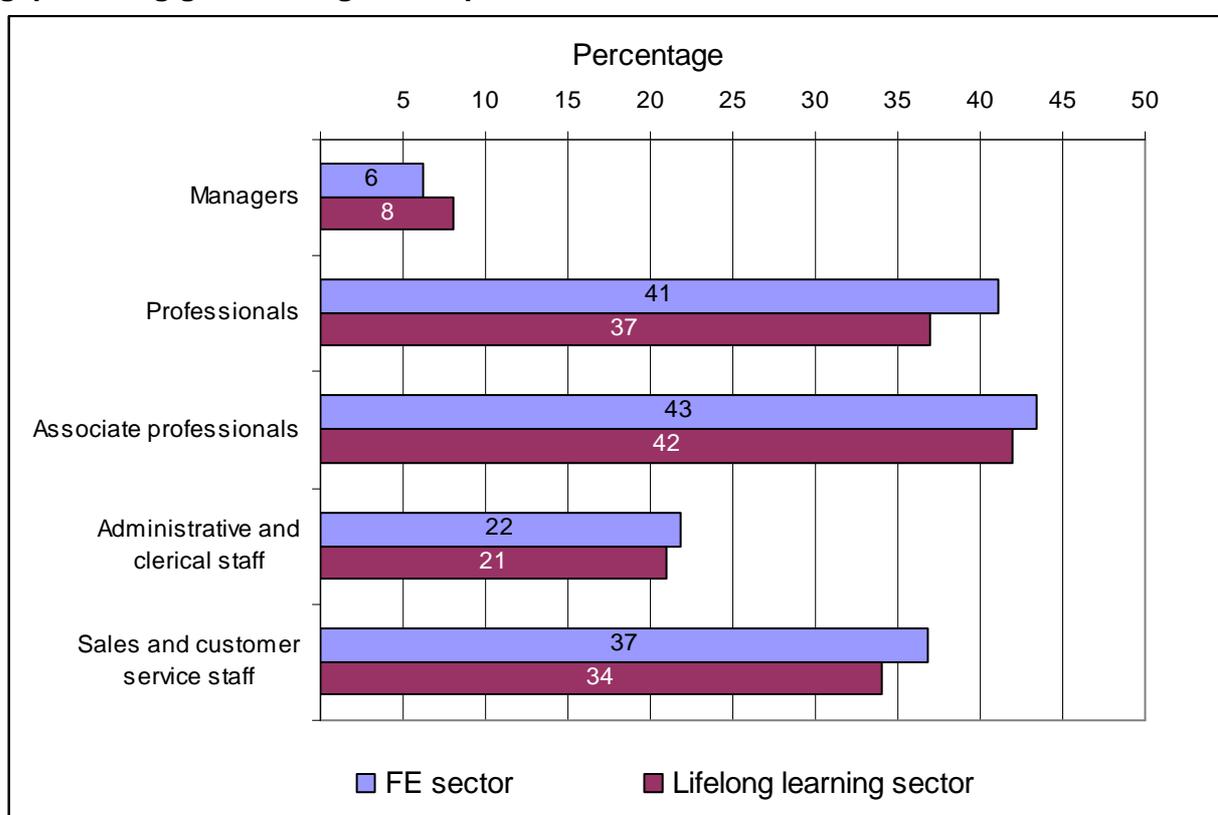
SOURCE: NESS 2007 (Lifelong Learning UK, 2008)
NOTES: Various bases – weighted number of establishments who reported skills gaps at each occupational level (example: six per cent of employers in further education sector with managers who are not fully proficient state that technical, practical or job-specific skills gaps have greatest negative impact.

Findings from the primary research of the Sector Skills Assessment show that (as with skills shortages) the greatest number of skills gaps among the existing workforce reported by employers are technical, practical or job specific. Half of the further education colleges identified these gaps and all but one of the adult community learning employers. It was only the work based learning area of work where the respondents identified none of these skills gaps.

Respondents identified these skills gaps as affecting middle and senior management, teachers or tutors, curriculum managers, and support staff. Most interviewees gave specific examples of these skills gaps including:

- In adult community learning, staff without the required teaching qualification, staff without the skills to engage with employers and a lack of awareness of business and private sector operations, business administration, and regulatory requirements in respect of children and young people
- In further education colleges, literacy and numeracy of some teachers especially in the vocational subject areas and for Skills for Life; lack of current vocational experience by staff who have been many years in post; expertise in engineering and marine engineering; and data security skills

4.2.3 Management skills

Findings from NESS 2007 show that 37 per cent of employers in further education sector with managers who are not fully proficient state that management skills gaps have greatest negative impact.

In the Sector Skills Assessment research, some of the job specific skills referred to above overlapped with the comments from respondents about the skills gaps in respect of management. In addition, two thirds of further education colleges identified additional management skills gaps. The proportions were much lower in adult community learning and work based learning. Middle managers, first tier managers and team leaders were most commonly identified as having these skills gaps. There was a wide range in examples describing these skills gaps:

- In adult community learning, ability in supervisory roles and understanding budgets
- In further education colleges, managers who are able to facilitate and motivate or inspire other staff and provide leadership, financial and budgetary skills, performance management, people management skills and the confidence to take on issues of poor performance
- In work based learning, communication skills, marketing skills, project management, financial management

The lack of management skills can arise because people are internally promoted and have the technical or subject specific skills but lack experience and awareness of management tools.

4.2.4 Team working

According to the NESS 2007 findings, 33 per cent of further education sector employers with skills gaps stated that team working skills needed improving.

Only small numbers of respondents to the Sector Skills Assessment across all the areas of work reported team working as a skills gap. For those employers who did feel it was a gap, the issues related to poor communication between staff, and working in silos.

4.2.5 Information and Communication Technologies

According to the NESS 2007 findings, 36 per cent of further education sector employers with skills gaps stated that general information technology user skills needed improving.

There were examples of existing skills gaps in respect of basic or advanced ICT among the respondents to the Sector Skills Assessment. The rapid rate of change in ICT was identified as a major reason for the development of the skills gap. There is also said to be an issue with some established staff who can be resistant to or poorly skilled in using ICT. For example, as one adult community learning employer described:

> "It tends to be our older staff or people coming in from industry who struggle. We have a bricklayer in his fifties who is very good at teaching the skills but thinks email is a foreign country, but others are able to use our intranet. Amongst our older workers, it is about how they apply the new technologies like Smart Boards used for the training, they shy away. With e-portfolios, digital voice recorders there is a reluctance to get to grips with these"
> (ACL, England)

It is worth noting that more than half of employers with skills gaps who responded to the *WBL and PCLD skills survey* (Lifelong Learning UK, 2007) reported that "advanced IT skills" were a problem, and 20 per cent referred to this as a severe skills deficiency.

4.2.6 Customer handling

According to the NESS 2007 findings, 37 per cent of FE sector employers with skills gaps stated that customer handling skills needed improving.

This was identified by some respondents to the Sector Skills Assessment as a skills gap, although not by the employers in work based learning. Some respondents in further education colleges identified the growing importance of organisations becoming more customer or learner focused and this demanded new or enhanced skills from staff. One further education college commented about this skills gap:

> "There is a huge gap in client focus. Reception for example they think it is an imposition if anyone asks for anything. We need to address this as an organisation. Teachers see the students as their customers and the ancillary staff need to see this too"
> (FE college, England)

Another interviewee in a further education college described how it is a mandatory requirement for all staff to attend a customer care course, but stated that issues still exist relating to responding quickly and positively to customers and providing the correct signposting to services. There were also issues reported about responding to new client groups such as the 14 to 16 year old students and those with disabilities. External employers were also identified as customers; and there was a gap identified in some further education college and adult community learning organisations with regard to teachers'

understanding of how the private sector operates and their ability to communicate effectively with external employers.

4.2.7 Additional skills gaps

Additional skills that need improving that were reported in the NESS 2007 include problem solving skills (41 per cent of employers with skills gaps), oral and written communication skills (25 and 32 per cent respectively) and office administrative skills (39 per cent of employers with skills gaps).

Additional gaps were only identified by a small number of respondents to the Sector Skills Assessment. One respondent in a further education college referred to the very fast changing government agenda on learning and skills and the difficulty of keeping staff 'up to speed' on the changes.

One further education college identified literacy gaps for the teachers on some courses, mainly delivering vocational courses.

4.2.8 Causes of skills gaps

Findings from NESS 2007 show that almost three quarters of further education sector employers with skills gaps state that lack of experience or recent recruitment are the main cause of skills gaps.

Figure 5: Main causes of skills gaps
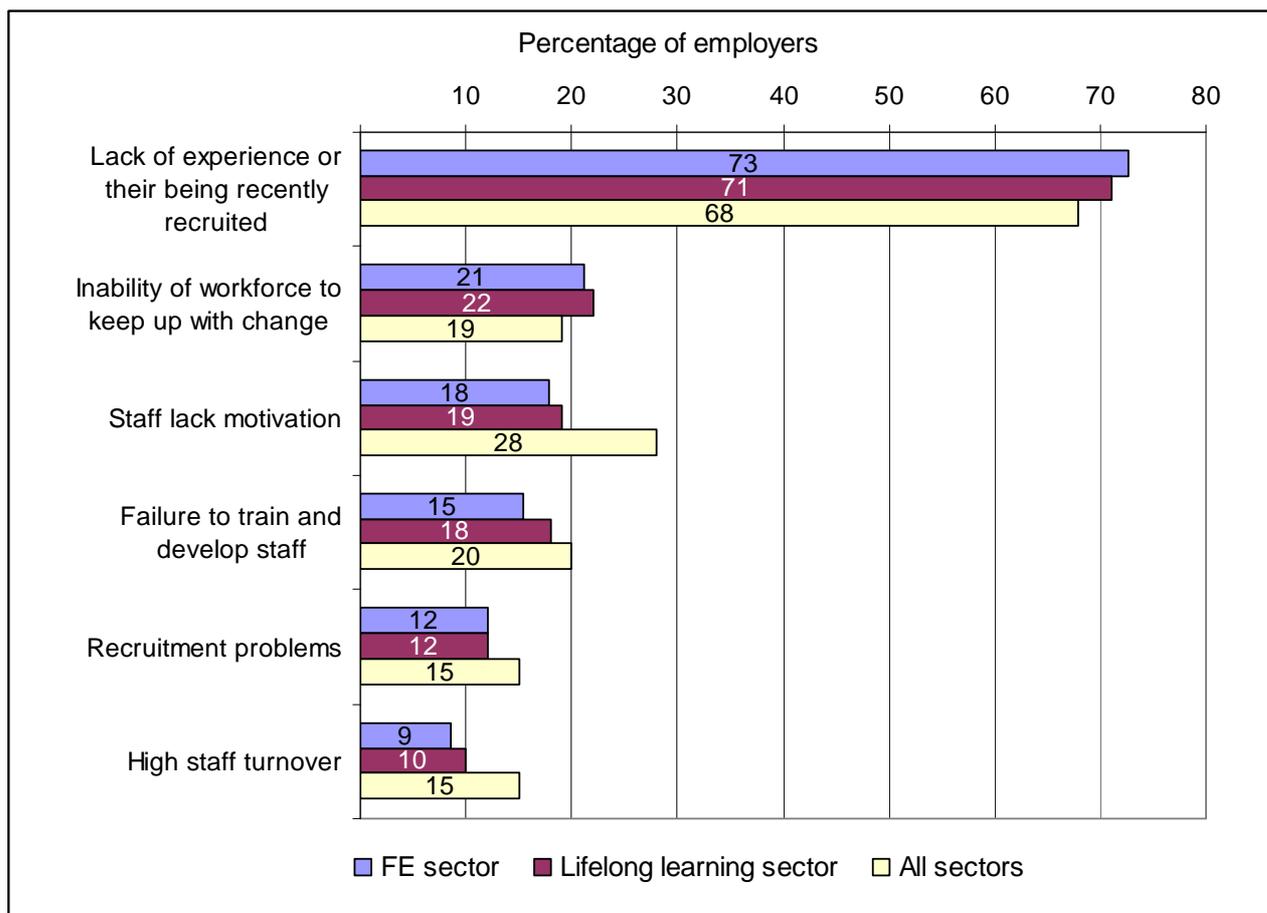
Percentage of employers

Cause	FE sector	Lifelong learning sector	All sectors
Lack of experience or their being recently recruited	73	71	68
Inability of workforce to keep up with change	21	22	19
Staff lack motivation	18	19	28
Failure to train and develop staff	15	18	20
Recruitment problems	12	12	15
High staff turnover	9	10	15

■ FE sector   ■ Lifelong learning sector   □ All sectors

SOURCE: NESS 2007 (Lifelong Learning UK, 2008)
NOTES: Various bases – weighted number of establishments who reported skills gaps (example: 73 per cent of employers in further education sector with staff who are not fully proficient state that lack of experience or recent recruitment is the main cause.

It is encouraging to note that employers with skills gaps in the further education sector are less likely to cite staff motivation, failure to train, recruitment issues and high staff turnover as the root cause than employers in all sectors.

Interestingly, low turnover of the workforce and an older profile was identified by respondents to the Sector Skills Assessment as a cause of skills gaps, especially in ICT, and to a lesser extent in management and customer handling skills. For example, it was reported that in some cases there can be a lack of ambition or motivation to adopt new technologies and new ways of working, and a resistance to undertake training. Another interviewee in a further education college similarly identified the challenge to keep long established and experienced staff "*lively and refreshed*".

One work based learning provider commented that skills gaps in ICT can be related to the age of the employee, but also to the fact that they recruit people from industry; where engagement with ICT has not traditionally been part of their role. Organisations reported that that feel they are sometimes slow to embrace changing technology, however, this is thought to be a consequence of the lack of resources to invest in new equipment, rather than a lack of commitment.

Smaller organisations, especially in adult community learning and work based learning, often expect people to develop their skills but one commented that "*not everyone is able to do this*". It requires support to encourage people to learn and develop their skills and, although some will be self motivated, there are others who need continual encouragement and support. Not all organisations are able to provide this given the time and resource implications.

Skills gaps can be created by internal changes within the organisation, such as staff turnover or lack of it, or externally imposed changes, for example those arising from changed government priorities or new initiatives. The changing age profile of learners in further education colleges was identified as an externally driven change:

> *"People who came in to teach 16 plus year olds now have to teach 14 year olds…with that there is an immediate gaps for instance in behaviour management"*
> (FE college, England)

It was further commented by a further education college interviewee that there needs to be recognition that

> *"historical and structural change happens faster than the people change"*
> (FE college, England)

4.2.9 Impact of skills gaps

The NESS 2007 findings show that 55 per cent of further education employers with skills gaps state that other staff have an increased workload as a result.

Figure 6 shows that the reporting of the impacts of skills gaps across the lifelong learning sector and the further education sector is similar.

Figure 6: Impacts of skills gaps

Percentage of employers

Impact	FE sector	Lifelong learning sector	All sectors
Lose business or orders to competitors	17	15	20
Delay developing new products or services	28	26	17
Have difficulties meeting quality standards	27	29	26
Increase operating costs	26	25	28
Have difficulties introducing new working practices	29	32	25
Increase workload for other staff	55	56	55
Outsource work	11	10	10
No particular problems / None of the above	23	22	26
Don't know	3	3	3

☐ FE sector   ■ Lifelong learning sector   ☐ All sectors

SOURCE: NESS 2007 (Lifelong Learning UK, 2008)
NOTES: Various bases – weighted number of establishments who reported skills gaps (example:
17 per cent of employers in further education sector with staff who are not fully proficient state that
they lose business or orders to competitors as a result.)

Reporting of the impact of skills gaps within the further education sector differs from that
across all sectors most noticably for a "delay developing new products or services". A
greater proportion employers in further education report this than across all sectors (28 per
cent compared to 17 per cent).

Respondents to the Sector Skills Assessment reported impacts of skills gaps on efficiency
and competitiveness which have a potential for actual loss of business, which provide
context to the NESS 2007 findings above. Interviewees gave examples of situations in
which the demand for vocational courses could not be met, or in which the start of courses

had to be delayed. Some providers referred to the negative impact of these changes on the learners' experience, with associated damage to organisation's reputation or standing.

In general respondents to the Sector Skills Assessment report that skills gaps have similar impacts to skills shortages. In particular there is greater pressure on existing staff to provide cover whilst other staff are upskilled (similar to the NESS 2007 finding). This can have a negative influence on staff morale more widely.

There were examples given by organisations from work based learning and further education colleges where a lack of management skills means that the organisation is unable to "*grasp external funding opportunities*" or to plan ahead effectively and take advantage of new developments. Organisations sometimes need to employ consultancy or agency staff to meet the skills gaps. This is costly and also has an impact on stability and consistency.

There is a significant investment of time and resource needed to train staff to meet new skills demands, especially staff who have been in post for many years. One interviewee in a further education college commented that this can divert resources, particularly from learners.

One further education college employer reported that there could be increased turnover if staff are faced with new challenges that they cannot, or are reluctant, to meet. For example, some tutors or lecturers are reluctant to teach challenging young people and choose to take early retirement or leave the sector.

4.2.10 Actions to overcome skills gaps

Training and workforce development was reported as the most common action taken to overcome skills gaps in both the NESS findings (74 per cent of further education employers with skills gaps: Lifelong Learning UK, 2008) and the *WBL and PCLD skills survey* (79 per cent of WBL / ACL employers with skills gaps: Lifelong Learning UK, 2007).

Figure 7 shows that the further education sector is very similar to the lifelong learning sector and all sectors in what action is taken to overcome skills gaps.

Figure 7: Actions taken to overcome skills gaps
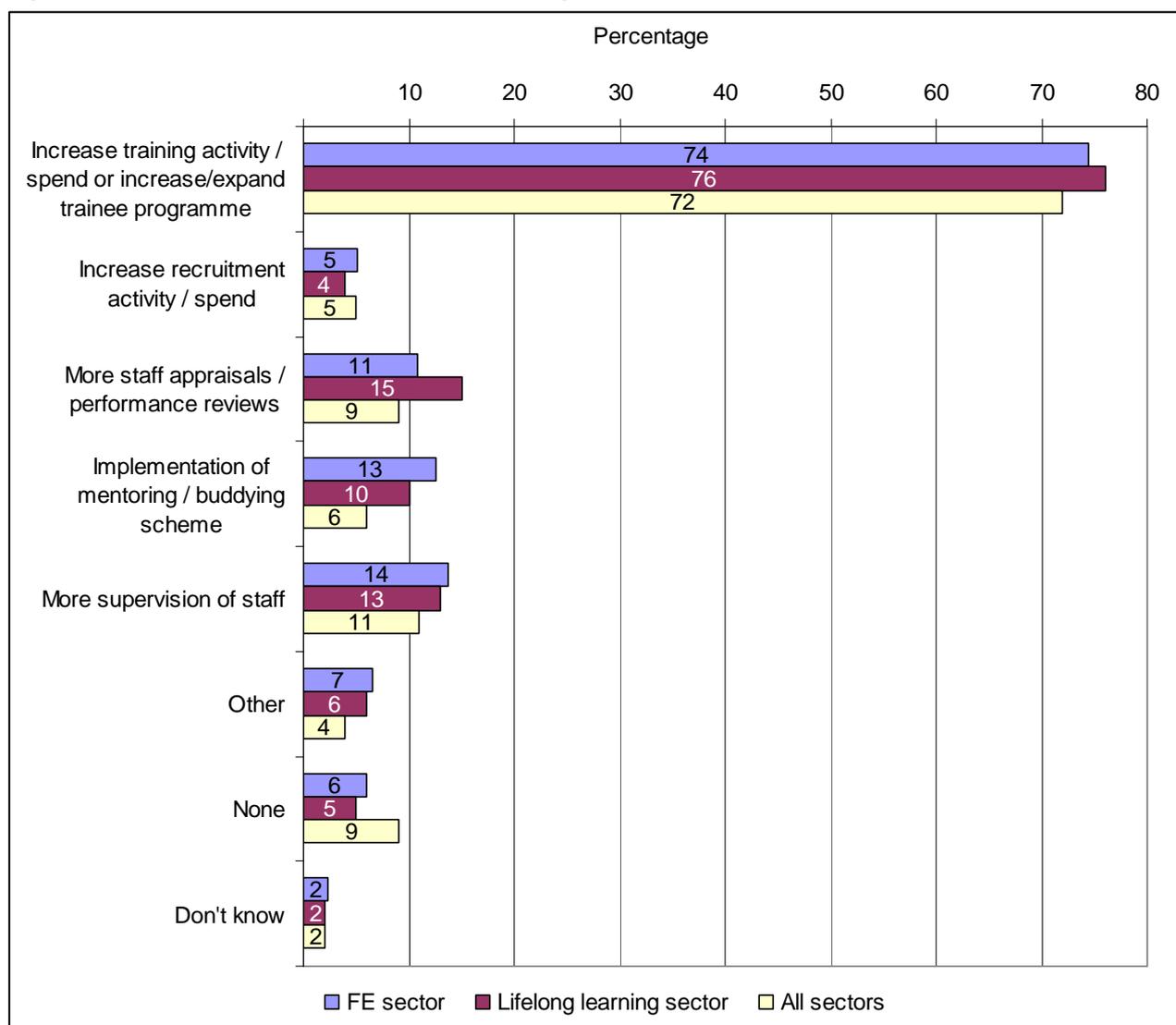
Percentage

Action	FE sector	Lifelong learning sector	All sectors
Increase training activity / spend or increase/expand trainee programme	74	76	72
Increase recruitment activity / spend	5	4	5
More staff appraisals / performance reviews	11	15	9
Implementation of mentoring / buddying scheme	13	10	6
More supervision of staff	14	13	11
Other	7	6	4
None	6	5	9
Don't know	2	2	2

☐ FE sector ☐ Lifelong learning sector ☐ All sectors

SOURCE: NESS 2007 (Lifelong Learning UK, 2008)
NOTES: Various bases – weighted number of establishments who reported skills gaps (example: 74 per cent of employers in further education sector with staff who are not fully proficient state that they increase training activity *et cetera* to overcome the problem.)

Respondents to the Sector Skills Assessment confirmed that training and workforce development is the most common action taken to overcome skills gaps. Another reported response is to employ agency or consultancy staff to cover for skills gaps in teaching and management.

"Growing our own" managers and specialist staff is seen as an effective means of tackling skills gaps. Another approach is to improve the sharing of good practice between staff, and for those with the relevant skills to provide support for colleagues through a mentoring system. One adult community learning employer reported that they are working in partnership with other organisations to secure temporary placements in order to increase the sharing of good practice.

A number of employers reported that they access external courses to develop the management and leadership skills of their workforce. These included LSIS courses in leadership and management, the LSN managed Subject Learning Coaches programme and support from the Leadership Foundation. One further education college provides training for their staff to achieve the customer service NVQ. However it was reported that there is also a demand for bespoke consultancy support to develop leadership skills among college management staff. Providing avenues for teaching staff to further develop skills in vocational training is another identified need.

Additional financial support made available for training and development would be welcomed. This is not only to meet the cost of courses but also to pay for cover when staff are released for training.

5. Anticipating what lies ahead

5.1 Future skills needs and employment patterns

Respondents in England were asked about what they thought would be the most important changes in employment and skills needs in their organisation in the next five to ten years. They were offered a choice of eleven possible answers with the option of providing their own suggestions.

In the further education sector responses indicated: '*that employers will proactively invest in the skills development of their workforce*'; that there is likely to be an increase in the levels of qualifications required for entry into the sector, and that professional qualifications will become more important (especially given the Further Education Workforce Reforms– see Section 3.1.1 and Section 7.1). It was also suggested that there will be an increasing focus on recognising and accrediting prior experience. In the next five to ten years, a number of further education sector employers felt that employees would increasingly invest in their own skills development.

It was the comments on anticipated changes in employment and skills that yielded the richest information from employers in England. A number of interviewees in further education colleges, work based learning and adult community learning identified the increased importance of IT and the impact it would have on how services are delivered. This will be a challenge, especially so for those organisations that are community-based. Staff will need to become more skilled in the delivery of IT and have the on-going training to keep these skills up to date. Many of the students will be very IT literate and it will be important for their teachers to be responsive to this.

It will also mean that fewer courses and training will be delivered in the classroom and more through e-learning. Several adult community learning and one work based learning employer identified the need to have a '*blended*' style of delivery and not to rely solely on e-learning.

One further education college suggested it will be necessary to have a casual and flexible workforce alongside a more fixed and permanent workforce in order to respond to these changes. Although some employers expressed their dislike of short term contracts as counterproductive for the development of commitment and good team building, there was recognition that more staff will be likely to be employed on this contractual basis.

Staff will need the skills to deliver services to, and work with, increasingly diverse communities. In order to achieve this, it is necessary for staff to develop the skills to work with socially excluded groups. The demand for teachers of basic and key skills is expected to remain high.

Many interviewees reported that leadership and management skills will need to be developed and nurtured in the future. Roles will change and the demands placed on managers will require flexibility and strategic thinking. Financial management skills are

likely to increase in importance and managers generally will need to increase their understanding of finance and budgets. One further education college employer commented that for their senior managers having a MBA qualification is "*almost a requirement now*".

A number of organisations reported that a high percentage of their workforce would be retiring within the next five or ten years. This would result in the erosion of skills and expertise, but was also an opportunity to recruit new staff with new skills. It would, however, have a training implication with the need to provide comparatively large numbers of new staff with induction and possibly with courses to achieve the required teaching qualification. This would be the case in particular for the FE sector in England.

5.2 Collaborative working and partnerships

There is an increasing requirement that individual lifelong learning employers work with others across the sector, i.e. through partnership working and collaboration. One stakeholder commented that all further education sector providers will have to work "*more closely with employers and tailor programmes to employers, rather than providing an off-the-shelf package.*"

Almost all the employers interviewed in the wider further education sector in England identified strengths in partnership working and felt that they had the skills to be effective in collaboration with a wide range of partners within and beyond the sector. Examples were given of current partnerships, including:

- In further education colleges– employers reported partnerships with, for example: local businesses to establish a response team, universities, private companies; the local police service; other colleges; and local authorities to run a job coaching course. Other partnerships involved placements amongst learning support staff with local employers, joint governor training with other colleges, participation in networks with schools because of the Diploma programmes, and development of 14 to 16 skills centres on college premises, and voluntary and community sector delivery of courses
- In work based learning– employers reported collaborative working with further education colleges, schools and voluntary and community organisations to share training and manage contracts, collaborative bids, and participation in peer review groups

Occasionally respondents identified some barriers to collaborative working. These tended to be not internal barriers but external because of the structure or complexity of other organisations. For example, both adult community learning and work based learning providers reported that it could be "*very hard work*" to work with colleges. The adult community learning respondent commented that this was because of the (large) size of colleges and their lack of direct engagement with the community. The view of the respondent was that colleges tended to be more financially than people focused. A work based learning provider commented that some colleges "*find it easier to sub-contract than to work in partnership*".

5.3 Ability to change and adapt

With very few exceptions, stakeholders and employers reported that the sector, their organisation and themselves as individuals adapted well to change. For some it was part of the ethos of the organisation to welcome and respond to change, for others it was something that they had to do to survive, with some almost pleading for a period of stability. Adult community learning and work based learning providers feel in particular that they are good at adapting to change. It was pointed out by some respondent that it is easier for smaller organisations to be flexible and respond to change than larger organisations with more formal structures.

The respondents identified a number of examples including mergers, re-structuring, funding changes, innovations in service delivery and developing new markets, as ways in which they as individuals have responded well to change and provided support and leadership to staff. One adult community learning employer saw the importance of identifying the benefits of change to their staff and emphasising what they "*could get out of it for themselves*".

In a few interviews, employers mentioned that it could be difficult for some staff to respond positively to change or to adapt, but mainly this was about personality and long length of service in the same post.

Several stakeholders commented that more funding will be required to ensure that the sector can adapt to change, and one commented that there is a problem with indistinct policy narratives as, for example, the Machinery of Government changes are still unclear.

6. Training and workforce development

85 per cent of further education sector employers who responded to NESS 2007 had provided on- or off-the-job training in the previous year. This is in line with the rest of the lifelong learning sector in England, and significantly higher than the figure for all sectors (67 per cent). The Labour Force Survey shows that 39 per cent of further education staff had received training or education at work in the three months preceding the survey (Office for National Statistics, 2008).

6.1 Training plans and budgets

69 per cent of employers in the further education sector have a training plan in place, much higher than the figure of 48 per cent for all sectors (NESS 2007: Learning and Skills Council, 2008a).

More than two thirds of further education sector employers interviewed for the Sector Skills Assessment said that they had a training plan in place. The proportion was highest for further education colleges and adult community learning employers. Of those with training plans, most reported that CPD needs are identified through the annual appraisal system, or in response to training needs that arose from government regulations, such as enhanced child protection measures and health and safety requirements.

Most organisations have a training budget, including those where a training plan is not in place. For half of those interviewed in England, their training budget has not changed in this financial year from the previous. For a fifth of organisations, the training budget has increased and this is usually because there are greater numbers of staff who require training for mandatory purposes such as health and safety, equality or safeguarding and protection. About a third of organisations have experienced decreases in their training budget, most in further education colleges and adult community learning. Decreases were attributed to financial constraints and reductions in core funding.

6.2 Accessing training

A substantial majority of employers in the further education sector reported that between 81 per cent and 100 per cent of their workforce have received training arranged or funded by the employer during the previous twelve months. However, in this context, it is relevant to note that employers consistently referred to the needs of their workforce to attend mandatory or essential training, mainly for regulatory reasons. It is likely that much lower percentages of employees received 'desirable' rather than 'essential' training in the last twelve months.

Findings from the interviews in the further education sector reveal that organisations access training provision from a wide range of sources, including further education colleges and higher education institutions, private training providers, voluntary or third sector organisations, local authorities, and other professional bodies or government agencies. The majority of training however is provided in house. This is consistent with other findings

where interviewees revealed that during tighter financial times their organisations have relied increasingly on in-house training as a more cost effective alternative.

Approximately two thirds of employers in the further education sector identified the lack of financial resources as a main barrier to increasing the amount of training that they could provide. Nearly half of employers identified restrictions on staff time as another main barrier. As one adult community learning organisation reported, the impact of providing training for the teaching and learning qualification is significant:

> *"It has a huge impact, it might be free to deliver but we still have to pay for people's time to cover. We have had to do a huge amount of in-house training. The bulk of the cost is the travelling and time costs of employing a person when they are not doing their job, and paying for somebody to cover for them"*
> (ACL, England)

One suggested solution, other than a common request for more resources to be allocated to training, was to provide more e-learning and in smaller parcels of learning.

It would also help to have more regional training centres that could be accessed at less time and cost. The timing of courses could also be restrictive. One work based learning provider suggested that providing more courses during academic half-terms - when staff could more easily be released - would be beneficial.

6.3 Actions to address skills priorities in the wider further education sector

This report aims to provide a summary of the data currently available on the further education sector in England, highlighting the findings of Lifelong Learning UK's Sector Skills Assessment.

Research findings indicated that national stakeholders and employers in the further education sector all have an awareness of the sector skills priorities, and that activities are being undertaken to address them. There are still gaps in the demographic data on the further education sector workforce and specific details on skills issues are often lacking within each sub-sector. Information about the projects undertaken by Lifelong Learning UK to improve this situation, working with the further education sector in England, is presented in Chapter 7.

7. The Further Education Workforce Programme

7.1 Further Education Workforce Reforms

The government is committed to having a fully qualified further education workforce and expects each college and provider to ensure that all teaching and training staff achieve, or are working towards, qualification by no later than 2009/10. The Further Education Workforce Reforms were introduced in September 2007 for the further education sector in England. The main elements are:

- the introduction of new Initial Teacher Training (ITT) pathways and qualifications leading to the award of Qualified Teacher Learning & Skills (QTLS) including specialist Skills for Life routes and Associate Teacher Learning and Skills (ATLS)
- a requirement for all teachers, tutors, trainers and lecturers to fulfil at least 30 hours continuing professional development each year, with reduced amounts for part timers
- a requirement for all teachers, trainers, tutors and lecturers to be registered within the Institute for Learning (IfL) their professional body
- a new leadership qualification (Principals' Qualifying Programme) for all new college principals.

The Further Education Workforce Reforms implementation research aims to measure the awareness, understanding, implementation and outcome of the Further Education Workforce Reforms within the sector. Interviews were conducted with practitioners and HR staff in further education colleges, work based learning and adult community learning employers.

Lifelong Learning UK aims to produce the following outputs:
- a report of further education Reforms implementation issues and barriers faced by further education colleges, work based learning and adult community learning employers
- a report on workforce reforms awareness, understanding and implementation progress by further education colleges, work based learning and adult community learning employers.

7.2 Adult community learning employer data collection

As demonstrated in Chapter 2 of this report, it is difficult to separate the adult community learning workforce data from national data sets such as the Labour Force Survey. Lifelong Learning UK is working to provide improved and robust background data to enable a better understanding of the scale, composition and occupational roles within the LSC funded adult community learning sector. This will enable employers, stakeholders and policy makers to:
- identify current teaching qualification levels of adult community learning teaching staff
- explore skills gaps amongst adult community learning employers

- define workforce roles and role combinations, current training provision and any gaps in relation to the management and delivery of the above provision
- identify particular issues to be addressed in relation to the implementation of FE teaching reforms e.g awareness, infrastructure, cost implications, barriers to engagement, workforce development
- link the results into the wider adult community learning employer community across England and the other UK nations.

As part of the primary research, discussions and interviews are being conducted with key national and regional adult community learning stakeholders. Information will be collated on: current teaching qualification levels of teaching staff; current training provision and gaps; and workforce development priorities and issues. Particular issues will be addressed in relation to the implementation of further education teaching reforms e.g awareness, infrastructure, cost implications, barriers to engagement and workforce development.

Lifelong Learning UK aims to produce a comprehensive database of information on adult community learning employers, with Ofsted grades, specialism and sector subject areas. The spreadsheet currently includes the details of 585 adult community learning employers and will be developed further. This will enable efficient prioritisation of workforce development activities.

A full report will be available soon, and will include key findings on teaching qualification levels of adult community learning teaching staff, skills gaps, training provision, recommendations and workforce development issues to be addressed.

7.3 Work based learning employer data collection

As demonstrated in Chapter 2 of this report, it is difficult to separate the work based learning workforce data from national data sets such as the Labour Force Survey. Lifelong Learning UK aims to improve the quality of data available on this vital workforce. Work is underway to:

- provide background data to enable a better understanding of the scale, composition and occupational roles within the publicly funded vocational work based learning sector
- identify current teacher qualification levels amongst the work based learning workforce
- explore skills gaps amongst work based learning employers particularly in relation to the delivery of Train to Gain, Apprenticeships, Foundation Learning (including Entry to Employment)
- define workforce roles and role combinations, current training provision and any gaps in relation to the management and delivery of this training
- identify particular issues to be addressed in relation to the implementation of further education teaching reforms e.g awareness, infrastructure, cost implications, barriers to engagement, workforce development
- link the results into the wider work-based learning employer community across England and the other UK nations.

Primary research will involve in-depth discussions with: Sector representative organisations e.g. Association of Learning Providers (which represents 470 work based learning employers); regional networks e.g. London WBL Alliance, Learning South West; Selected work based learning employers delivering Train to Gain, Apprenticeships, Foundation Learning and Entry to Employment; and recruitment agencies e.g. Protocol Skills, People First.

Work based learning employers are to be included on the database described in Section 7.2. The spreadsheet currently includes the details of 1,716 work based learning employers and will be developed further. This will enable efficient prioritisation of workforce development activities.

7.4 Adult community learning and work based learning workforce data collection

In order to fill workforce data gaps in parts of the further education sector, Lifelong Learning UK carried out a workforce data collection for the first time in the adult community learning and work based learning sectors in England between December 2008 and February 2009. Employers were asked to submit information about staff working in their organisations during the 2007-2008 academic year. In total there was a response from 21 adult community learning employers with 3,790 staff and 10 work based learning employers with 1,412 staff.

After this initial low response, a number of regional events were held during 2009 to inform employers of the importance of workforce data and to encourage them to submit information for the 2008-2009 workforce data collection, from October 2009 to February 2010. In total, 53 providers responded to the collection: 34 adult community learning providers and 21 work based learning providers. Two providers submitted data for both ACL and WBL staff in their organisation so are counted twice. The total number of records submitted by adult community learning and work based learning providers were 7,349 and 1,885 respectively.

In order to boost this response, data was backfilled using data from organisations that completed a return to the 2007-2008 survey. Data was used from five employers, three of which provide only ACL and two which provide ACL and WBL. The boosted response is therefore **58 providers**: 39 ACL providers and 23 WBL providers. The total number of records used in this analysis was **8,035** and **2,654** records for ACL and WBL staff respectively. Findings from this survey will be available from April 2010.

7.5 Impact of standards and qualifications

Lifelong Learning UK has coordinated the development of a number of new standards and qualifications relevant to the sector since 2007. To ensure that these standards and qualifications meet the needs of adult community learning and work based learning employers and practitioners, Lifelong Learning UK is conducting some research to assess the impact of the standards and qualifications on further education colleges, adult community learning and work based learning employers and practitioners.

The aims of the research are to:
- identify strengths and weaknesses of the standards and qualifications
- explore the use of the standards and qualifications by practitioners and employers
- identify any issues to be addressed related to awareness and utilisation of the standards and qualifications.

The first stage of this research will be an on-line survey in early 2010. Selected employers and practitioners will be invited to complete the on-line survey on the Lifelong Learning UK website. The second stage will involve in-depth telephone interviews with stakeholders and employers.

7.6 Skills for life workforce

The need for Literacy, Numeracy and ESOL (LNE) teachers in the further education sector to be recognised as *'a special case'* was first highlighted in the Moser Report (Department for Education and Employment, 1999) and subsequently in the introduction of the Skills for Life strategy for England in 2001. In 2003 the combined inspection agencies for schools (Office for Standards in Education, Ofsted) and post-16 learning (Adult Learning Inspectorate, ALI) reported that:

> *'an initial training programme should be developed for new (LNE) tutors who do not have a teaching qualification, to introduce them to the essential techniques of teaching before they start work.'*

Lifelong Learning UK is working to collate information on the Skills for Life workforce and will publish three reports:

1. Profile of the Skills for Life workforce in England, including trends analysis from previous workforce survey findings
2. Trends in the enrolments, achievement and destination of Skills for Life teacher trainees in England
3. Evaluation of Skills for Life teacher training provision.

Each report will highlight issues to be addressed and recommendations for action with suggestions for implementation.

8. Priorities for the further education sector in England

8.1 Key skills priorities

The key priorities for the further education sector in England very much reflect the UK wide priorities for the whole lifelong learning sector, identified in the UK-wide Sector Skills Assessment. Key priorities for the sector are given below:

- Skills for managing change including: keeping pace with emerging technologies; leadership and management of change
- Skills in working with others including: partnership and collaboration; engaging with communities; engaging with and understanding the needs and demands of employers - enabling the development of a more demand led sector
- Specific skills including: basic, key or essential skills; skills combinations (such as teaching skills combined with management, vocational or technical skills)
- Teaching and learning related skills including skills in blended learning and skills for embedding equality and diversity

8.2 Generic constraints

There are a number of generic issues which hold back skills development in England and across the lifelong learning sector. In particular:

- Lack of resources for training and development activities including both funding and time
- Need to recognise training and development needs
- Rapid change and diversification of roles
- Need to prepare for an unknown future
- Some specific gaps in training and development provision
- The ageing workforce demographic

8.3 Recommendations for the sector

We recommend that the effect of these issues are mitigated by creating a landscape in which the following approaches to skills development are facilitated, encouraged and valued:

- Increased collaboration and partnership working to share effective practice and take advantage of economies of scale
- Use of secondments, based on a sustainable Business Interchange model, to bring new skills into an organisation and enable staff to develop skills in new roles
- Further quality improvement in identification of staff training and development needs – National Occupational Standards can be useful here

- Increased provision of in house staff training where possible
- Focus on continuing professional development to keep pace with change and respond to the diversification of roles
- Development of transferable skill sets
- Embedding of equality and diversity into working policy and practice – a diverse workforce will ensure that the sector takes full advantage of a wide range of skills and abilities
- Development of short courses, bite sized training and on-line access to learning
- Organisations may need to improve the opportunity for staff to develop leading edge ICT practice

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Appendix: Defining the further education sector workforce by Standard Industrial Classification (SIC) code

The three Standard Industrial Classification (SIC) codes that align to the further education sector are:

- 80.22 technical and vocational secondary education
- 80.30/1 sub-degree level higher education
- 80.42 adult and other education not elsewhere classified

However, there is considerable overlap and interplay between these SIC codes, and they do not align exactly with the sector footprint and individual sub-sectors. This is a common difficulty experienced by more than one Sector Skills Council. The specific difficulties include:

- SIC 80.22 (technical and vocational secondary education) and SIC 80.30/1 (sub-degree level HE) correspond to further education, but this area of work should also include an amount from SIC 80.21 (general secondary education). This code also includes school teachers and is therefore not included.
- The NESS data used in this report does not include 80.30/1 (sub-degree level HE) as this five digit level of SIC code analysis is not available, therefore 80.22 (technical and vocational secondary education) is used as a proxy for further education colleges
- SIC 80.42 (adult and other education not elsewhere classified) corresponds to the adult community learning workforce, but can also include private work based learning providers
- There is no corresponding standard industrial classification code for work based learning, although SIC 80.42 (adult and other education not elsewhere classified) can include private work based learning training providers. In this report the classification ACL / WBL represents SIC 80.42 (adult and other education not elsewhere classified).

Technical Appendices: Stakeholder and Employer schedules

Please go to the *Sector Skills Assessment: UK report* to view the technical appendices:

www.lluk.org/sector-skills-assessment-2009-reports.htm