Sense & Instability
2019

Executive Summary
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Foreword

When the City & Guilds Group published the first Sense & Instability in 2014, it drew attention to the constant churn of both government initiatives and skills ministers and highlighted the lack of ‘institutional memory’ hampering good and informed decision making. Nothing in that report could have prepared us for the political situation we find ourselves in as the 2019 version is published. The mere mention of Brexit now conjures up an image of political chaos and a nation divided, and ‘churn’ has taken on a whole new meaning.
And what is becoming increasingly clear is how distracting Brexit has been and how much else has been side-lined or lost. The short, medium and long term implications of Brexit are almost impossible to ascertain – but our skills policies are critical and will need to be responsive.

In the 2017 review of modern working practices ‘Good Work’ we highlighted that all work should offer realistic scope for development and fulfilment and challenged the government on a number of issues based on the evidence we gathered. We are encouraged that the Government is already taking forward our report recommendation to work with partners in developing a national employability framework. In a similar vein, I am delighted that this third report, Sense & Instability 2019, continues to challenge from a strong evidence base and with the authority of an organisation that has 140 years of respected experience and expertise in the skills space. It is fortunate, that across the education, skills and employment world, there is much positive expertise to be drawn on.

It will come as no surprise that since the most recent, second report, Sense & Instability 2016, there has been yet another layer of initiatives announced and implemented: the apprenticeship standards and the levy, T levels and the National Retraining Scheme, as well as reforms in Functional Skills Qualifications which appear to turn the clocks back despite claiming to be better aligned to employer needs. In Sense & Instability 2016 one of the key recommendations was for Further Education and skills policy to be developed through ‘consolidated consultation’, but in reading report after report by employers on the employer-led apprenticeship levy, this recommendation sadly fell on stoney ground. Sense & Instability 2019 makes two very valuable and powerful observations: that policy continues to be developed with little or no supporting evidence and that rarely, if ever, is there any attempt to weave impact evaluation into new initiatives. And consequently little is learned. Weaknesses and mistakes are repeated because of lack of evidence or structural learning opportunities for policy makers. It is at best surprising that the roll out of the initial T level pilot doesn’t include the structures to deliver ‘consistently high standards’ and the fact that advice from the Department for Education permanent secretary to delay their introduction has been ignored. Even more concerning is that there is no published data on their proposed value for money despite their budget of £500m per year.

There have been some significant moves forward since the first report on this subject by City & Guilds Group, Sense & Instability 2014. Employers are now far more engaged and taking ownership, the National Retraining Scheme should provide support for both social mobility and for the essential reskilling of the existing workforce. But I am more than aware that once again, in 2019, this report is calling for something as fundamental as attaching concrete success measures for new skills policy. As it says, there is nothing inherently wrong with the policies, indeed many of them are potentially very good, but they would deliver far more value for money if there was an expectation to evaluate them and learn from their implementation.

Matthew Taylor
Chief Executive, the Royal Society for the encouragement of Arts, Manufactures and Commerce (The RSA)
In 2016 we called for:

The Government to provide greater transparency around the operational detail of the reformed apprenticeship system – including end-point assessment and the levy

Ensure greater ownership and engagement from employers

Focus on increasing the quality of apprenticeships
Publication timings for key guidance documents outlining how policies will be implemented in practice

Consolidated and consultative approach to FE and skills policy

Creation of the Skills Policy Institute – 2014 and 2016

Learning opportunities for youth and disadvantaged groups to be secured
Executive summary

For this, the third in the series of our Sense & Instability research, we are asking three key questions of education policies: what success measures were in place, were they used effectively and were they met?

Skills and education policies touch the lives of millions of people in the UK. Get these policies wrong at the outset and they are destined to fail the individuals and groups they are targeting before they are even out of the starting blocks.

Not only is this the third in the series of our Sense & Instability research, but it is also our third time of calling for concrete success measures to be implemented in all new skills policy. In the face of continuing political uncertainty it is more important than ever that this call to action is implemented, to allow for a robust and reliable skills system. Without these measures it is impossible to judge whether policies have been a success, thereby making them far less meaningful and difficult to prove their value. The policies we highlight in this research are not wrong or misplaced, but if their success measures are unproven, and if their quality is untested then the government cannot call them ‘gold standard’ or ‘world class’.
We examine the changes in the skills sector in recent years and using specific examples of several policies, explore the extent to which policies have indeed improved outcomes for the groups and individuals intended. We also make clear recommendations to the Government in order to support policy making and ensure that future proposals result in the desired outcome for the groups and individuals intended. These recommendations are:

• To embed success measures within skills programme design and delivery
• To develop a Value for Money framework for skills policy
• To create an evidence base for the skills sector
• To improve access to programmes for the most disadvantaged and hard-to-reach learner groups

To cast a spotlight on these issues we examine if successive UK governments over the last 15 years have used defined success measures effectively in the design and delivery of policies. We also examine the extent to which they have been met during delivery and how ongoing schemes could do so. This is particularly important given the changing political environment of recent years and in ensuring that the skills sector facilitates effective lifelong learning opportunities to support lifelong employability.

‘In a time of unprecedented technical advances, it is even more crucial that our nation’s workforce has the appropriate skills and attributes to drive economic growth. I wholly endorse this call for evidence-based policy development, a transparent approach to targets and measuring value for money and ensuring access to programmes for the most disadvantaged. In celebrating our 140th anniversary, it became abundantly clear that we have to take a longer term view and draw on experience and past learnings to ensure greater clarity and focus in the future.’

Chris Jones
CEO, City & Guilds Group
Policy developments

In creating the focus for this research we firstly examine developments in the broader policy landscape since the previous publication. These are:

Apprenticeship Standards
Apprenticeship standards are currently being rolled out across England. The standards have been designed in close collaboration with industry experts in order to ensure that each standard covers the full set of skills, knowledge, behaviours and learning necessary for the specific job role and industry sector. The length and skill level for each standard has also been revised to ensure that it is substantial enough for the relevant occupation.

Apprenticeship Levy
Introduced in 2017, the apprenticeship levy provides a new model for financing apprenticeship training and assessment. The levy is set at 0.5% of the value of an employer’s pay bill for organisations with an annual payroll of £3 million or more. Money from the levy is paid into an apprenticeship service account which can be used towards the costs of apprenticeship training and assessment with the Government responsible for directly transferring money to apprenticeship providers.

T levels
T levels form part of a wider restructure of technical education and training for 16-19 years olds by providing two-year technical courses equivalent to three A-levels. T levels will offer a combination of classroom and on-the-job training with a minimum of 45 days on industry placement. There will be a total of 15 T level routes; course content is currently being designed by providers and employers, with input from industry specialists via T level panels.

Functional Skills Qualifications
Key reforms to Functional Skills Qualifications (FSQs) in English and mathematics are currently underway, including a revised approach to speaking, listening and communicating assessments, and streamlining the overarching assessment procedures.

National Retraining Scheme
Announced in 2017, the National Retraining Scheme forms part of the Government’s Industrial Strategy. The Industrial Strategy highlights the need to up-skill workers to address the current skills gaps and further improve social mobility. As a core part of meeting this objective, the National Retraining Scheme will provide funding for low-skilled adult workers to re-skill and/or up-skill and support the existing workforce to adapt to widespread technological advancement in the workplace.

Measuring success

The main thrust of the research analyses the use of effective success measures in the design and delivery of several skills-based policies by successive UK governments over the last 15 years. It explores if each policy has:

- Established clear success measures in the design and consultation phase
- Validated these success measures through the use of pilots
- Used comparison groups, baseline-end assessments and longitudinal studies to track policy outcome and impact
- Evaluated the extent to which any success measures were met

The report will focus on a selection of skills-based policy reforms and success measures. The following diagram provides a snapshot of the policies being examined, mapped against the success measures they implement:
As is clear from the above, there are significant gaps across all skills policies being looked at. The report explores each of these success measures in further detail by examining each policy individually and whether they have delivered the intended results for the groups specified.

### Assessing Value for money

The final section of the report examines measures of value for money in skills policy through the same skills policies previously identified.

Currently the Department for Education does not have a departmental value for money framework, however two other Government departments – the Department for Transport and the Department for International Development, do.

A review of existing evidence demonstrates that value for money assessments are developed ad hoc, with the main focus being on efficiency savings across schools and higher education.

The National Audit Office has conducted a number of value for money studies into the skills based polices discussed in this report. This overarching findings from these studies echo the calls made in this report on the ongoing need for effective use of success measures in terms of productivity, widening participation and overall programme quality in the development and delivery of skills policies.
Conclusion and recommendations

To our disappointment, many of the issues identified in our 2014 and 2016 reports still persist, and we continue to find ourselves calling for adequate success measures for skills policy. Serious concerns remain regarding the consideration which has been given to what good looks like in skills policy-making, and what progression routes are needed to get there, something which hasn’t altered since our first Sense & Instability report was published in 2014. Phrases such as ‘gold-standard’ are meaningless without the robust evidence base to back them up. Until new initiatives come with real outcomes for the groups they are seeking to target the only measurement will be outputs, making government statements on the success of policies unsubstantiated empty claims.

Embedding impact assessment within programme design

In order to create sustainable lifelong learning policies, the Government should be seeking to include a reliable evidence base or rationale when developing new targets. The Government should also make greater use of outcome and impact measures to ensure programmes achieve policy objectives as well as quantitative targets.

At an early phase in the process the Government should consider more widely the use of test pilots for all new policies and should complement this work with baseline/comparative data and longitudinal impact studies.

Whilst the Government is increasing its awareness in targeting the hardest to reach and most disadvantaged groups, challenges still exist in reaching them. The Government needs to do more to develop a strong evidence base which identifies the most effective ways of engaging these groups.

Recommendations to Government

• Undertake planning at the development stage of policy making

• Planning stage should involve the creation of a theory of change, built through a process where assumptions are properly tested

• Embed outcome and impact focused success measures within policy design

Creating an evidence base for the skills sector

The common thread running through all the skills policies in this research is the need for success measures which include evaluation and impact assessment to measure change. A lack of success measures means that there is no benchmark against which success can be defined, meaning that evaluators are limited to assessment of self-reported change by participants. It also means that there is no benchmark against which success can be defined, hence how self-evaluation phrases from the Government such as ‘gold-standard’ and ‘world-class’ are readily deployed with little to back them up.

Recommendations to Government

• Establish a Skills Policy Institute to demonstrate best practice in skills policy, alongside more and better use of pilots, comparison groups, baseline/endline data comparisons and longitudinal impact studies in existing policy development.

• The Skills Policy Institute should assist in gathering evidence to feed into revisions of policy delivery

• The new organisation should distil evidence and provide a research base for both policy and practice
Developing a value for money framework for skills policy

Another common theme running through the skills policies discussed in this report is the Government’s limited use of value for money assessments, including specific estimates on the value for money and/or the return on investment provided by its policies. There is a limited use of performance measures, especially those that identify value created by the policy as a whole and/or with respect to the most disadvantaged groups. This has led to a detrimental impact on effective programme delivery and hampered clear assessments of overall value for money.

Recommendations to Government

- Learn from the examples in other government departments as to how to embed value for money measures into all new policy
- Develop a departmental value for money framework that also takes into consideration equitable outcomes
- Use existing Government guidance, as well as wider lessons learned from the needs of the skills policy landscape to embed best practice in design and delivery.

Improve access to programmes for the most disadvantaged and hard-to-reach learner groups

The delivery of training and learning programmes needs to be not only more accessible for disadvantaged and hard-to-reach groups but they should be positively enabled to benefit with targets put in place to encourage and measure this effectively.

Some examples of how these groups can be supported include:

- Single-parents – offering funding for childcare or highly discounted childcare
- People with health or other conditions – a new focus on access to at-home and flexible learning
- Ex-offenders – peer mentoring to encourage people into employability and education programmes
- Care leavers being actively supported in transitioning from education to employment.

There are numerous organisations who have first-class records of engaging with and enabling these groups and their expertise should be utilised.
Appendix: Behind the figures

In our Sense & Instability publications in 2014 and 2016 we reported on the changes in responsibility for skills policy in Government at a ministerial level.

In 2016 we reported that skills policy had been the responsibility of 65 different Secretaries of State, this figure now stands at 70.

This is in comparison, with 20 Secretaries of State up from 19 in charge of schools policy and 21 up from 19 in charge of Higher Education over the course of the same period.

The figures account for Secretaries of State who have held the same role at different stages in their career (thus requiring a handover of policy) and those whose roles have been renamed, or who have held a different portfolio that also covers skills.

Updating from 2016, the changes are:

**Skills policy**
Damian Hinds (DfE) 2018- present, Greg Clark (BEIS) 2016-present, Esther McVey (DWP) 2018 to 2018, David Gauke (DWP) 2017 to 2018, Damian Green (DWP) 2016-2017

**Schools policy**
Damian Hinds (DfE) 2018- present

**University policy**
Greg Clark (BEIS) 2016-present, Damian Hinds (DfE) 2018 - present