

# Reskilling Britain for a brighter future



A representation from

## The parties making this Representation

### City&Guilds Group

City & Guilds is the UK's leader in vocational training and skills.

We are a Royal Charter body and charity focused on our sole purpose – helping people and organisations develop the skills they need for economic success and growth.

We provide Government, employers and individuals with advice and support for skills development through our policy guidance and our training, assessment and certification services.

Our City & Guilds Foundation enables access to employment for disadvantaged groups and celebrates and promotes excellence in skills development through our Princess Royal Training Awards.



The City of London Corporation is the governing body of the Square Mile dedicated to a vibrant and thriving City. Our education and training initiatives are designed to support a diverse and sustainable London within a globally successful UK.

Based in Guildhall, the City Corporation looks after and promotes the City of London and its contribution to the UK economy. It is headed by the Lord Mayor with the Court of Common Council being its main decision-making body. They are a uniquely diverse organisation, with a role that goes beyond that of an ordinary local authority. They have our own government (the oldest in the country with origins pre-dating Parliament), their own Lord Mayor and independent police force.

### Future Learn

FutureLearn is a leading online social learning platform founded by The Open University and now jointly owned with The SEEK Group. Our purpose is to transform access to education: we partner with over a quarter of the world's top universities to support over 12 million learners across the globe to develop skills and achieve their personal and professional goals.

We also partner with leading organisations such as Accenture, the British Council, CIPD, Raspberry Pi and Health Education England (HEE), as well as being involved in government-backed initiatives to address skills gaps such as The Institute of Coding and the National Centre for Computing Education.



### Prince's Trust

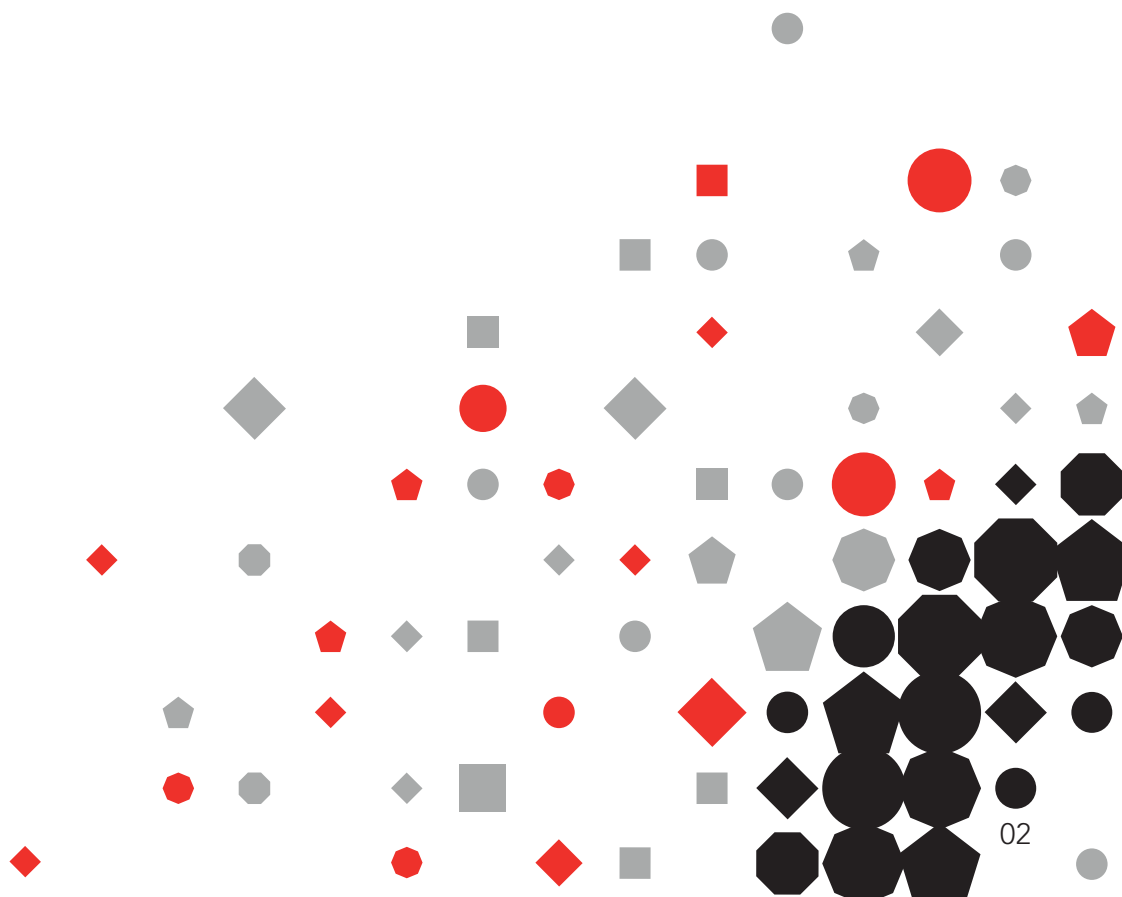
The Prince's Trust believe that every young person should have the chance to embrace exciting opportunities. We work with delivery partners across the UK to offer hundreds of free courses, grants, and mentoring opportunities to inspire young people to build their confidence, helping 11 to 30-year-olds start careers.

The Trust has helped over 950,000 young people to date and supports more and more each day. It is open to young people from all over the UK – no matter if they have been facing serious issues such as homelessness or if they've been in trouble with the law.

The Trust has returned £1.4 billion in value to society through our help for young people over the last 10 years alone.

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# 1

## Executive summary – key benefits and focus of our submission

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In summary we propose:

- £60 million investment over 3 years, creating a network of Employment and Training Hubs across the UK to fast track re-employment of adults displaced by Covid-19 and build lasting infrastructure for continuous improvement of UK workforce resilience and productivity.

We also recommend:

- More effective reallocation of £1 billion investment from planned Government funding, augmented by devolved Adult Education Budget allocations to ensure all post-compulsory education adults have access to Adult Training Allowance Loans to meet employer and labour market demand.



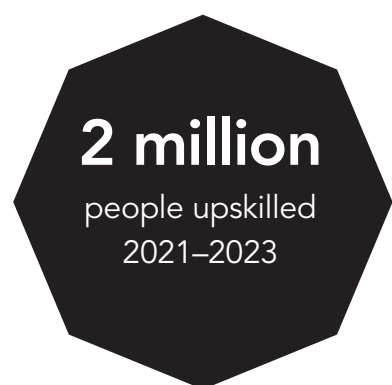
## Principal impacts of our solution

Potential to achieve:

- 2 million people upskilled 2021–2023<sup>1</sup>
- ~250,000 redundancies avoided by upskilling existing employees<sup>2</sup>
- ~£10 billion risk of benefits payment mitigated by fast track job matching<sup>3</sup>
- ~2 billion savings in traditional hiring and recruitment costs
- material boost to employment in Health & Social Care, Construction/Infrastructure and Digital
- immediate and long-term solution to the UK's need for continuous upskilling
- exportable model to enhance the UK's international reputation, and contribute to GDP

## Meeting CSR priorities

- strengthening the UK's economic recovery from Covid-19 by prioritising jobs and skills
- levelling up economic opportunity across all nations and regions of the country by investing in infrastructure, innovation, and people by spreading opportunity, maximising productivity, and improving the value add of each hour worked
- exportable programme to strengthen the UK's place in the world



<sup>1</sup> Based on findings from the [JPR](#)

<sup>2</sup> With our online social learning model we are highly confident we can scale to c. 9.5k learners reached in each of 9 regions every month. The 250,000 is based on what jobs might be saved if some funds could be used to reskill existing employees and pivot business models to post Covid-19 operations

<sup>3</sup> This is based on the fact that Universal Credit for over 25s is around £5000 per annum. 2m extra adults unemployed places a risk of about £10bn on the welfare system.

# 2

## Rationale for our Representation

The parties to this Comprehensive Spending Review Representation, City & Guilds, The Corporation of London, FutureLearn and The Prince's Trust, bring our combined experience and expertise in the arena of employment and skills training to our proposal to establish a network of digitally enabled **Employment and Training Hubs** – a practical solution to help accelerate the UK's economic recovery post-Covid.

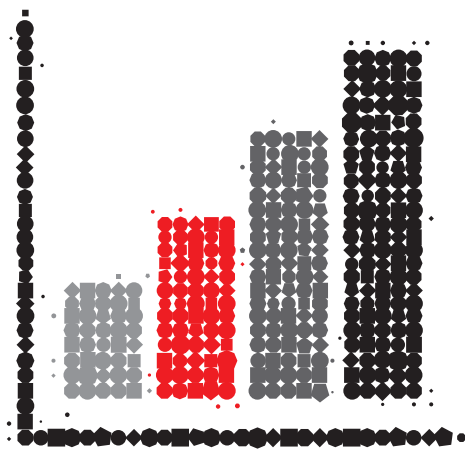
In the short-term (FY2021–23), Employment and Training Hubs will accelerate re-employment of adults experiencing redundancy. Once established, as a key enabler in the UK's future employment and training infrastructure, they will also mitigate avoidable job losses in the longer term as technological change (automation and AI) continue to drive the need for reskilling in fast changing working environments.

The positive benefits will be both social and economic – impacting people's wellbeing and their employers' productivity – an area in which the UK continues to lag against international competitors according to the ONS.

We are proposing this solution for UK public benefit, in line with our status as charitable and socially responsible contributors to the UK economy.

Our proposal will complement existing adult training provision, catalysing improved access and uptake by making employment and re-employment pathways visible in a single accessible 'shop window'. It will align with anticipated reforms for the wider FE system, supporting and enhancing regional collaboration for greater efficiency and effectiveness.

**The digital infrastructure at the heart of Employment and Training Hubs will be 'open', helping all training providers improve access to employment focused training.**



City&amp;Guilds Group

Future  
Learn

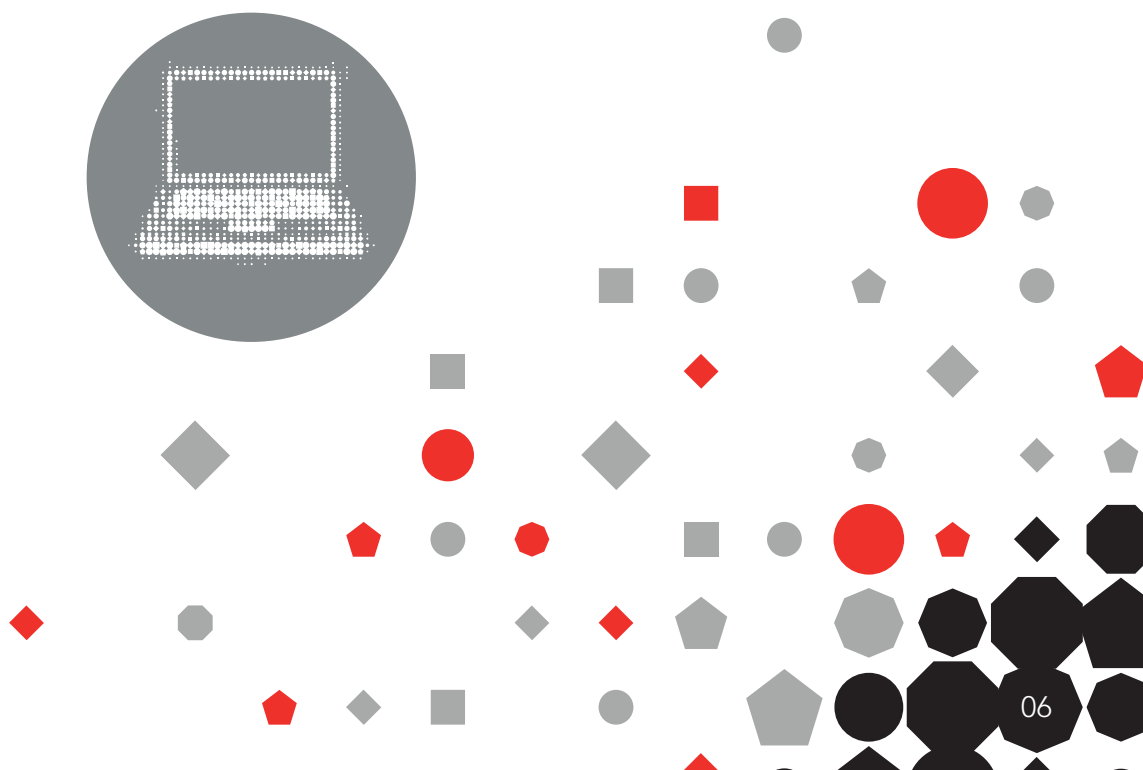
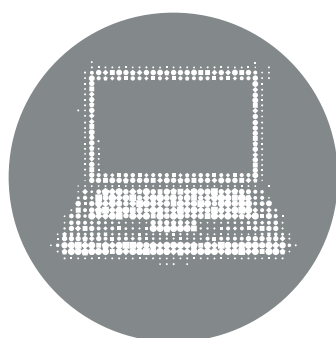
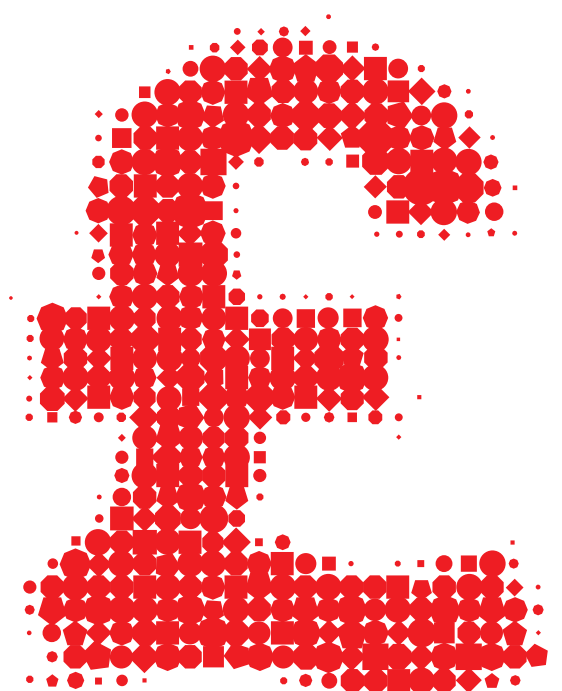
## Playing our part in the UK's recovery

As parties to this Representation, we also stand ready to play our part, if required, in contributing to and co-ordinating implementation of Employment Training Hubs across the UK.

Between us we have a long track record of working in partnership with public and private bodies – government agencies, local authorities, employers, FE colleges and Independent training providers – to achieve material change.

Our CSR Representation proposes 'act-now' recommendations in which we outline the problem, our proposed solution, the investment reallocation required to make this happen and the impact it will have.

We also understand that the UK's finances are under extreme pressure. Our Representation proposes the reallocation of existing funds for greater impact.



# 3

## An actionable solution: Employment and Training Hubs to sustain employment and improve productivity

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Covid-19 has further exacerbated the need to modernise the UK's Technical and Vocational Education Training system to enable it to meet the fast-changing skills needs of our economy and strengthen our resilience to future systemic shocks.

We propose the creation of a UK wide network of digitally enabled Employment and Training Hubs, launching in three regions in FY2021 and rolling out UK wide thereafter in FY22 and 23.

The UK's history of night schools in the 1950's, the Open University in the 1980's and Ufi/Learndirect in the 1990's, show that we have the ambition and will to adopt new models when faced with challenges on the scale of Covid-19. Our proposal will unlock capability in the current system, increasing its responsiveness and agility.

Employment and Training Hubs will both mitigate the impact of Covid-19 on those displaced by unemployment, and help the UK achieve a more flexible, higher skilled workforce. They will focus on adult learners, post-19, complementing recent Government investment in younger learners, and will provide:

- a one-stop training and employment matching service
- rapid diagnosis of adults' skills and development needs
- emergency support for upskilling back into meaningful employment via short courses specifically designed to get people into jobs
- continuing access to training and upskilling for those most at risk of displacement from their current roles, by factors such as automation and AI
- ongoing training focused on improving business productivity



## Accelerated pathways to re-employment

Employment and Training Hubs will use online training technology to provide clear pathways to re-employment for those displaced by Covid, accelerating the process of identifying and developing the skills required to 'bridge' from one occupation to another.

They will combine the remote working technologies proven during Covid-19 with existing face-to-face delivery to enable training at times and locations to suit adult trainees and employers.

## Reflecting local needs

Hubs will reflect local and regional needs, and also improve the visibility of and access to existing training provision through partnerships with employers, training providers and local government.

They will make today's sometimes fragmented skills training system more coherent and intelligible to adults seeking employment, and to existing and potential employers in each region where they are established.

## Key benefits

Employment and Training Hubs will enable:

Defined 'Skills Bridge' pathways to aid economic recovery by linking priority jobs with skills programmes

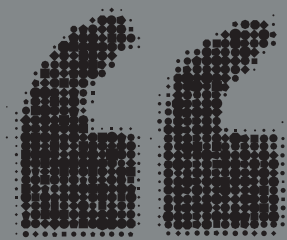
Greater visibility and reach for existing services focused on a single common measure of success - jobs creation/ matching and career progression supporting opportunity, productivity, and higher value work

More efficient use of existing investment and funding streams



Employment and Training Hubs will provide new pathways to employment and increase access to existing employment focused provision.





"As a Royal Charter body and charity, City & Guilds has always had the public interest at the core of its purpose and its extensive experience ensures that it has developed effective means of measuring impact."

"Employment and Training Hubs will combine physical locations with an online platform to broaden access and reach and to scale cost effectively, providing a robust and resilient service against any resurgence of Covid-19.

"By utilising some existing locations and consolidating existing funding streams, we can have the first pilot regions operational within 6 months, and further regions in the three year programme to ensure full UK coverage. We will also have begun to measure tangible impact and benefits well within the CSR period".



## Key elements of our solution

- **Employer Hubs (College Business Centres etc) and Skills Advisory Panels** – will engage directly with local, regional, and national employers to ensure training programmes meet industry needs. They will also provide ongoing support for work and industry placements plus a longer-term link into apprenticeships and jobs matching services. Supported by Combined Mayoral Authorities and LEPs and link FE providers (physical and virtual) with sector clusters of employers for review of content and delivery services options.
- **Enhanced and New Locations for Adult Training** – will rejuvenate the nine [Institutes for Adult Learning](#) and augment their reach through initiatives such as the Crown Estate Springboard Sites looking to repurpose out of town and high street retail outlets as Skills Training & Employment Partnership (STEP) sites. Further reach can be achieved by reactivating a significant footprint of community sites within the [Good Things Foundation Network](#). The focus will be access for adult training but they will not exclude youth training opportunities where that is necessary. Their focus will be short, sharp, targeted skills interventions at times and locations better suited to an adult training rhythm. None of this requires significant new investment but rather targeted subsidy for what simply needs better coordination and focus on the right type of training intervention and learner.
- **Mobile Training for outreach** – each hub will have mobile training coaches to take training to hard to reach communities thus ensuring equity of access across groups who are being excluded from training. These coaches will be equipped with high quality training and communications technology and supported by career mentors that will ensure trainees from all backgrounds are able to engage with development activity that lead to better job prospects.
- **Existing FE locations (Colleges and Institutes of Technology)** – each Employment and Training Hub will act as an enabler for a variety of suppliers to offer courses and bitesize training through shop window sign-posting as well as offering the traditional FE Sector additional digital support and resources as required. The vision for Employment and Training Hubs cannot rely entirely on the FE College or IoT networks adapting their provision as their offer will need to become more focused on what they do well – Entry to Level 4 provision aimed at supporting 16-22 year olds. Supporting what they offer and creating better connections with other key service channels will realise more efficient utilisation and coordination of investment funds.

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## Case Study – Skills Bridges

City & Guilds and FutureLearn are already piloting Skills Bridges to support the UK's recovery.

The imminent rise in unemployment may impact over three to four million people. Together we're:

- developing a range of digitally delivered 'direct to job' offers.
- piloting our 'Skills Bridge' offer to help displaced workers transition from roles in e.g. hospitality and retail to roles in e.g. Care and construction.
- integrating training, assessment, and digital certification for entry to tangible employment opportunities.
- working with partners (employers and providers) to bring coherence to upskilling offers across the UK.

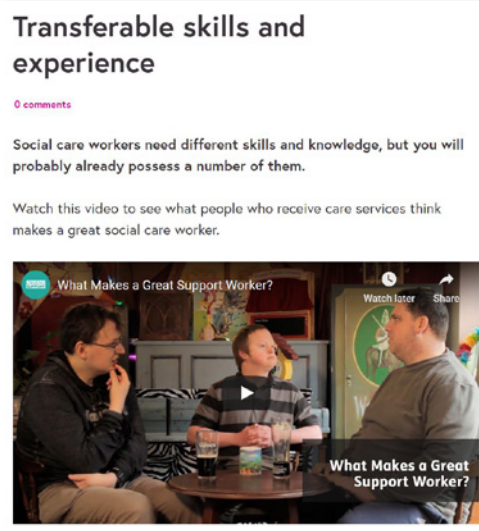
Our pilot demonstrates the open model we propose in the representation.

With the investment proposed in section 5 we can help scale Skills Bridges across the UK.



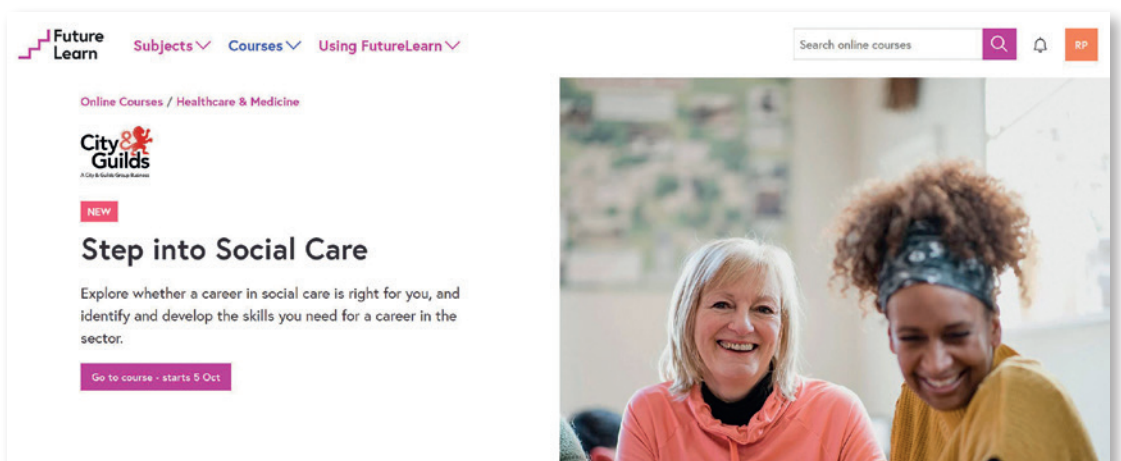
## Skills Bridges to accelerate re-employment

- Online Skills Bridges** – Skills Bridge programmes of the type currently being piloted by City & Guilds and FutureLearn will enable people to transition from one occupation to another by diagnosing their existing relevant skills and closing key skills gaps; recognising transferable skills is just one way in which barriers to progression into new employment can be lowered; the means by which to transition between occupations, as well as helping with progression within an occupation where employees may otherwise be at risk, or where productivity can be improved.
- Step Into Social Care** – The Step into Social Care Skills Bridge, which is available on the [FutureLearn platform](#), promotes the social care sector and the jobs and progression opportunities it can offer. With one-third of all vacancies in the UK currently in the health and social care sector and over 100,000 jobs available in social care, it aims to help transfer workers into the industry in coming months. The Skills Bridges programme is set to grow quickly as the UK jobs market evolves and will include courses in sectors such as digital, infrastructure/construction, engineering/manufacturing, leadership and management.



The initial focus of the Skills Bridge destinations, based on our recommendations and intelligence are programmes covering:

- Health & Social Care
- Infrastructure
- Construction
- Digital
- Leadership & Management



- **Apprenticeship Connections (GTAs/ ATAs, ITPs)** – The Employment and Training Hub will signpost apprenticeship matching services and support ‘off the job’ training in more effective, efficient, and innovative ways. This will enable ongoing review of funding bands to determine the optimum model of value for money delivery of programmes being delivered. The Hub will also provide a more resilient platform capable of matching apprentices to other employers in periods of redundancy. In times of recession the offer will shift to more temporary short-term work experience interventions such as Traineeships, Sector-Based Work Academy programmes and the Kickstart Scheme. The Training Provider network ensures that trainees are supported and that they achieve the expected levels of skills development and recognition with relevant accreditation.

- **All age Careers Advisory and Job Matching Services** – The Employment and Training Hub will ensure that careers advice is not solely channelled into the traditional education transition stages at 14, 16 and 18. Careers Advisory services will be open to people of all ages and will build upon the announcement made in the Summer Statement on funding for careers advice and guidance. Our proposal is similar to the career engagement model used in the US and sponsored by the US Department of Labor as evidenced through the Career One Stop service.

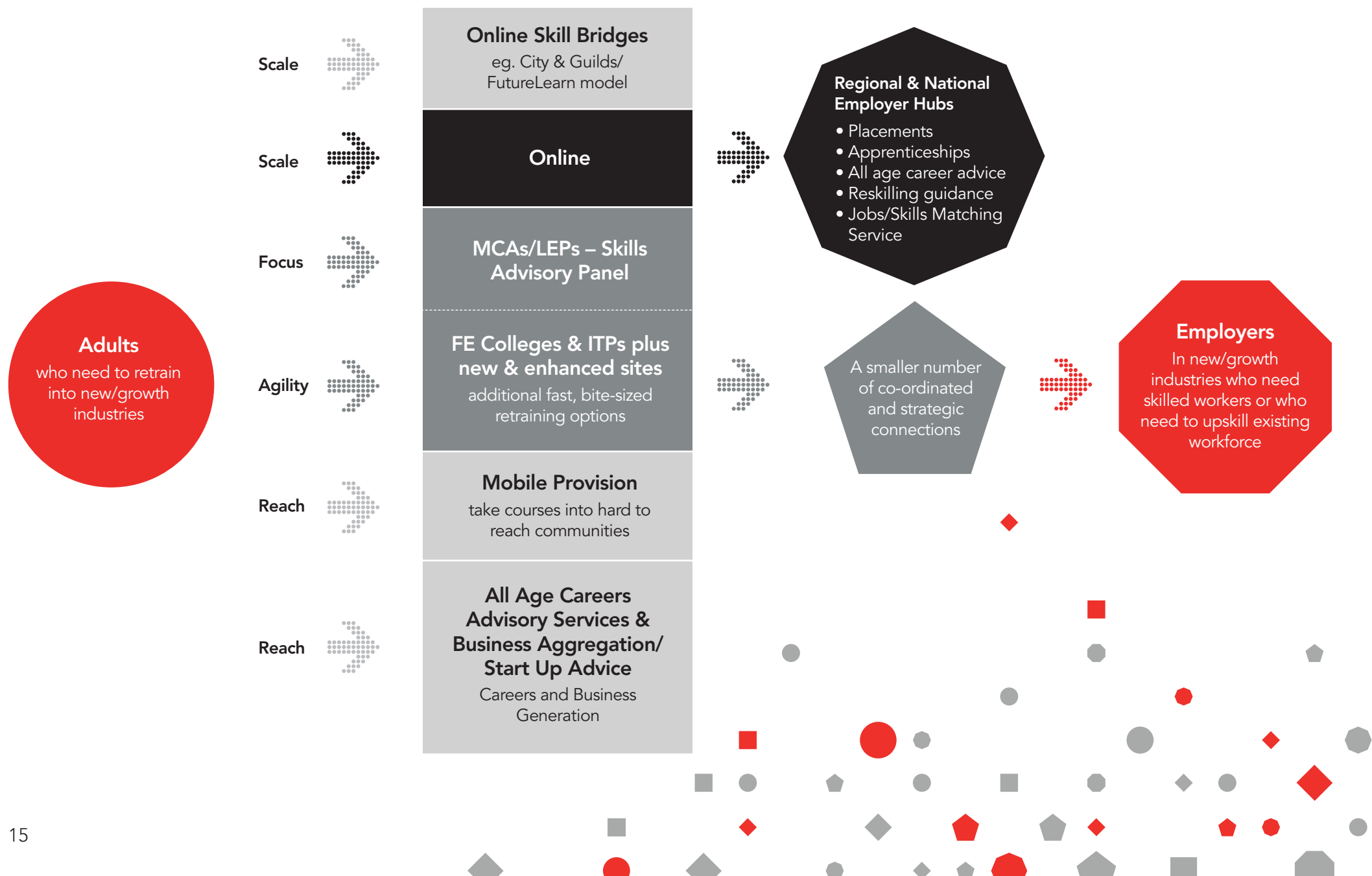
The job matching service will link employer advertising with filtered applicants based on capability and propensity matching – this will be realised through the Skills Bridge programmes. This will also help signpost learners to where the work is and lead to a better match between job roles and candidates. Overall cost savings will be realised across recruitment and staff retention and unemployed people will spend less time on benefits.

- **Business Aggregation and Start Up services** – The Hubs will provide an environment for SMEs and Large Employers to develop partnerships that will enhance supply chain resilience and/ or open up new business opportunities. It will also offer financial and skills development services for start-ups and entrepreneurs. Both areas of service will focus on business growth and jobs creation, working with local Chambers of Commerce, Banks and CMAs/LEPs.

The first three regional Hubs will also provide a testbed for wider adoption across the UK aligned with FE and Devolution reform, and the staffing and infrastructure to allow rapid scaling if required.

The partners in this representation are experienced in enabling collaboration between public and private sector organisations in the UK skills ecosystem, united by their common charitable purpose to improve the system as a whole.

## How the Hubs will work





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## Implementing the solution

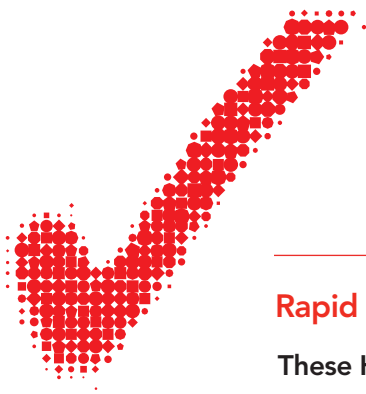
We propose launching Employment and Training Hubs in three regions initially, rolling out further Hubs across the UK during the three-year spending period. The first phase target regions are shown below:

Phased roll out to a further six areas will follow over the next three years, supported by existing MCA activity in line with their own strategic plans.

In line with the CSR Representation submitted by the UK Innovation Corridor, an Employment and Training Hub could also be rolled in the area covering the Innovation Corridor to ensure that it can access the highly-skilled workforce needed to support the region. The same model could be rolled out in the devolved nations subject to their consultation and involvement.

**Online infrastructure and Skills Bridges will be available on a national level from year 1.**





## Rapid employment focused training and recruitment

### These Hubs will:

- Act as a one-stop skills and jobs matching service for all adults in employment and seeking employment.
- Allow the unemployed to access advice, guidance, and a diagnostic of their current transferable skillsets. This will identify skill gaps linking to training and then to jobs.
- Provide short sharp training interventions to get people back into work and provide short programmes to upskill existing employees who might otherwise face unemployment or have skills development needs throughout longer working lives.
- Allow local businesses or those who are self-employed to access advice, guidance, and diagnostic services to identify new skills they might require to remain employable and improve productivity.
- Create skills programmes that the local labour market needs and that are flexible enough to adapt the programme offer in real time as business sector need evolves. Connect current skills provision and employers in the local area – colleges, training providers, universities, and SMEs – mapping skills needs to the most appropriate training channel.
- Measure impact against one fundamental dimension – securing meaningful and sustained work or promotion that leads to an enhanced economic profile or productivity output linked to higher value work.

### Where they will be located

- **Physical locations** – some traditional FE locations but also utilising unused shop units, local government buildings, mobile training vehicles to reach into communities – with advisors available to guide and support in locations but also assisting as virtual mentors
- **Online** – people can access the diagnostics and some training online and interact through social training with other trainees and industry mentors from their chosen skills bridge
- **Blended** – a combination of physical and virtual spaces that can be blended to meet trainees' and employers' needs

Employment and Training Hubs will aid Covid-19 recovery, but also help provide much needed resilience and a solid foundation for training, lifelong retraining, and development. Hubs will support those that need help to upskill right now and those who might well be in employment now, but with future uncertainty in the UK economy may well find their roles at risk in future. With the help provided through this proposal, upskilling initiatives will help arm individuals with the tools they need to make themselves more resilient and employable for the jobs of the future.

## Making change affordable

Employment and Training Hubs can be established cost effectively by making more effective use of existing planned expenditure. This will enable significantly improved access and engagement on the demand side (adults and employers), and increased impact and productivity on the supply side (training provision), forensically focused on concrete employment and re-employment opportunities.

- **£60m from the National Skills Fund (NSF)** to establish and operate the UK's **Employment and Training Hubs** comprising their digital training infrastructure, Skills Bridges (skills diagnostics, training programmes and assessments, digital credentials, destination job matching), rejuvenated/new physical training locations, mobile outreach services, supporting IT, staffing and market awareness raising. Phasing outlined on page 20.
- Some of the remaining **£100m set aside for the National Retraining Schemes** to review and align with the Employment and Training Hubs to ensure cohesion across upskilling programmes for all adults. Much of that will dovetail with our proposed services and expand the return on those existing investments through broader reach and applicability.
- **~£15m to be allocated to an Adult IAG Service ~25% of the £32m budget allocated to the National Careers Service and the ~£30m Careers & Enterprise Company budget** should be reviewed to ensure services are offered in careers guidance for all adult learners – regardless of their background. Careers

Advice Information and Guidance is vital now to support adults in getting back into work and beyond the current pandemic crisis will be an essential service to support the lifelong training and development needs we believe the future of work will require.

- **£500m investment used for the creation of a new Adult Training Allowance (ATA) taken from the National Skills Fund** to provide all adult trainees with funds to use on approved 'STEP into Work' training or associated training programmes. The criteria for inclusion as funded programmes will be evidence that they meet a priority skills area and result in an interview/employment destination. The ATAs will be more flexible than the current Advanced Learner Loans (ALL) but the NSF should be used to top up the existing ~£500m set aside for this programme and provide a more flexible model for lifelong skills development. At present these funds are poorly utilised because the rules and eligibility associated with access are too restrictive and this results in annual underspend.

- **Broaden the application of the Adult Education Budget of ~£3.8bn** to allow criteria to support bite-sized, online, and flexible training needed to quickly retrain people back into work or upskill whilst in work. The focus here should be on ‘destination and progression’ programmes that offer a clear trajectory from unemployment back into work or increased earnings in work and so will require strong governance and accountability. There is already some temporary flexibility within the rules, but this must be sustained beyond the period of Covid-19. Within this budget envelope the devolved allocations to the MCAs will also allow such flexibility and provide consistent expectations on how the return on investment will be measured.
- **For a limited period an additional percentage of the Levy fund Apprenticeship budget (25%)** should be made available to employers to allocate funds directly to employees who a) are being made redundant and so will assist with retraining programmes or b) require upskilling to meet post-Covid-19 company needs (digital etc). The key factor here is that the training involved does not need to be an apprenticeship and so will better utilise existing employer contributions to aid their recovery.
- Any thinking around extension of the Jobs Retention Scheme should require employers to make a funded contribution to furloughed employees’ training and development – either in readiness for potential redundancy or as a means of upskilling the workforce if new business direction or focus is required.

- Employment and Training Hubs will also be used as ‘Business Aggregators’ connecting local businesses to encourage them to secure new ventures that will attract and grow business through shared endeavour rather than inward investment. This can also form part of the devolved **regional budget focus** as a business matching service and support the development of connections between local businesses and the FE sector to ensure that the right skills development programmes can be accessed as needed.

The primary focus and measure of success for all these investments will be to secure new employment or greater productivity and reduced risk of displacement for those currently in employment.

**These investment lines can be augmented by additional funds allocated into the roll out from the National Retraining Scheme for 2020/21 as there is potentially high overlap. We also propose that some monies from Careers services (NCS and CEC) be channelled into IAG for Adult learners. Skills Bridges are delivered online and achieve National coverage from year one but are phased by sector and course depth etc.**

Our implementation plan funding estimate is based on detailed modelling of people, technology and infrastructure requirements to deliver and operate Employment and Training Hubs in the three year period covered by our Representation. We would be happy to provide and discuss with you, our underpinning costings and supporting evidence.

# 2021

- North East Area
- North West Area
- Greater London Area
- Skills Bridges (Stage One)

# £30m

# 2022

- East of England
- South West England
- Yorkshire & Humber
- Skills Bridges (Stage Two)

# £15m

Phased expenditure for set up and roll out of Employment and Training Hubs and Skills Bridges

# 2023

- West Midlands
- East Midlands
- South East
- Skills Bridges (Stage Three)

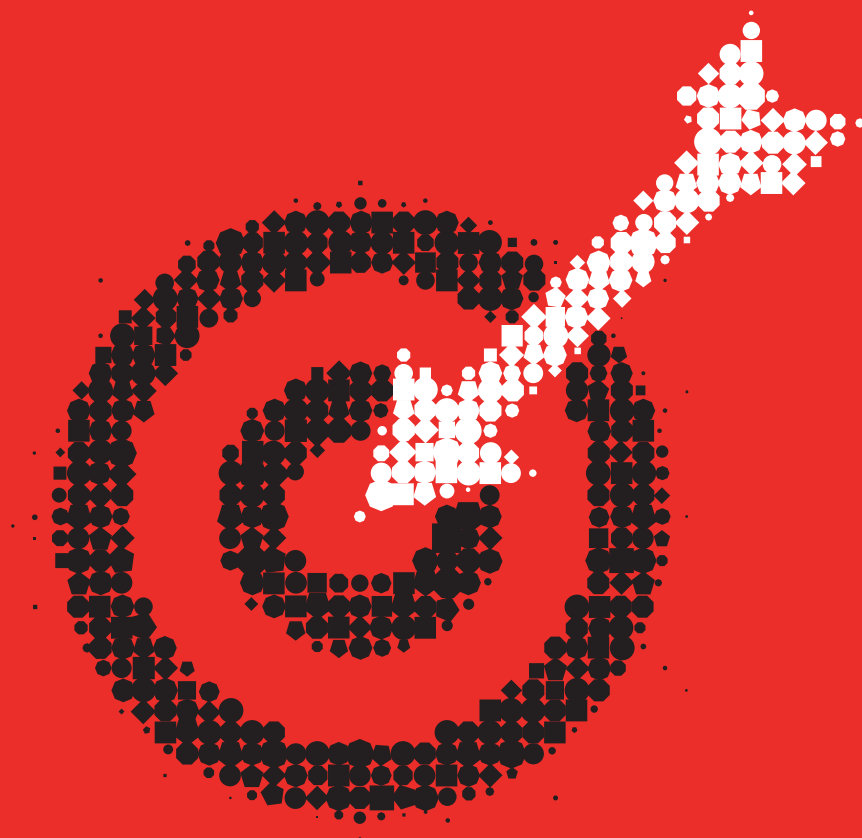
# £15m



## Proposed source for reallocation of funding

New Adult Training Allowance combining £500m (NSF) & £500m Advanced Learner Loans		Investment required over CSR period	Source Existing / New / Match	Impact Target & Volumes
<b>MCAs/LEPs – Skills Advisory Panel</b>  <b>Regional &amp; National Employer Hubs</b> <ul style="list-style-type: none"> <li>• Placements/ Apprenticeships</li> <li>• All age career advice</li> <li>• Reskilling &amp; business guidance</li> </ul>	ONLINE	% of ~£4bn allocated to AEB, MCAs & LEPs	Existing AEB, LEP & MCA budget	Local Authorities, LEPs, Employers, AOs, Providers
		% of £60m for Hubs activation	£60m from the National Skills Fund	Trainees, Employers, Providers
		£15m for the Adult IAG Service	National Careers Service & CEC budget	Trainees, Workforce UK
<b>Online Skill Bridges</b> eg. City & Guilds/ FutureLearn model		% of £60m for Hubs activation	£60m from the National Skills Fund	Trainees & Employers
<b>Mobile Provision</b> take training into hard to reach communities & loan kit		% of £60m for Hubs activation	£60m from the National Skills Fund	Hard to reach learners and communities
<b>New &amp; Enhance Sites</b> IALs, Springboard Sites, Good Thing Foundation venues		% of outstanding £100m for refurbishment	National Retraining Scheme budget	Hard to reach adults and communities
<b>FE Colleges &amp; ITPs</b> engage with additional fast, bite-sized retraining options		% of FE Budget allocated to digital infrastructure	FE Infrastructure & JISC budgets	Existing adults and communities

“As a Royal Charter body and charity, City & Guilds has always had the public interest at the core of its purpose and its extensive experience ensures that it has developed effective means of measuring impact.”



# 6

## Delivering measurable impact and success

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The Social Value Act 2012 requires all parties that commission public services to consider how they can secure wider social, economic and environmental benefits. City & Guilds is a registered charity whose primary objective is to reinvest surplus, which forms a natural annual commitment to our work. Public benefit derives from the requirement that we reinvest surpluses arising from our activities in line with the scope of our respective missions.

In 2019 we launched the City & Guilds Foundation which brings together all our social investment, recognition and advocacy programme. We innovate, celebrate and evaluate to pioneer skill development opportunities that make a real difference to people's lives and society as a whole. Our Foundation also drives forward the way we embed, measure and report social and economic impact.

At City & Guilds not only do we take our corporate social responsibility seriously, we live out our values and the themes that drive our work. Everything we do is about helping people get into a job, develop on the job and progress onto the next job. We know that we have a role to play in supporting people in the workplace and throughout their careers, not only through our products and services but also through our charitable initiatives like our bursaries and Skill Development Fund. The examples on page 24 provide an indication of our activity in this area.



### **Skill Development**

**Fund** – a £5m fund for social projects that help create long-term, sustainable change through skills development.

**Investment in discretionary charitable initiatives** – investment exceeds £2m annually, including work experience and bursary programmes.

**Building 'communities of excellence'** – bringing together communities to share and showcase high quality training.

**Research** – Commissioning in-depth research to inform policy and action on skills development.

Our joint Representation for Employment and Training Hubs will bring benefits to individuals, organisations and wider society and will create savings for the Government and wider economy through:

- Savings made by not displacing workforce
- Benefits savings as people return to work
- Income Tax and national insurance contributions
- Potential recruitment savings
- Potential staff retention cost benefits
- Centralised digital infrastructure investments
- Better utilisation of disparate funding pots
- Potential for business growth and jobs creation

Our evaluation of what success looks like builds on the existing metrics used by the City & Guilds Foundation to measure impact across three key dimensions:

## Individuals

**Creating Secure & Sustained** employment that provides an incentive to work and seek career progression. Greater confidence around job security will also create greater confidence in consumer spending.

**Learner Reach & Completion** rates are increased as there is a better chance to provide access to training & development at times, places and in forms to meet learner needs. This will lead to better engagement across more diverse learner groups, improve social mobility and help to reduce long term in work poverty.

**Progression** becomes the dominant measure of success for all training and development interventions. Progression measured by secured employment, promotion, or salary increase

**Improved Wellbeing** derived from job security and satisfaction leads to less propensity to display physical or mental health issues

**More Resilient and Flexible** skilled individuals provide a strong foundation for the talent pool needed to support longer working lives and multiple career portfolios.

## Organisations

**Strengthened Organisations** that can demonstrate improved GVA productivity through a better skilled workforce. A workforce and employer base that is more amenable to engaging in training and development as the system better suits their needs and offers the resilience they must have to cope with change.

**Employer Reach & Equity** of access to companies of all sizes, across regions and sectors. The Hubs can cater for all companies within the locality and aim to provide flexible and cost-effective training and business aggregation advice. They will also act as the conduit for employer voice in the design of curriculum and qualification design.

**Embedded Skills** will be the primary lens through which all training and development is structured. This will ensure that training and accreditation can focus on skills development and ensure high flexibility across roles.

**Organisational Performance** will be focus of the measures of success for all knowledge and skills development interventions. There will be clear links to organisational business needs.

**Added Value** will be judged through improved productivity and business performance, reduced recruitment costs and improved staff retention. The Hubs will provide more efficient and effective utilisation of multiple existing but overlapping budgets.

## Wider society

**A Skilled & Productive** society will ensure greater prosperity across all regions and a more evenly levelled economy. Improved confidence in consumer spending will be beneficial to all and reap benefits with regards to physical and mental wellbeing.

**Addressing Skills** in Need ensures that people and employers see the benefit of investing time, effort, and money in training. A flexible curriculum and accreditation system will provide a more responsive system better able to match labour market demand.

**Focussing on Sector-based Outcomes** so that Local Authorities can shape services to meet their labour market needs. Central Government can also provide further incentivisation to target key sectors as demand requires.

**Changing Nature of Training** so that training and blended locations become embedded in UK culture. Positive influence on the way that employers and individuals view workforce and self-development.

**Championing Vocational Training** to highlight the value and potential lifetime earnings as a result of TVET and raising the profile of technical education in relation to academic education routes. Helping to reset expectations of progression routes during and after 16-18 education and supporting Government policy on Higher Level Technical Education and the IoTs.

# Appendix 1

## Key contributors to this Representation

### City & Guilds

Our vision is for a world in which everyone has the skills and opportunities to succeed and we support over 4 million people across the world each year to develop skills that help them into a job, develop on that job and to prepare for their next job. As a charity, we're proud that everything we do is focused on achieving this purpose.

Through our assessment and credentialing, online learning and technical training offers, we partner with our customers to deliver work-based training programmes that build competency to support better prospects for people, organisations, and wider society. We create flexible training pathways that support lifelong employability, because we believe that people deserve the opportunity to (re)train and (re)learn again and again—gaining new skills at every stage of life, regardless of where they start.

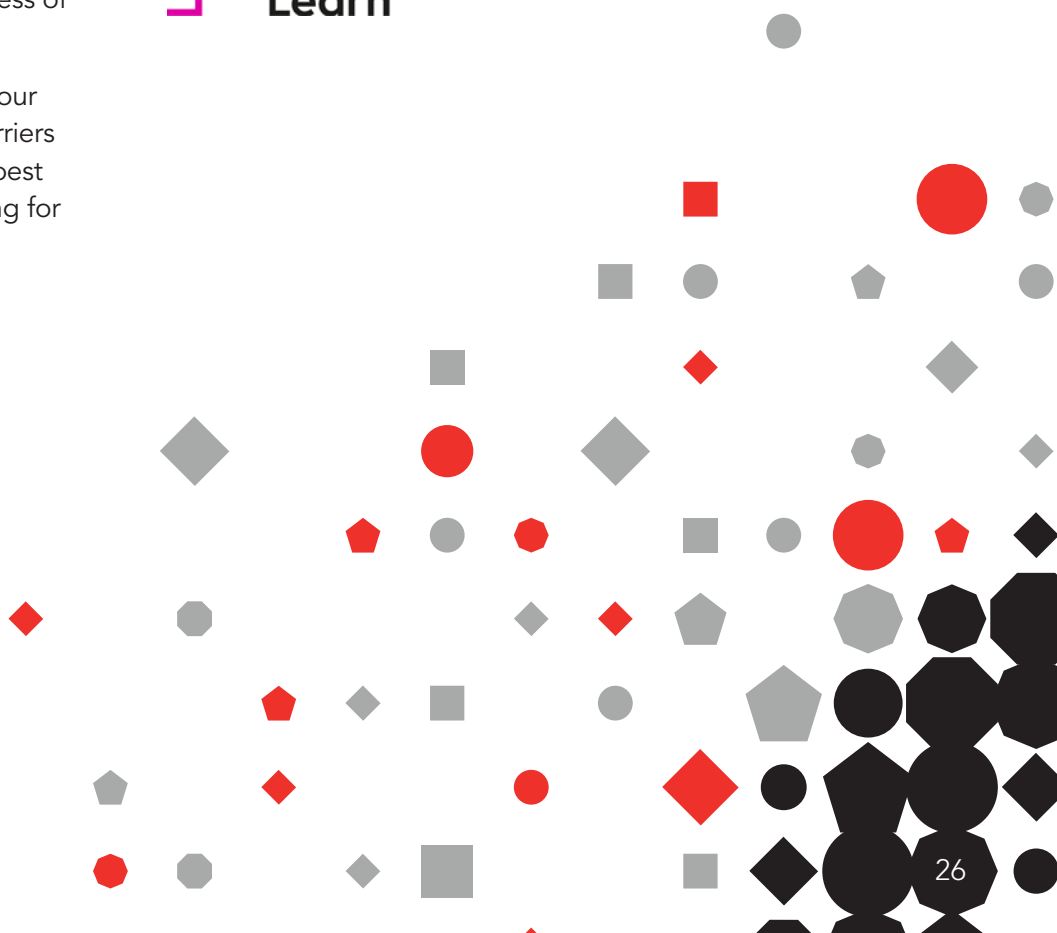
Our Foundation activities amplify our purpose by helping to remove barriers to getting into a job, celebrating best practice on the job, and advocating for jobs of the future.

City&Guilds Group

### FutureLearn

FutureLearn is a leading online social learning platform founded by The Open University and now jointly owned with The SEEK Group. Our purpose is to transform access to education: we partner with over a quarter of the world's top universities to support over 12 million learners across the globe to develop skills and achieve their personal and professional goals.

We also partner with leading organisations such as Accenture, the British Council, CIPD, Raspberry Pi and Health Education England (HEE), as well as being involved in government-backed initiatives to address skills gaps such as The Institute of Coding and the National Centre for Computing Education.



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## City of London

The City of London Corporation is the governing body of the Square Mile dedicated to a vibrant and thriving City. Our education and training initiatives are designed to support a diverse and sustainable London within a globally successful UK.

Based in Guildhall, the City Corporation looks after and promotes the City of London and its contribution to the UK economy. It is headed by the Lord Mayor with the Court of Common Council being its main decision-making body. They are a uniquely diverse organisation, with a role that goes beyond that of an ordinary local authority. They have our own government (the oldest in the country with origins pre-dating Parliament), their own Lord Mayor and independent police force.



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## The Prince's Trust

The Prince's Trust believe that every young person should have the chance to embrace exciting opportunities. So, it helps 11 to 30-year-olds to find the tools and confidence to try free courses and start careers.

The Trust has helped over 950,000 young people to date and supports more and more each day.

The Trust is open to young people aged 11 to 30 from all over the UK - no matter if they have been facing some serious issues such as homelessness or if they've been in trouble with the law.

The Trust has returned £1.4 billion in value to society through our help for young people over the last 10 years alone.

The Trust works with delivery partners across the UK to offer hundreds of free courses, grants, and mentoring opportunities to inspire young people to build their confidence and start a career.



Prince's Trust

## Appendix 2

# Facing into the challenge: the evidence base for reskilling Britain through Covid-19 and beyond

The COVID-19 pandemic has dramatically altered labour markets across the globe and has resulted in unemployment spikes larger than the Great Recession. Between March and April of 2020, job postings in the United Kingdom had dropped 63%. Every region in the UK saw significant declines, and job postings in London specifically, the largest labour market, dropped by 66%. Amidst this turmoil, workers across occupations and industries faced lay-offs and furloughs. However, some essential industries and jobs were shielded from this wave of layoffs.

The purpose of this proposal and the detail within our representation is to offer a solution for the urgent need for re-employment, and specifically to identify key training needs for each of the workforce talent communities facing the most displacement, whether due to the pandemic or other factors. This is the essence of what the Employment and Training Hubs will provide. They will identify the talent communities, or people in specific occupations, that have faced the most displacement. From there, the service will conduct capability diagnostic checks and suggest upwardly mobile occupations, those still hiring, based on our skill adjacency models. The Skills Bridge programmes will also identify the skill deltas that will need to be closed to make these career transitions, as well as the future skills of the origin job itself for those who want to try to get back into those sectors when hiring picks up.

New forms of accreditation are also included as part of our proposal through the widespread adoption of digital credentials that will offer a highly portable, stackable, and flexible model for skills development. This new style of accreditation will provide richer information than a paper certificate and be capable of creating direct links to job opportunities, professional memberships and new opportunities for training and development.

### Getting adults trained and back into the workplace

There is an immediate need to get people back working and although the current Plans for Jobs initiatives will help with that, and certainly offers assistance for young people during this period, it may not go far enough to address the upskilling needs the UK will require. Now more than ever, we also see the need for steps to be taken to future-proof the economy and the skills of those working in it. Gone are the days where people have one career for life. Career journeys and trajectories will no longer be linear, and nor will they likely be in the same profession for life. Given this, we believe it is necessary to provide future-focused ways in which the acquisition of skills, and methods of upskilling and upskilling are more responsive and reactive to facilitate better in-work progression.



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Our national skills strategy most addresses the needs of learners of all ages and all social backgrounds. This proposed ecosystem is fundamentally a Plan for Skills that will enable people to secure jobs and adapt for future work through awareness of how skills connect to occupational pathways. It will allow people to upskill within their current occupation and aid career progression but also allow them to upskill at various points of their working life should an occupational switch be required or desirable.

Many recent government announcements such as the Kickstart scheme and Traineeships have helped people who are generally at the 'get into work' stage, typically young people under the age of 25. This is something we as a business support and offer solutions and training for, but we go further than this. Our proposal provides the bridge in training for those who want to progress on the job, and into the next job and provides them with ways by which they can access short sharp training interventions which don't require them to return to square one.

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This is especially important for the current workforce and the challenges it faces and will continue to face. Gone are the days when people will work in the same company for life, and many of those in today's labour market will hold a number of jobs throughout their working lives.

The ONS has shown that workers aged between 50 and 64 are more likely than any other age group to face long-term unemployment, as well as facing multiple barriers when trying to re-enter the workforce. The reality of an ageing workforce is one that we cannot afford to ignore, and we believe it is crucial that there be some recognition of the need to support training and development for all ages as part of the Spending Review.

A recent report from the Centre for Social Justice, *The Long Game: How to reboot skills training for disadvantaged adults* notes that over six million working aged adults in England are not qualified to level 2 and that our adult learning offer is 'fragile'. They go on to say that 'this is one of the most pressing social issues of our time'. The reality is that significant retraining will be required to keep the UK workforce and its industries productive and competitive. In addition, it is anticipated that training will be needed to cater for future growth industries and the green jobs of the future. Given these multiple factors, we believe our proposal is the most effective and efficient way to meet this growing demand both now and for the future.

Many of the challenges facing the current workforce pre-date the Covid-19 pandemic. The UK has long struggled with low productivity and a lack of opportunity for lower skilled workers to progress, factors which are closely linked. Pre-pandemic however our economy benefited from relatively high levels of employment, our [Missing Millions](#) research indicated that there were approximately 31 million jobs in the UK in 2019; this is no longer the case.

### Improving participation and workforce utilisation

One critical area which this Spending Review needs to address is the growing problem of participation in adult training. This is an area which has been allowed to decline at the expense of policy reforms in other areas and age groups. The OECD has estimated that owing to the Fourth Industrial Revolution and automation, 38 to 42 per cent of the UK population will need to completely retrain in the next 10 years to be able to stay employed. This is a problem that existed pre-Covid-19 and will simply add to the additional challenges of trying to secure employment in the current environment.

The Learning and Work Institute's Adult Participation in Learning Survey 2019 also highlighted that the number of adults taking part in training has fallen to a record low and has dropped by nearly 4 million since 2010. This is no surprise when you look at the loss of funding to adult education, which the Institute for Fiscal Studies (IFS) did in September 2019. Their 2019 annual report on education spending in England research found that total spending on classroom-

based adult education has fallen by nearly two-thirds since 2003–04. This combines a cut of 32% up to 2009–10 and 47% between 2009–10 and 2018–19. The IFS notes that these cuts have mainly been driven by falls in learner numbers, which have fallen from 4.4 million in 2004–05 to 1.5 million in 2017–18. Coupled with lower investment in training from employers, it's a disaster in the making.

### Continual reskilling is the new normal

As we look to the future of training, the concept of a linear, three-stage life, where you move from education into a job that then takes you through to retirement, is a thing of the past. The increasing pace at which new occupations and skills are being created and the decreasing half-life of skills was indicated by our [Learning Next](#) research published in January 2019. This revealed that while 81% of workers believe the skills they need to do their job will change over the next five years, a quarter (24%) of UK workers are not getting sufficient feedback from their managers or colleagues on the skills they should be learning. In relation to Covid-19 the ONS has already identified this in its *Coronavirus and occupational switching: January to June 2020* report. Their research found that of those employed in Quarter 1 and Quarter 2 of 2020, 6.1% changed occupation in the first half of this year compared with 5.7% in the same period last year. Examining only those who have changed occupation in the first half of this year they found that associate professional and technical occupations experienced the greatest percentage of occupational outflows (20.9%) and occupational inflows (21.2%); over half (52.5%) also changed major industry.



## The Challenge we can solve together





Other crucial factors will have a significant impact on the employment market of tomorrow:

- **Brexit** is imminent and has the potential to damage some industries as well as potentially restricting the UK's labour supply in the coming years.
- **4G** workforce – People are working longer than ever before and we now have four generations in the workforce – people will need to retrain multiple times throughout their career to ensure that they stay relevant and for them to stay productive
- **Artificial Intelligence** is here already and radically reshaping the workplace – over the coming decade we will see some jobs disappear because of it and new jobs created by it. The jobs that do remain may need to be done very differently. AI has the power to drive up levels of productivity

Government is already implementing policies and initiatives for younger learners, and our proposals are not calling for things to be done at their expense. However we recommend equal attention be given to the ambitions and aspirations of our young and adult population alike. Our *Missing Millions* research which we published earlier this year discovered that over a quarter of the workforce had not received any workplace training for at least 10 years, with two fifths saying that they had not received any for at least 5 years. In response we called for a review of adult education, re-prioritising funding in this area and creating a system that supports retraining and reskilling throughout our working life

So, creating a long-term sustainable system, which recognises that most people don't take a linear education pathway to employment is critical.



## Developing funding for local impact

We can make this investment more effective by devolving more skills and training budget to local areas and Combined Authorities, a suggestion proposed by the Local Government Association in its *Local Skills Deficits and Spare Capacity* report. This will allow greater focus on local skills needs and employment opportunities. A recent report from the Social Mobility Commission, *The long shadow of deprivation* presents worrying findings on the impact of deprivation in some English local authorities, and that it is now so persistent that some families face being locked into disadvantage for generations. In areas with high social mobility, the Social Mobility Commission found that gaps in educational achievement account for almost the entire pay difference between the most and least advantaged sons. They also found that disadvantaged workers are restricted by factors including limited social networks; inability to move to more prosperous areas; limited or no financial support from family and less resilience to economic turbulence. These areas cannot risk further entrenchment of deprivation and so allowing for skills and education budgets to be targeted at a more local level, will also help ensure that it reaches those in most need.

This will require further and ongoing commitment to the devolution agenda and we hope will feature strongly in the forthcoming Devolution White Paper. A coordinated UK wide approach in line with our Employment and Training Hubs proposal will help ensure that training and accreditation of skills does not become too fragmented through this approach as that would lead to confusion, complexity and a dilution on the transferable trade power of the outcomes.

Given the context outlined above, we recommend the Comprehensive Spending Review make adult training provision and uptake a top priority. With that in mind, we're proposing a solution and funding approach which can be readily implemented and executed in areas across the UK.

**Creating a long-term sustainable system, which recognises that most people don't take a linear education pathway to employment is critical.**



# Our evidence base and data sources

## Rationale

Impact of Covid-19 on UK labour market

Evidence of occupational shifts in Covid-19

Impact of underutilisation of UK workforce

Our proposals for redirecting skills funding to help people back into employment

Example of an enhanced Careers Advisory and Job Matching Service

Impact of adult trainee rates

Our case for continual lifelong learning

Impact of funding on adult training

Evidence of participation rates in lifelong learning

Impact of devolving adult skills spending

Evidence for quality of investment across the regions

## Source

Burning Glass – Measuring the Impact of COVID-19 on the UK Labour Market <https://www.burning-glass.com/event/measuring-the-impact-of-covid-19-in-the-uk/>

ONS – Coronavirus and occupational switching: January to June 2020 <https://bit.ly/3mFxEdU>

City & Guilds: Missing Millions – <https://www.cityandguildsgroup.com/research/missing-millions>

City & Guilds: Recovery and Resilience – <https://www.cityandguildsgroup.com/research/recovery-and-resilience-reskilling-our-way-back-into-work>

Career One Stop – <https://www.careeronestop.org/>

Centre for Social Justice – The Long Game: How to reboot skills training for disadvantaged adults <https://www.centreforsocialjustice.org.uk/core/wp-content/uploads/2020/06/CSJ-The-Long-Game.pdf>

City & Guilds: Learning Next <https://www.cityandguildsgroup.com/whats-happening/news/learningnext-britain-faces-skills-gaps-crisis-as-employers-fail-to-develop-their-entire-workforces>

IFS – 2019 annual report on education spending in England <https://www.ifs.org.uk/publications/14369>

Learning and Work Institute – Adult Participation in Learning Survey 2019 <https://learningandwork.org.uk/what-we-do/lifelong-learning/adult-participation-in-learning-survey/>

Local Government Association – Local Skills Deficits and Spare Capacity <https://learningandwork.org.uk/resources/research-and-reports/local-skills-deficits-and-spare-capacity/>

Social Mobility Commission – The long shadow of deprivation <https://www.gov.uk/government/news/the-long-shadow-of-deprivation>



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