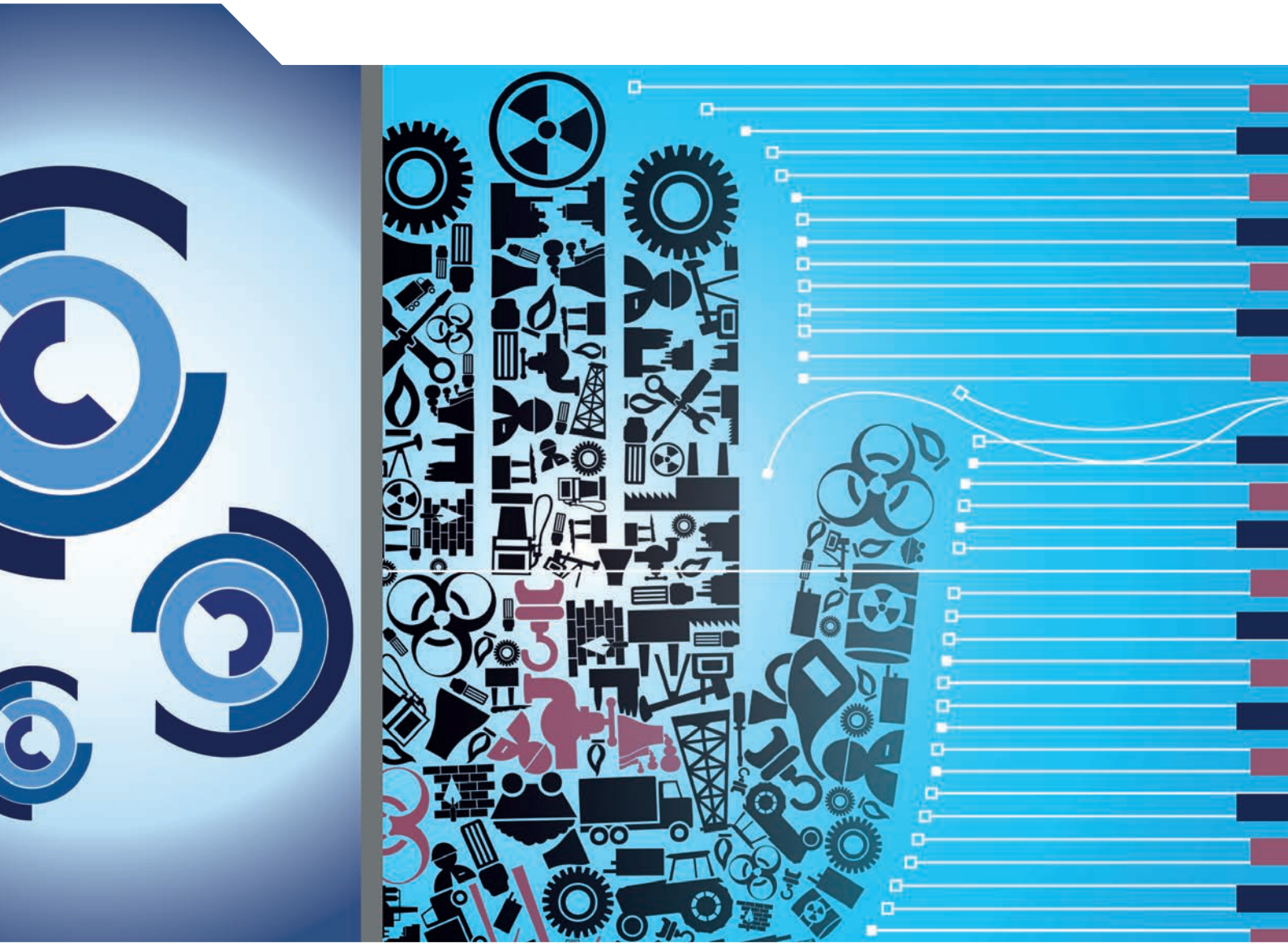
OECD Skills Studies

Raising the Basic Skills of Workers in England, United Kingdom



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BETTER POLICIES FOR BETTER LIVES

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Foreword

In the face of labour market changes driven by automation and digitalisation, and reinforced by the recent coronavirus crisis (COVID-19), the need for adults to possess a strong foundation of literacy, numeracy and digital skills on which to build new skills becomes more pressing across OECD countries. At the same time, the availability of comparable international data, notably through the OECD Survey of Adult Skills, a product of the Programme for the International Assessment of Adult Competencies (PIAAC), has highlighted the challenge of low skills: in terms of the sheer scale of the population at risk and how important skills are in influencing individual well-being. Though the research base on adult basic skills formation is incomplete, it is growing. England (United Kingdom)[*] stands out among OECD countries in the breadth and depth of its data and research evidence in developing and using adults' skills.

Among low-skilled adults, workers in particular have been the subject of increased attention by policy makers around the world. Of England's estimated 9 million adults with low basic skills, about 5 million are in work, according to the 2012 OECD Survey of Adult Skills (PIAAC). Low-skilled workers are employed throughout the economy, but are typically concentrated in small enterprises and lower value-added sectors. They are often in lower paying and less secure jobs, with less employer support for skills development, and cannot afford time off to improve their skills.

There is no single answer to the question of how to improve the basic skills of these workers and in fact solving the issue requires a comprehensive approach involving employers, trade unions, adult education providers and various government and community services across the entire learning cycle. This begins with identifying workers with low basic skills, raising the awareness of why improving those skills is important, increasing the accessibility to basic skills courses, ensuring they are flexible enough to accommodate adult learners who are already employed, and finally making the provision relevant to career aspirations, addressing issues of motivation. Recognising the importance and complexity of raising the skills of low-skilled adults, England has implemented a wide range of initiatives, including basic skills entitlements and the National Retraining Scheme (which has been integrated into the National Skills Fund) and a range of associated pilots.

This review is a follow-up study to the *Building Skills for All: A Review of England* report published in 2016, which identified the factors behind the large number of low-skilled adults in England and provided recommendations for strengthening basic skills in education and at work. Building on these findings, this review zooms in on the particular challenges faced by low-skilled workers and the opportunities for developing their skills while at work. This study is part of a series on low-skilled adults, which has also covered the United States, Finland and Australia. These reports are designed to ensure that countries make the most out of their skills policies, by building on the findings from the Survey of Adult Skills (PIAAC) both for policy development and for charting a way forward. The OECD is firmly committed to supporting countries in their bid to develop "better skills policies for better lives."

Although this report represents the latest information available at the time of publication, certain findings and recommendations should be read in the context of the rapidly changing economic and policy landscape.

[*] The present publication presents time series which end before the United Kingdom's withdrawal from the European Union on 1 February 2020. The EU aggregate presented here therefore refers to the EU including the UK.

Acknowledgements

This report is part of a series of country projects within the OECD programme of work on "*Building Skills for All*". The OECD team is grateful to the Department for Education for contributing both financial support and expertise throughout the project. The OECD team wishes to thank all the colleagues from the Department for Education who were involved in this project, especially the Basic Skills Policy Team, for their support and commitment and their help convening and organising the stakeholder meetings and the expert workshop.

Our warm thanks go to the many government and non-government representatives who generously shared their insights during the expert workshop and bilateral interviews with the OECD review team in London, Derby and Sheffield, and via written input. Almost 100 stakeholders participated in the various meetings and the workshop that took place during OECD missions. These stakeholders represented ministries, government agencies, subnational authorities, education and training institutions, businesses and business associations, unions and community associations, academia, civil society and other organisations. We are also grateful to Yngvild Ziener Nilsen and Astri Pestalozzi (Skills Norway), Monika Tröster (German Institute for Adult Education) and Anja Meierkord (OECD Directorate for Employment, Labour and Social Affairs) for sharing international examples and insight on basic skills policies and their active participation during the expert meeting held in London.

The authors of this report are Shinyoung Jeon and Ben Game from the OECD Centre for Skills. Viktoria Kis, Anthony Mann and Montserrat Gomendio provided valuable inputs and guidance to the earlier version of the report. Edoardo Magalini, Aurélien Kaske and Stefano Piano also provided helpful support and research assistance. Andrew Bell as Acting Head of the centre and Marieke Vandeweyer as Head of Vocational Education and Training provided guidance, comments and supervision. Support throughout the project was received from Mark Pearson (Deputy Director) and Stefano Scarpetta (Director) from the OECD Directorate for Employment, Labour and Social Affairs. The report benefitted from helpful comments provided by Glenda Quintini, Senior Economist (OECD Directorate for Employment, Labour and Social Affairs) and Annabelle Mourougane, Senior Policy Analyst (OECD Economics Department).

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While the report draws upon data and analysis from the OECD, English authorities and other published sources, any errors or misinterpretations remain the responsibility of the OECD team.

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Abbreviations and acronyms

The main abbreviations and acronyms used in the report are listed below.

AEB	Adult Education Budget
ASB	Adult Skills Budget
ASCL Act	Apprenticeships, Skills, Children and Learning Act
ASHE	Annual Survey of Hours and Earnings
BMBF	Bundesministerium für Bildung und Forschung (Federal Ministry of Education and Research), Germany
CIF	Congé Individuel de Formation (Individual training leave), France
CIPD	Chartered Institute of Personnel and Development
CLT	Community Learning Trust
CPD	Continuing Professional Development
EI	Employment Insurance, Canada
EIB	European Investment Bank
ESA	Employment and Support Allowance
ESFA	Education and Skills Funding Agency
ESOL	English for speakers of other languages
FE	Further education
FONGECIF	Fonds de Gestion des Congés Individuels de Formation (Institutions responsible for training leave), France
FVU	Forberende Voksenundervisning (Preparatory Adult Education), Denmark
GLA	Greater London Authority
GMCA	Greater Manchester Combined Authority
ICT	Information and communications technology
ILA	Individual learning accounts
ILO	International Labour Organization
ILR	Individualised Learner Record
ISCO	International Standard Classification of Occupations, ILO
JCP	Jobcentre Plus
JSA	Jobseeker's Allowance
LEO	Longitudinal Education Outcomes
LTI	Lost-time injury
MCAs	Mayoral Combined Authorities
MiFEC	Mathematics in Further Education Colleges
NRS	National Retraining Scheme
NVQ	National Vocational Qualification
OPCA	Organisme Paritaire Collecteur Agrée (joint organisation for approved collections), France
PES	Public employment service
ULF	Union Learning Fund
ULRs	Union Learning Representatives, Unionlearn
ULS	Union Learning Survey
U3A	University of the Third Age

Executive summary

England (United Kingdom) has faced a slowdown in labour productivity growth in recent years and has a relatively high level of income inequality. Moreover, the COVID-19 crisis hit vulnerable groups more strongly, exacerbating pre-existing inequalities. England has long recognised that a skilled workforce is essential to overcome its economic challenges. In particular, ensuring workers possess strong basic skills (see Chapter 1 for the definitions of basic skills) can lay the foundation for them to develop more advanced and vocational skills, increase their job quality and effectively respond to changes in the labour market. Recognising this, England has implemented an impressive set of measures aimed at helping workers upskill: the National Skills Fund which is integrating the National Retraining Scheme (and Career Learning Pilots and the Flexible Learning Fund, to inform the design of future skills provision), the reformed Functional Skills and new essential digital skills qualifications and basic skills entitlements, to name a few.

This report explores how England could raise the basic skills of workers. Currently, many low-skilled adults and their employers lack motivation to engage in learning. This report analyses the reasons for this, lays out England's key initiatives to address these factors, and provides England with good practice examples and recommendations to help overcome these obstacles. The analysis is based on an assessment of workers' skills and learning patterns according to the 2012 OECD Survey of Adult Skills (PIAAC) and national data, evidence about basic skills policies across OECD countries, responses from the English Department for Education to an OECD questionnaire, bilateral interviews with various stakeholders and an expert workshop in England (see Annex B for details).

Key findings and recommendations

According to PIAAC data, an estimated 9 million adults in England have low basic skills; 5 million of whom are in work. Low-skilled workers are not homogenous, but with some patterns. Adults with low levels of education, with low-educated parents or from migrant backgrounds are likely to be low-skilled. The wholesale and retail, health and social work, and manufacturing sectors have the largest numbers of low-skilled workers. While not large in absolute terms, the transportation and storage sector has the highest concentration of low-skilled workers. Despite these patterns, identifying low-skilled adults remains challenging. For example, only one in five low-skilled workers has at most a primary education qualification – most have mid-level education and a quarter have higher education.

Relatively few low-skilled adults participate in education and training overall, and a declining number participates in basic skills programmes. For now, most employers of low-skilled adults do not provide basic skills training. The reasons for this are many, varied and complex. According to available evidence and insights provided by experts in England consulted during this project, many workers and employers lack time and resources due to other responsibilities; but also, they are not convinced of the need for or benefits of training. Improving awareness about, access to and the effectiveness and relevance of basic skills development will be necessary for raising the skills of low-skilled workers in England.

Raising awareness about basic skills

To be motivated to engage in learning, low-skilled workers (and their employers) must be aware of their skills gaps, the costs and consequences of these gaps, and the potential benefits of (and opportunities for) addressing these gaps through learning. Over the years, England has achieved many success stories and built up relatively rich evidence on the benefits of basic skills. Yet many low-skilled workers and employers in England appear to remain unconvinced of the need for or value of investing in basic skills. Furthermore, they are unaware of the programmes and public support available to them. Several factors explain this. England used to have a clear and shared vision for raising basic skills, establishing this as a national priority – this needs to be revived. The currently used tools and services for identifying and understanding the needs and learning goals of low-skilled workers (and their employers) could be improved. High-quality, targeted guidance and information to low-skilled workers (and their employers) could be made more readily available.

This report recommends that England:

- Set and promote the vision for raising basic skills of low-skilled workers.
- Identify and understand the needs of low-skilled workers, with improved analytics and assessment tools.
- Provide targeted guidance and information to low-skilled workers and their employers.

Making basic skills development more accessible

To benefit from learning opportunities, even motivated workers need to overcome sizeable barriers. These barriers are mostly time- and cost-related. Despite the government's commitment to removing cost-related barriers by increasing funding and providing basic skills entitlements, participation in basic skills continues to decline, as time-related barriers remain. Currently, relatively little basic skills training occurs inside England's workplaces – in the context and at the time that low-skilled workers can best access them. Offering basic skills programmes flexibly in terms of delivery and design can reduce time-related barriers. Training leave can also help in reducing the barriers, but SMEs – where most low-skilled adults work – are currently not covered by the legal right to training leave. Neither workers nor employers have access to financial support for taking training leave.

This report recommends that England:

- Expand the basic skills provision within workplaces.
- Expand the supply of flexible basic skills programmes.
- Extend training leave entitlements to low-skilled workers in SMEs, while compensating SMEs.

Making basic skills development more relevant

Basic skills training relevant to and impactful on jobs will be more attractive. Low-skilled workers report that job and career benefits are the main reason they engage in learning, according to PIAAC. Overall, the evidence on the relevance of basic skills programmes in England is limited and mixed. OECD analysis of the 2017 and 2019 Employer Skills Surveys, Ofsted reports and relevant data suggests that publicly funded basic skills programmes have faced quality problems. Workers' and employers' perceptions, and data on learners' post-training outcomes provide a mixed picture about the relevance and effectiveness of basic skills programmes. Finally, low-skilled workers' skills are not being used effectively in workplaces or consistently leading to career improvements.

This report recommends that England:

- Tailor basic skills content and programmes to vocational contexts.
- Strengthen the capacity of further education teachers to deliver flexible and tailored basic skills.
- Use and reward basic skills more effectively in workplaces.

1 Key insights and recommendations

Raising the skills of low-skilled workers can lead to further learning and better jobs, and to greater productivity in workplaces, which in turn benefits society. This chapter sets the context for this report on low-skilled workers by exploring: why raising workers' basic skills is increasingly important for England (United Kingdom); who England's low-skilled workers are; how engaged low-skilled workers and employers are in learning; and how policy makers in England have responded to these challenges. It summarises the main findings, policy options and recommendations of later chapters.

The importance of basic skills for England

Basic skills are important not only for the economic and social outcomes of individuals, but also for their contribution to increasing labour productivity and their potential to reduce skills shortages. In the face of emerging labour market changes driven by automation and digitalisation, and accelerated by the recent coronavirus crisis (COVID-19), these basic skills are becoming even more important. First, because workers need a solid foundation of basic skills to upskill in their existing positions, and second because laid-off workers need these skills to quickly adapt to new positions in new fields for which they might not yet have trained. This is particularly the case for people who work in jobs that require a low level of skills – jobs which are often characterised by the performance of routine tasks – and are consequently at a higher risk of being automated. In addition, basic digital skills become indispensable in order to benefit from the increasing number of digital jobs and learning opportunities, as highlighted even more during the COVID-19 crisis. England is at the forefront of efforts to increase the basic skills of low-skilled workers – having put in place policies and tools such basic skills entitlement, Functional Skills reform and new essential digital skills qualifications, and to some extent the National Retraining Scheme (which has been integrated into the National Skills Fund since October 2020) and Flexible Learning Fund (see below).

Adult basic skills are a determinant of economic and social outcomes

Well-developed basic skills – which include literacy, numeracy and digital skills (see Box 1.3) – have a positive impact on the economic and social outcomes of individuals (OECD, 2019[1]; OECD, 2016[2]). The OECD Survey of Adult Skills,[1] a product of the Programme for the International Assessment of Adult Competencies (PIAAC) – which collects information on a range of education and training activities as well as levels of literacy, numeracy and problem-solving skills – found that strong proficiency in basic skills not only improves access to better-paying jobs with better working conditions, but is also linked to better health and higher social and political participation (OECD, 2013[3]; OECD, 2016[2]). Improving basic skills through literacy or numeracy courses can also have positive effects on learner confidence and self-esteem, including in everyday tasks such as cooking and driving (Vorhaus et al., 2011[4]). Automation of jobs or some tasks within them, as well as more frequent job changes, increase the relative importance of general cognitive and transversal skills such as literacy and numeracy. These skills support individuals to upskill and reskill and allow enterprises to adopt and use digital skills and technologies effectively (Sorbe et al., 2019[5]; OECD, 2016[6]). Similarly, solid basic skills also increase the resilience of workers in the face of economic shocks. Early evidence from the impact of the COVID-19 crisis on labour markets shows that workers in low-skill jobs were among the groups that are paying the heaviest toll of the crisis (OECD, 2020[7]), and having strong basic skills could help affected workers in adapting to changed circumstances.

In England, the returns to basic skills for individuals are high. For example, an increase in literacy proficiency of about 48 points (the equivalent of one standard deviation) is associated with a 12% increase in wages, the highest among countries participating in PIAAC (OECD, 2016[2]). The effect of basic skills on social outcomes such as interpersonal trust and political efficacy is also relatively high in England (OECD, 2013[3]; OECD, 2016[2]). A study on returns to adult basic skills using the Individualised Learner Record also suggests that those who achieved English and mathematics qualifications at UK Level 2 and below show significant earnings returns and a significantly lower probability of being on benefits, relative to those who have the same learning aim, but do not achieve it (Cerqua and Urwin, 2016[8]).

Upskilling needs are significant in England and the United Kingdom overall

The share of vacancies due to skill shortages have been on the rise in England, mainly in respect of higher skilled sectors (OECD, 2018[9]), while manual and physical skills are found to be in surplus, based on Employer Skills Surveys (OECD, 2017[10]). According to Health Education England, thousands of people have been rejected from nursing associate courses because they did not have the basic maths or English

skills required – to keep up with the growing demand, the workforce needed to increase by 3% every year but nurse numbers were only rising by 0.9% (Mitchell, 2019[11]). The UK Industrial Strategy Council also identified that a lack of basic digital skills is the main contributor to skills mismatch in England (Industrial Strategy Council, 2019[12]). A survey conducted by the European Investment Bank (EIB) confirms that in the United Kingdom skills shortages and mismatches are more severe in medium- and high-skilled jobs than in those involving low skilled (EIB, 2018[13]). Service sector firms – which employ the majority of the UK workforce – are more likely to perceive having a greater share of employees without the right skills, particularly at the medium-skilled jobs (12%).[2] Such shortages and mismatches at the medium-high level contribute to low labour productivity growth, reflecting the need to manage the use and development of skills (OECD, 2017[14]).

In this context, improving the basic skills of low-skilled workers might have the added benefit of addressing skills shortages of medium-high skilled workers, especially as basic skills are a requirement for further vocational skills development (whether it is realistic to expect that upskilling low-skilled workers will allow to fill such shortages is explored in Chapter 4). Raising and using the skills of low-skilled workers can help employers in England to cost-effectively address certain skills shortages. Employer investments in raising and using workers' skills promotes motivation and retention, and may help employers avoid the costs associated with hiring – job advertisements, interviews, initial training for new recruits, etc. (OECD, 2018[15]). The benefits are likely to be particularly large for high-turnover sectors, such as the retail, catering and care sector, as these have a large share of low-skilled workers (Devins et al., 2014[16]). In the United Kingdom, it is estimated that the process of recruiting one new worker costs an average of GBP 4 000 in opportunity costs (management time) and direct costs (recruitment, selection and induction) (Devins et al., 2014[16]). Facilitating the upskilling and career progression of low-paid workers, including those with low basic skills, can be a cost-effective way of alleviating such costs associated with labour turnover in the long run (Devins et al., 2014[16]).

In an age of automation and digitalisation, basic skills are increasingly important

More than one in three jobs in England are likely to change significantly over the next decades due to automation. OECD estimates that about 38% of jobs in England and Northern Ireland are likely to change or have a high risk of being automated (OECD, 2019[17]; Nedelkoska and Quintini, 2018[18]). Based on analyses of the jobs of 20 million workers in England in 2017 carried out by the Office for National Statistics (ONS), there is a high risk that at least some of the duties and tasks of around 1.5 million jobs will become automated in the future (Office for National Statistics, 2019[19]).

The risk of automation and frequent job changes increase the relative importance of general cognitive and transversal skills including basic skills, as addressed in a number of recent OECD reports (OECD, 2019[20]; OECD, 2019[1]). Where large shares of adults have poor basic skills, it becomes difficult to introduce productivity-enhancing technologies and new ways of working (OECD, 2016[2]). Also, basic skills may become more important to foster resilience in light of the uncertain impact of Brexit and COVID-19 on the labour market (Box 1.1).

Digitalisation means that workers increasingly need basic digital skills. Most jobs today include tasks that require basic digital skills, including managing information, communication, online transactions, and digital problem solving skills (Kispeter, 2018[21]). In addition, these skills are also becoming more indispensable for workers seeking to benefit from employer-provided training, which is increasingly provided through online training and e-learning: for example, 56% of employers in England funded or arranged online training or e-learning in 2019, up from 45% in 2015 (Winterbotham et al., 2020[22]). However, among less-educated people in England, the use of digital skills is below the OECD average.[3]

Box 1.1. Discussion on the impact of Brexit and COVID-19 on the low-skilled labour market

Uncertainty about the future

There is uncertainty around the impact of Brexit and COVID-19 on the labour market. Despite the paucity of existing analysis and data, evidence suggests that there will be an increasing need for basic skills training for low-skilled workers, while at the same time employers might be more reluctant to support such training.

According to an OECD working paper (De Lyon and Dhingra, forthcoming[23]), employers tended to decrease their training provision (reported training expenditure expectation) after the 2016 Brexit Referendum, similarly to but to a lesser extent than during the 2007-09 Great Recession. Research undertaken in Germany found that the negative effect of the Great Recession on training was stronger for employees in unskilled jobs than for employees in skilled jobs (Dietz and Zwick, 2018[24]). This suggests that Brexit might especially reduce training opportunities for workers in unskilled and low-skilled jobs.

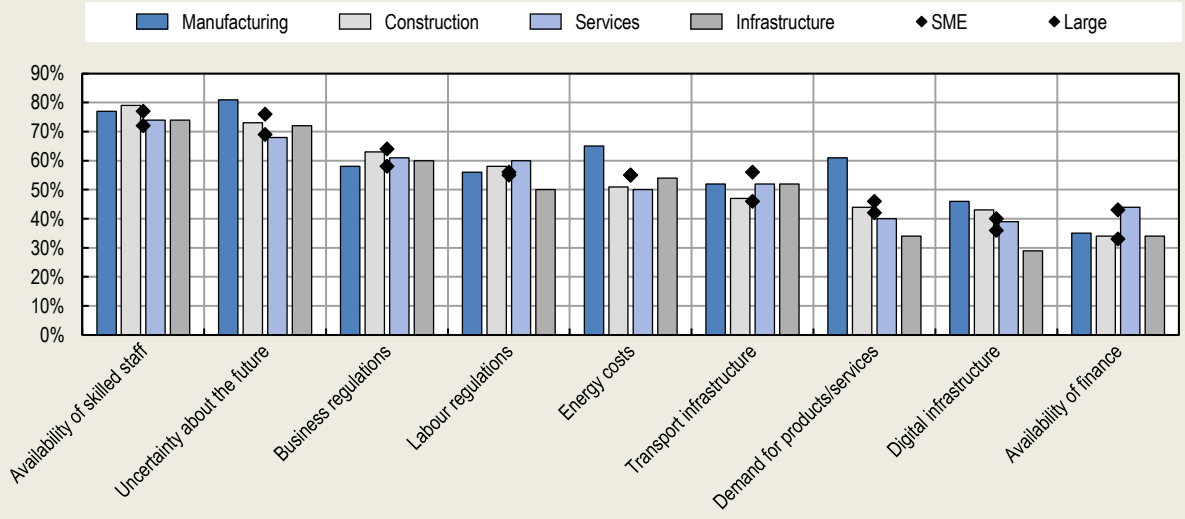
Labour market and skills projections are difficult at the present time due to the uncertainties surrounding Brexit (Wilson et al., 2020[25]). Despite these uncertainties, the projections of Working Futures 2017-27 (Wilson et al., 2020[25]) suggest that employment is expected to fall or slow in growth in many sectors employing low-skilled workers, driven especially by increasing automation (e.g. manufacturing and retail) and by an expected slowdown in investment due to uncertainty around Brexit (e.g. construction). In particular, elementary occupations are projected to experience mixed fortunes, with some modest growth in jobs where tasks are not so easily subject to automation, but job losses in other areas. The projections also indicate that, based on recent trends, the qualification profile of employment will continue to see a shift towards more people holding more high-level qualifications. By 2027, around 55.2% of people in employment are expected to be qualified at Level 4 and above, whilst the proportion of people with Level 1 or no formal qualifications at all is expected to fall to 10.6% (from 25.9% in 2017).

The recent COVID-19 crisis has added even more uncertainty, but early evidence reveals some interesting patterns in terms of job losses and hiring reductions. OECD analysis of data from online job advertisements shows that between March and April 2020, job postings across occupations in countries with available data[1] declined on average (with the exception of health-related jobs like home health aides), and the decline was the sharpest in the United Kingdom (OECD, 2020[26]). In contrast, certain sectors, such as essential retail, faced labour supply shortages as a consequence of lockdown measures. In the United Kingdom, for example, the Institute of Grocery Distribution reported staff absenteeism rates of 20% or more during the early phase of the lockdown (OECD, 2020[27]).

Even before the COVID-19 crisis, uncertainty about the future and lack of skilled staff were perceived as the biggest barriers by UK employers, compared to other traditional business issues, across all sectors and all sizes of companies (EIB, 2018[13]).

Figure 1.1. Uncertainty about the future and lack of skilled staff are perceived as the biggest barriers by employers in the United Kingdom

Long term barriers by sector and size



Note: Percentages presented in the figure are based on the answers from all surveyed firms to the question: Thinking about your investment activities in the United Kingdom, to what extent is each of the following an obstacle?
1. Australia, Canada, New Zealand, the United Kingdom and the United States.
Source: EIB (2018[28]), *EIB Group Survey on Investment and Finance, 2018 Country Overview*, https://www.eib.org/attachments/efs/eibis_2018_european_union_en.pdf.

StatLink https://doi.org/10.1787/888934220344

The need for strengthened basic skills development in England has been identified in earlier OECD reports

This review is a follow-up study to the England country report on adult basic skills, undertaken in 2016 (Kuczera, Field and Windisch, 2016[29]), within the international OECD study *Building Skills for All*. The first set of *Building Skills for All* publications examined the then recent findings from the OECD Survey of Adult Skills (PIAAC) for the United States (OECD, 2013[30]), Finland (Musset, 2015[31]), England (Kuczera, Field and Windisch, 2016[29]) and Australia (OECD, 2017[32]). This country review also builds upon earlier OECD reports on England, which identified the importance of enhancing the basic skills of adults in work (see Box 1.2).

This report takes a close look at the specific challenges of adults with low basic skills who are in the workforce and provides the government with concrete policy advice on how leverage investments in strengthening basic skills to develop in demand vocational skills, increase labour market mobility, boost productivity and reduce inequality.

Box 1.2. Relevant conclusions from previous OECD reviews of England (United Kingdom)

OECD Learning for Jobs Review of England and Wales

- Define priorities for employer engagement, and consolidate and co-ordinate fragmented surveys in order to improve evidence.
- Explore measures to reduce the cost of training, to encourage employer support for training and to use compulsive measures including training levies.

A Skills beyond School Review of England

- Implement a franchise system for vocational qualifications, under which awarding organisations would bid for the right and the obligation to provide the qualifications within specific professional domains, during a franchise period.
- Make quality workplace training a substantial and mandatory part of postsecondary VET programmes. Build local partnerships between employers and further education (FE) colleges to this end.
- Pursue reform of further education college teacher qualification requirements to ensure a good balance between pedagogical skills and up-to-date industry experience. Encourage people with valuable industry experience to enter teaching and promote skills updating. Support teachers new to the profession with effective mentoring and induction. Use local partnerships between FE colleges and employers to sustain and update knowledge of modern industry.

OECD Review of Employment and Skills Strategies in England

- Allow greater flexibility in funding arrangements to meet employer and learner needs at the local level.
- Support schemes to enable small and medium-sized enterprises to collaborate on apprenticeship and other types of training while monitoring and evaluating training availability and success.
- Fill the gap in career advice provision by further involving employers in the education system.
- Create more and better jobs by supporting key sectors locally and associated skill development initiatives, and focus on the benefits of decent work and in-work progression by ensuring that public sector organisations lead by example and promote the benefits of being a good employer. Encourage the better utilisation of skills and examine the role of further education colleges.
- Continue to target employment and skills programmes towards at-risk youth and other disadvantaged groups to develop their employability skills and better connect them with the labour market.

OECD Building Skills for All Review of England

- Give priority to early intervention to ensure that young people have stronger basic skills. Building on the initiatives for those aged 16-19 and stronger basic schooling, establish more demanding basic skills standards in upper-secondary education. Seek to deliver skills that match those standards, on an inclusive basis, to all students by age 19.
- Divert unprepared university students into post-secondary alternatives or further education, and enhance basic skills tuition within universities.

- Improve transition from school to jobs by offering opportunities to upskill, in particular to young people with poor or no qualifications, through good quality apprenticeships and traineeships.
- Use research evidence to develop teaching methods and guide interventions, recognising that successful adult learning programmes need to motivate learners, ensure a high-quality teaching workforce, use evidence-based teaching methods, and make use of relevant learning environments, including occupational and family contexts.

OECD Getting Skills Right: United Kingdom

- Consider expanding the role of Jobcentre Plus offering career guidance not only to the unemployed and Universal Credit recipients, but also to employed workers. Providing the employed with access to fee-for-service career guidance counselling furnished by approved recruitment agencies – with waivers for those facing redundancies – would facilitate career shifts in the face of evolving skills demand.
- Encourage workers to upskill to meet the changing needs of the economy through making Advanced Learner Loans more attractive for low-skilled workers by tying waivers of repayment to employment in certain shortage occupations. Consider introducing training incentives tied to individuals rather than jobs.
- Improve the business case for training among employers and develop a skills utilisation policy by funding a set of pilot initiatives for adapting work organisation and management practices, to make better use of employees' skills.

OECD Review of Apprenticeship in England

- Promote youth apprenticeships, give attention to wider education – numeracy, literacy and digital skills – in youth apprenticeship, and develop training on the job.
- Develop pre-apprenticeships and special apprenticeship schemes, and help participants toward successful completion of their apprenticeship.

Source: Hoeckel et al. (2009[33]), *A Learning for Jobs Review of England and Wales 2009*, https://doi.org/10.1787/9789264113763-en; Musset and Field (2013[34]), *A Skills beyond School Review of England*, https://doi.org/10.1787/9789264203594-en; OECD (2015[35]), *Employment and Skills Strategies in England, United Kingdom*, https://doi.org/10.1787/9789264228078-en; OECD (2017[10]), *Getting Skills Right: United Kingdom*, https://dx.doi.org/10.1787/9789264280489-en; Kuczera, Field and Windisch (2016[29]), *Building Skills for All: A Review of England*, https://www.oecd.org/unitedkingdom/building-skills-for-all-review-of-england.pdf; Kuczera and Field (2018[36]), *Apprenticeship in England, United Kingdom*, https://dx.doi.org/10.1787/9789264298507-en.

Identifying low-skilled workers

Definitions of key concepts

This review explores barriers to and opportunities for raising the skill levels of working adults (19+) with low levels of basic skills in England.

- **Basic skills** in this report refer primarily to literacy and/or numeracy proficiency (see Box 1.3), as defined by the OECD Survey of Adult Skills (PIAAC). Basic skills also include basic digital skills wherever relevant data and research are available. Foundational skills are often used interchangeably with basic skills. Where PIAAC data are limited, attainment of England's qualifications in maths or English or English for Speakers of Other Languages (ESOL) may be used as proxies of basic skills (e.g. Functional Skills Qualifications (mathematics, English and

information and communications technology (ICT), General Certificate of Secondary Education (GCSE) etc.).

- **Low-skilled** refers to adults with below Level 2 in literacy and/or numeracy according to PIAAC, which are considered equivalent to school age 9 in the UK school standards (see Table 1.1). If PIAAC skill levels are unavailable, no or low attainment of England's qualifications in mathematics, English or English for Speakers of Other Languages (ESOL) may be used as proxies of low basic skills (see Table 1.1). Where data on workers' basic skills levels are lacking, low educational attainment may be used as a proxy of low skills.
- **Raising skills** can be done through formal, non-formal and/or informal learning,[4] whether it be entirely or only partly focused on developing basic skills. It can also occur through employers using workers' basic skills in workplaces. Currently, the main programmes focused on raising adults' basic skills in England are GCSE English language or maths, Functional Skills Qualifications in English or maths, Stepping-stone Qualifications in English or maths, as well as other awards and certificates. Adult apprenticeships are partly focused on raising adult basic skills, as apprenticeships require and support apprentices to achieve certain levels of English and maths. Where data on learning that is entirely or partly focused on developing basic skills are lacking, this study uses aggregate measures of participation in formal, non-formal and/or informal learning.
- **Adults** refers to 19-year-olds and above. This is because initial education in England is now mandatory until students reach 18 years of age, and institutions will only receive public funding to teach students up to the age of 19 if the student continues working towards achieving minimum standards in maths and English.
- **Workers** means someone employed full-time or part-time, including adult apprentices. They may be in standard or non-standard work.
- **England** is the focus of this study, but where data or evidence on workers and employers in England are unavailable, data or evidence for the United Kingdom may be used.

Box 1.3. Basic skills and related terms

Literacy, numeracy and digital skills in the 2012 OECD Survey of Adult Skills (PIAAC)

In the Survey of Adult Skills – a product of the Programme for the International Assessment of Adult Competencies (PIAAC) – *literacy* encompasses a range of skills from the decoding of written words and sentences to the comprehension, interpretation, and evaluation of complex texts. Information on the skills of adults with low levels of proficiency is provided by an assessment of reading components that covers text vocabulary, sentence comprehension and passage fluency. *Numeracy* involves managing a situation or solving a problem in a real context, by responding to mathematical content/ information/ideas represented in multiple ways. *Problem solving in technology-rich environments* focuses on the ability to solve various problems by setting appropriate goals, developing plans, and accessing and making use of information through computers and computer networks.

Functional Skills and essential digital skills in the United Kingdom

Functional Skills Qualifications (FSQs), developed by the UK Government, provide students with the minimum skills considered necessary for everyday life and work. These skills include English, mathematics and ICT at three levels: Entry Levels, Level 1 and Level 2. A Level 2 FSQs in English and mathematics equates to a grade 4 or C and above at General Competencies of Secondary Education (GCSE), and Level 3 in the OECD Survey of Adult Skills (PIAAC) and above (Table 1.1).

Table 1.1. Functional Skills in England and their equivalence in the OECD Survey of Adult Skills (PIAAC)

Functional skills: mathematics	Functional skills: English	Comparison to school standards	Survey of Adult Skills
Entry Level 1	Entry Level 1	School age 5-7	Below Level 1
Entry Level 2	Entry Level 2	School age 7-9	Level 1
Entry Level 3	Entry Level 3	School age 9-11	Level 2
Level 1	Level 1	GCSE 1-3 (D-G)	Level 3
Level 2	Level 2	GCSE 4-9 (C-A*)	Level 3/4

Source: Adapted from Ofqual (2017[37]), GCSE 9 to 1 grades, www.gov.uk/government/news/new-gcse-9-to-1-grades-coming-soon; Unionlearn (2017[38]), *Supporting Maths and English Learning in the Workplace: A Guide for Union Learning Reps* https://www.unionlearn.org.uk/sites/default/files/publication/Supporting%20Maths%20and%20English%20Learning%20Dec%202017_0.pdf

In addition to these existing FSQs, the UK Government defines adult basic digital skills as Entry Level and Level 1 in the essential digital skills framework to be taught by adult learning providers beginning in August 2020. The framework will also inform the development of new subject content for digital FSQs (Department for Education, 2019[39]).

Challenges in analysing basic skills and basic skills training provision

In most internationally available data on employee training and adult learning participation, very little distinction is made between basic skills training and technical-occupational skills training, mainly because most training in the workplace is defined as or assumed to be technical-occupational skills training. While the distinction between general and specific training is conceptually straightforward, it is difficult to put to use empirically (Hidalgo, Oosterbeek and Webbink, 2014[40]). Ultimately, this lack of distinction between basic skills training and technical skills training – and the resulting lack of data that delineate these as separate types of training – impedes precise estimations, analyses and recommendations.

Other than estimates measured by the Skills for Life 2011 Survey (Department for Business, Innovation and Skills, 2012[41]) and the 2012 OECD Survey of Adult Skills (PIAAC) (Kuczera, Field and Windisch, 2016[29]), currently there are no other means of estimating which or how many adults need basic skills enhancement in England, particularly those in work. However, in many cases basic skills are prerequisites – and sometimes indeed indispensable – for technical-occupational skills training.

Researchers use a range of proxies to identify workers with low levels of basic skills – low levels of educational attainment, low wages, working in low-productivity sectors – because these factors are highly correlated (OECD, 2013[3]). However, as the remainder of Chapter 1 demonstrates, these correlations are not always strong because low-skilled workers are rather heterogeneous. Chapter 2 considers how England can more effectively and efficiently identify low-skilled workers.

Low-skilled workers and their learning patterns in England

England has a large number of low-skilled workers

According to the 2012 OECD Survey of Adult Skills (PIAAC), more than 5 million (one in five) employed adults in England are estimated to have low levels of basic skills (literacy or numeracy below Level 2 in PIAAC), a slightly higher share than the OECD average (Kuczera, Field and Windisch, 2016[29]). Weak numeracy skills represents a particularly important challenge in England – about 90% of England's

low-skilled adults have low numeracy skills (only 10% are low skilled in literacy only), according to the OECD Survey of Adult Skills (PIAAC). In terms of digital skills, Ipsos MORI (2018[42]) estimates that over 9 million people (20%) in England and about 10% among the employed in the United Kingdom are without basic digital skills.

Low basic skills in England are closely tied to adults' socio-economic backgrounds, making basic skills development integral to England's goals for equity and inclusion. For example, PIAAC analysis showed that in England, adults who are foreign born or whose mother tongue is not English were more likely to have low basic skills, compared to adults who are native born or are native English speakers (OECD, 2016[43]). Similarly, adults whose parents' did not attain upper secondary education were also more likely to be low-skilled than adults with at least one parent who attained tertiary education (OECD, 2016[43]). These associations were stronger in England than in most PIAAC countries.

However, for England, identifying and supporting low-skilled workers is not as simple as targeting workers with low educational attainment. According to the PIAAC analysis, only a small share of low-skilled workers in England are actually low-educated and most low-skilled workers in England have mid-level qualifications (see Annex A). In addition, while a large share of low-skilled workers are employed in smaller enterprises (75% of low-skilled workers worked in small and medium-sized enterprises (SMEs)), the concentration of low-skilled workers in SMEs in England was low by international standards. Over half of England's low-skilled workers work in just four sectors - wholesale and retail trade (16.4% of all low-skilled workers), human health and social work activities (15.8%), manufacturing (12.1%), and transportation and storage (10.8%). When looking at occupations, half of England's low-skilled workers work in just two occupation groups – service and sales; and elementary occupations (such as cleaners). Detailed analysis and related figures can be found in Annex A.

Low-skilled workers and employers in England are not highly engaged in basic skills development

Despite the need to raise basic skills of low-skilled workers, low-skilled workers and their employers are not highly engaged in basic skills development. According to the 2012 OECD Survey of Adult Skills (PIAAC), about half of England's low-skilled workers do not participate in education and training – participation of low-skilled workers in non-formal learning is generally higher than in formal learning, but the gap with high-skilled workers was wider in non-formal learning than in formal learning. Participation in Basic English and maths programmes (2012-20) and starts in the lowest level apprenticeships (2016-19) have drastically declined (see Figure A A.7 and Figure A A.9). Despite the fact that most employers in England offer training, it appears that relatively little of this training targets basic skills – only about 15% of UK employers provide any form of basic skills training (Booth, 2017[44]) and only 4-6% of small businesses had undertaken basic skills training (FSB, 2017[45]). This low and declining level of participation and provision can perpetuate low-skill trap (Box 1.4). Detailed analysis and related figures can be found in Annex A.

Low-skilled workers' and employers' limited engagement in learning reflects several factors

A range of factors likely hinder low-skilled workers (and their employers) in England from engaging in basic skills development. Underlying these are low levels of motivation and willingness – most workers and employers report that they have no need for basic skills training. For example, the 2017 Employer Skills Survey reported that only 3-5% (20 000-30 000) of employing establishments in England with a low-educated workforce (where less than 20% of staff have a Level 4 qualification or above) believe that their workers need to improve their basic skills (see Winterbotham et al (2018[46]) and Figure 2.2). At the same time, in the 2017 Skills and Employment Survey, low-educated workers in England reported as reasons for not receiving any training "not needing additional training for their current job" in about 70% of cases

(see Figure 4.1 and Henseke et al. (2018[47])). The prevalence of low-skilled jobs is a structural factor that also dampens, to some extent, the demand for basic skills development in England.

Motivating low-skilled adults to engage in learning is a challenge. England's own research concluded that, for every learner, a complex and unique relationship exists between their own perceptions of the personal benefits and costs of learning, which determine their willingness to participate (Kantar Public and Learning and Work Institute, 2018[48]). More than half (52%) of low-skilled workers in England (compared to 63% across 34 OECD economies) do not participate in education and training and do not want to do so (Figure A A.11). One-third (31%) of low-skilled workers did not participate, but wanted to (compared to 39% across 34 OECD economies), facing barriers such as cost and lack of time, employer's support or prerequisites that prevent them from participating in education and training (Figure A A.12) While these results are not as dire as in many other OECD countries, the barriers to participation are nonetheless a major challenge for raising the skills of low-skilled adults in England.

Moreover, jobs requiring only low levels of skills are relatively common in England because many employers still seek competitive advantage through low-value added strategies using a predominantly low-skilled, low-wage workforce. These employers have low demand for training of their employees, including basic skills. In addition, the increasing share of non-standard forms of work in England grows concerns that employers of these types of workers may lack incentives to provide training because of the low attachment of the workers and ease with which they can be replaced. Detailed analysis and related figures can be found in Annex A.

Box 1.4. Low-skill trap: A strong link between low skills and low participation in adult learning

That adults with low basic skills participate less in adult learning compared to higher skilled peers creates a vicious circle. Many studies have highlighted this, but among others:

- **The Social Mobility Commission's report the Adult Skills Gap** confirms that poorly qualified or poorly skilled workers have far fewer opportunities to participate in training, and employers offer them less training compared to highly qualified or skilled workers. The discrepancy between these two groups has hardly decreased over recent years. According to the report, the United Kingdom spent only two-thirds of the European average on budget for improving adults' skills. The report recommended that employers assess and address disparities in their own investment in training and focus on those in low-skilled roles.
- **The Review of Modern Working Practices** highlights that investment in training is falling and that many individuals in lower-paying, lower-skilled sectors have become trapped.

Source: Taylor, M. et al. (2017[49]), *Good Work: The Taylor Review of Modern Working Practices*, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/627671/good-work-taylor-review-modern-working-practices-rg.pdf; Social Mobility Commission (2019[50]), *The Adult Skills Gap: Is Falling Investment in UK Adults Stalling Social Mobility?*, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/774085/Adult_skills_report_2019.pdf
Green, A. (2016), *Low Skill Traps in Sectors and Geographies: Underlying Factors and Means of Escape*, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachm ent_data/file/593923/LowSkillsTraps-_final.pdf.

Key policies and programmes for improving the basic skills of workers in England

England has taken important steps to improve the skills of low-skilled workers, but more progress needs to be made

England has a long and impressive history of research, analysis and policy development related to basic skills development for adults. A series of key initiatives and reports have over the years highlighted the importance of skills, including the 2001 Skills for Life and the 2006 Leitch Review of Skills that recognised over a decade ago the importance of enhancing low basic skills and the risks of not doing so, and the 2010 Skills for Sustainable Growth. England's evidence base on adult skills and learning is one of the richest and most developed in the OECD, with numerous and detailed administrative datasets and surveys, from government and stakeholders. This has facilitated a wide-ranging and in-depth research agenda in the country.

In many ways reflecting this, a series of new measures and reforms have been introduced to address multiple policy challenges related to basic skills. These include:

- The National Retraining Scheme (NRS), which aimed to support adults to move into better employment through training and tailored advice and guidance (the NRS has been integrated into the National Skills Fund since October 2020).
- The introduction of legal entitlements through the Adult Education Budget (AEB) to fully funded basic skills training (including digital basic skills from August 2020) for eligible adults.
- The introduction of reformed Functional Skills Qualifications in English and maths.
- The Flexible Learning Funds (part of the Cost and Outreach Pilots) which funded projects that tested flexible and accessible ways of delivering learning to working adults with low or intermediate skills.
- The Cost and Outreach Pilots that tested which approaches to outreach are most helpful in engaging adults in learning.
- A trial to support those in work on low incomes to access the AEB, which commenced in August 2018 and has now become part of AEB mainstream funding policy.
- The devolution of approximately 50% of the AEB from the 2019-20 academic year.

The long-term effects of these efforts remain to be seen.

Over the past two decades, England has put strong national effort into enhancing the overall level of adult skills. Notably, 2001 Skills for Life and 2010 Skills for Sustainable Growth (Chapter 2) have been the leading skills policies, encouraging and enabling employers to invest not only in technical-occupational training, but also and increasingly in basic skills. Various experimental approaches provided lessons for current and future policies. The initial target of the Skills for Life was to improve the literacy and numeracy skills of 2.25 million adults over the age 16-65 in England by 2010 – this target was met by 2008 but with diminishing returns (Bathmaker, 2007[51]; House of Commons, 2009[52]).

In addition, the Leitch Review of Skills (Leitch, 2006[53]) recognised the importance of enhancing low basic skills and the risks of not doing so. The 2020 objectives mentioned in the review serve as a salutary reminder. Between 2005 and 2012 or 2017, there has been unsatisfactory progress in terms of adult basic skills compared with high-level skills (Table 1.2).

Table 1.2. 2020 objectives of the 2006 Leitch Review and its progress

	The 2020 objectives	Initial level in 2005	Recent assessment of the objectives
Adult basic skills	95% of adults to achieve the basic skills of functional literacy and numeracy	85% have functional literacy and 79% functional numeracy in 2005	Less than 75% of adults have basic skills or higher (PIAAC Level 1 or below) in 2011/12
	Exceeding 90% of adults qualified to at least Level 2 (see note)	69% in 2005	83% of population in England (aged 19-64) in 2017 (NQF Level 2).
High-level skills	Exceeding 40% of adults qualified to Level 4 and above (see note)	29% in 2005	44% of population in England (and the United Kingdom) (aged 19-64) in 2017 (NQF Level 4 or above).

Note: In the Leitch Review, Level 2 equates to five GCSEs A*-C or equivalent; Level 3 to two A levels; and Level 4 to a degree (or its vocational equivalent).
Source: Leitch, S. (2006[53]), *Leitch Review of Skills Final Report: Prosperity for All in the Global Economy - World Class Skills*, https://www.economy-ni.gov.uk/sites/default/files/publications/del/Leitch%20Report-Review%20of%20Skills.pdf, Department for Education, Education and training (2019[54]), Statistics for the UK: 2018 , https://www.gov.uk/government/statistics/education-and-training-statistics-for-the-uk-2018; NQF Level 4 from Department for Education (2018[55]), *Department for Education, Education and Training Statistics for the United Kingdom 2018* https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/757675/UKETS_2018_Text.pdf.

A more recent review – the Taylor Review of Modern Working Practices (Taylor et al., 2017[49]) – has important implications for developing adult basic skills in the workplace. It pointed out the declining level of training and investment for those employed[5] and outside work. It highlights the changes of work towards more precarious jobs (e.g. platform-based work, dependent contractors) and the importance of providing additional protections for this group and stronger incentives for firms to treat them fairly. Developing workplace health and raising the financial baseline of low-paid workers are also emphasised.

The most recent review – the Augar Review of Post-18 Education and Funding (Augar et al., 2019[56]) – examined the effectiveness and efficiency of public financial support available to the further education and skills and higher education sector. It highlights the importance of the further education (FE) sector as a key provider of basic skills (and other) training for adults, and recommends additional government support and capital funding to specific FE colleges, making the first 'full' Level 2 and 3 qualification available free to all adult learners irrespective of age or employment status, greater funding flexibility and stability for FE colleges, and investments in the FE workforce, among other things.

Several recent reforms and new policies will influence workers' basic skills

Recent reforms to upper secondary education, further education and skills, employment and industry policy explicitly or implicitly seek to prevent and/or rectify low basic skills among workers. Public funding entitles low-skilled workers to enrol in formal basic skills qualifications (English, maths and digital) free of charge, often in the context of vocational training.

Basic skills requirements for students have been strengthened

In 2015, England extended compulsory education, making participation in full- or part-time education and training compulsory for all young people aged 16 to 18 years old (Eurydice, 2020[57]). All students aged 16-19 on study programmes of 150 hours or more, who do not currently hold a General Certificate of Secondary Education (GCSE) grade 9-4 in maths and/ or English, are required to continue to study these subjects. Students with a prior attainment of grade 2 or below can study a Level 2 Functional Skills or a GCSE. Those with a grade 3 must study GCSE only. Finally, 16-19 year-old students undertaking the new T Levels[6] must also achieve a Level 2 qualification in English and maths by the time they complete the course (Department for Education, 2020[58]). GCSEs for English and maths were reformed, and first

awarded in their new form in 2017. Among the changes, the new GCSEs include more demanding content, and are no longer divided into different modules. Instead, they are now designed for a less-flexible two-year period of study and require learners to take all their exams at the end of the course.

Functional Skills Qualifications (FSQs) reform

Having reformed GCSEs, the government has reformed FSQs in English and maths to improve their rigour and relevance, and better meet employer needs for knowledge and skills. Functional Skills Qualifications are below the level of GCSEs. They aim to equip learners with the practical skills and confidence in English and maths which they will need for further study or employment (Eurydice, 2019[59]). The new FSQs in English and maths include much more specific common content aimed at increasing comparability between awarding organisations' qualifications. The content also reflects the Department for Education's curriculum intention that reformed FSQs should include assessment of underpinning skills. The Guided Learning Hours for FSQs have increased from 45 to 55 hours, and the new FSQs are regulated by the Office of Qualifications and Examinations Regulation (Ofqual) (Department for Education, 2019[60]).

The government is also reforming basic digital skills qualifications, introducing new Essential Digital Skills Qualifications (EDSQs). To support this, Awarding Organisations are currently developing EDSQs.

EDSQs are based on new national standards for essential digital skills, and designed to meet the diverse needs of adults with no or low digital skills, reflecting different learning needs, motivations and starting points. The reform of basic digital skills qualifications comes alongside the introduction of a new digital entitlement to fully fund digital skills qualifications at Entry Level and Level 1 for adults with no or low digital skills (the entitlement is available from August 2020). The government also supports basic digital skills training though the Future Digital Inclusion programme, delivered through the 5 000 organisations within the Online Centres Network,[7] which has supported over 1.4 million adults over the last six years to engage with digital technology and develop their digital skills in community settings. The government has also consulted on new Digital Functional Skills Qualifications (Digital FSQs) but has paused the publication of the consultation response.

Stronger basic skills requirements were introduced for adult apprenticeships

Apprenticeship reforms commencing in 2013 have strengthened basic skills requirements, including for adult apprentices. As a high and growing share of apprentices in England are adults (more than in most other OECD countries), these reforms directly affect many low-skilled workers. The reforms introduced new standards and more rigorous, independent assessment for apprenticeships, both designed with employers to meet their needs. Apprentices are now graded rather than simply passing or failing, and the English and maths requirements were strengthened (Department for Education, 2014[61]). Apprenticeships now require and support apprentices to achieve certain levels of basic skills (Level 2 English and maths, equivalent to GCSE grades A-C / 9-4, for apprenticeships Level 3 and above; and Level 1 English and maths for apprenticeships Level 2) if they have not already achieved these levels (Kuczera and Field, 2018[36]). Apprenticeships need to last a minimum of 12 months. The promotion of the benefits of apprenticeships to employers and potential apprentices has increased. The Apprenticeships Support and Knowledge for Schools and Colleges (ASK) programme – which is designed to give free support to develop and transform how students think about apprenticeships – is now in its fourth year, having a well-established support programme for employers.

Funding for basic skills development has been consolidated

Adults aged 19 and over have a legal entitlement to fully funded basic skills training (including digital basic skills from 1 August 2020) under the Adult Education Budget (AEB). The AEB was introduced in 2016/17 as a single funding stream to replace what had been three separate funding lines – funding for adult further education outside of apprenticeships (provided as part of the Adult Skills Budget); community learning;

and discretionary learner support. The AEB provides funds to further education colleges, higher education institutions, training organisations, and employers that have a funding agreement with the Education and Skills Funding Agency (ESFA). From 2019-20, approximately half of the AEB has been devolved to seven Mayoral Combined Authorities (MCAs) and delegated to the Mayor of London, working where appropriate through the Greater London Authority (GLA). The value of the AEB has been held constant in cash terms at GBP 1.34 billion between 2016-17 and 2020-21. The ESFA will continue to be responsible for funding learners outside the devolved areas.[8] The use of the Budget in devolved areas will depend on the priorities and plans of each Mayor's Combined Authority. Devolved authorities publish their own funding rules that will apply to providers[9] in receipt of devolved AEB funding for AEB delivery to residents in their areas.[10] However, the Department for Education will retain the power to specify which qualifications are part of the statutory entitlements. Outside of the statutory entitlements, the devolved authorities will be responsible for ensuring access to appropriate adult education provision to meet the needs of their area (Foster, 2019[62]).

Devolution of the AEB requires a comprehensive reporting system from the Mayor Combined Authorities. A data-sharing agreement was agreed between the Department for Education and ESFA and the devolved areas to ensure data consistency and security. The data collection includes participation and audit and assurance datasets, whereas learner data will continue to be gathered from providers in a national system via the Individualised Learner Record (ILR).

England also launched the Flexible Learning Fund in 2018, allocating GBP 11.7 million to 30 new projects. These projects are aimed at helping more adults learn new skills – both basic and technical – by testing different approaches to flexible learning (Department for Education, 2019[63]). Furthermore, the Universal Credit – the UK's main welfare policy – can support low-skilled workers to develop and use their skills. Universal credit was introduced in 2013 and is a benefit for working-age people, replacing six benefits and merging them into one payment. There were 2.6 million universal credit claimants as of October 2019, just over one third of whom were in employment. The Department for Work and Pensions has sought to support in-work progression for recipients to increase their earnings potential, including by improving progression pathways in sectors and work coach services (Department for Work & Pensions, 2018[64]).

The National Retraining Scheme has been integrated into the National Skills Fund

The National Retraining Scheme (NRS), an element of the UK Government's Industrial Strategy, aimed to prepare adults for future changes to the economy, including those brought about by automation, and help them retrain into better jobs. The government initially committed GBP 100 million to the development of the scheme. The NRS was led and overseen by the National Retraining Partnership that had participation from government, employers and trade unions (Department for Education, 2019[65]). As of 13 October 2020, the National Retraining Scheme is being integrated into the National Skills Fund (NSF). According to a recent communication, it will no longer continue as a separate programme but rather its work and learning will be rolled into the development of the NSF. The NSF will invest GBP 2.5 billion (GBP 3 billion included devolved administrations) to help adults learn new skills and prepare for the economy of the future. Work is progressing to develop detailed plans for the NSF (UK Parliament, 2020[66]).

New skills response to COVID-19 provides opportunities to upgrade skills

In response to the COVID-19 crisis, the Department for Education launched the Skills Toolkit in April 2020 – a new online learning platform to help people boost their workplace skills while staying at home. It covers a wide range of high quality materials to allow people to upgrade their digital and numeracy skills – from every day maths to learning to code. In its first month, the platform attracted over 418 000 views and there had been well over 136 000 starts of the courses that featured on the site. The Department for Education has conducted extensive user research and testing with learners and online training providers, which has generated valuable evidence. In light of the COVID-19 pandemic, the department extended user research

in order to explore the new barriers and opportunities that the pandemic has created for potential adult learners and providers.

Summary of the policy challenges and options

Using a large range of data sources, as well as inputs collected from stakeholders during experts meetings (see Box 1.5 and Annex B for more details) three policy areas for improving the skills of low-skilled workers were identified for this project:

1. Raising awareness about workers' basic skills in England (Chapter 2).
2. Making basic skills development more accessible to workers and employers in England (Chapter 3).
3. Making basic skills development more effective and relevant for workers and employers in England (Chapter 4).

Policy options and recommendations are identified under each of these themes to support England as it seeks to raise the skills of low-skilled workers.

Box 1.5. Methodology of this study

This study employed a four-stage methodology involving various sources (see Annex B for further details):

- The English Department for Education initially provided background information in response to an OECD questionnaire built for the review.
- An OECD team made two research visits on 22-25 May 2018 and 4-7 December 2018, during which they met with a wide variety of policy makers, employers, education providers, teachers, adult students and other stakeholders in the English adult learning system.
- An expert workshop was held in London on 25 January 2019 as part of the project. In order to confirm preliminary findings and recommendations of this report, the workshop gathered about 20 English experts including policy makers, practitioners and researchers in the field related to basic skills, and additional input came from experts in Norway and Germany as well as from the OECD.
- Desk-based analytical work reviewed policy and practice in England as well as across OECD countries on the basis of available evidence. The analytical work built upon insights from earlier OECD work on England. Major sources of data include the OECD Survey of Adult Skills (PIAAC), Adult Education Survey, published data from the Department for Education and available survey results including Skills and Employment Survey, Employer Skills Survey, Employer Perspectives Survey, Federation of Small Businesses (FSB) Skills and Training Survey, Unionlearn Survey and other available surveys.

Raising awareness about workers' basic skills in England (Chapter 2)

To be motivated to engage in learning, low-skilled workers (and their employers) must be aware of the nature and extent of their skills gaps, the costs and consequences of these gaps, and the potential benefits of (and opportunities for) addressing these gaps through learning. A range of evidence suggests that low-skilled workers are mostly motivated to participate in learning by the potential to improve their jobs and earnings. Employers are motivated by the pay-off to the firm, in terms of improving productivity, addressing skills gaps, meeting legislative requirements, etc.

Government departments, trade unions and providers in England have implemented some systemic and targeted initiatives to raise awareness about workers' basic skills. However, relatively few low-skilled workers and employers in England are convinced of the need, or aware of available support, to engage in basic skills learning. About half of England's low-skilled workers neither participate nor want to participate in education and training. Across the United Kingdom, only about 20% of low-educated workers consider literacy to be very important or essential for their jobs. Employers seem just as unconvinced. About a quarter of England's employers with a low-educated workforce consider staff to be fully proficient and do not provide training. Less than 5% of England's employers think that staff need to improve their basic skills (Winterbotham et al., 2018[46]). Furthermore, many employers in England are unaware of existing support measures and incentives, including the right of employees to request time to train. As suggested in England's own research (Kantar Public and Learning and Work Institute, 2018[48]), various policies will likely be required to convince workers (and employers) that the benefits of learning outweigh the costs.

Policy option 2.1: Setting and promoting the vision for raising the skills of low-skilled workers in England

Governments can use skills strategies and broad information campaigns to help raise awareness of the importance of skills development and use, including for workers' basic skills. In other countries such as Norway and Ireland, government and diverse stakeholders have developed a shared understanding of the importance and goals of raising the skills of low-skilled workers by adopting national skills strategies that incorporated a whole-of-government approach and strong stakeholder involvement and set the direction of adult education and training for individuals and employers. England could also benefit from establishing a clear vision and strategy for improving workers' basic skills, building on existing policy initiatives. Furthermore, England could better utilise awareness-raising initiatives, building upon the experience of past campaigns (e.g. for the 2001 Skills for Life strategy) and promising initiatives in other countries such as Portugal and Ireland.

The OECD recommends that:

- The government and stakeholders collaborate to establish England's vision and strategy for improving workers' basic skills. This could be part of a broader national skills strategy (e.g. as a standalone priority), or comprise a targeted strategy for basic skills. Drawing upon lessons from its own 2001 Skills for Life strategy, and recent strategies in Norway and Ireland, the government should convene key stakeholders to develop a shared vision and comprehensive strategy that: sets priorities and targets for basic skills development and other forms and types of adult education and training; establishes the importance of using adults' skills in workplaces; clarifies the main roles and responsibilities of each sector in adult learning; and establishes performance indicators and, where public funding is involved, accountability for implementation.
- The government and stakeholders actively promote England's vision and strategy for improving workers' basic skills. This could be part of a broader awareness raising campaign about skills, or more focused on workers' basic skills specifically. It should draw on the lessons of England's 2001 'Get On' campaign and 'Fire It Up' Apprenticeship Campaign, as well as international experience from Portugal and Ireland where multiple channels were used to deliver targeted messages to reach populations with low motivation and participation. The government, subnational authorities and social partners should be involved in designing, implementing and evaluating a multimedia campaign to raise awareness, which promotes i) the concepts, importance and benefits of lifelong and life-wide learning (including for basic skills); ii) available learning programmes and recognition of prior learning opportunities; and iii) career guidance services and funding support (including the Adult Education Budget). It could include a national award scheme that publicises stories of low-skilled workers and their employers successfully engaging in skills development.

Policy option 2.2: Identifying and understanding the learning needs of low-skilled workers, with improved analytics and assessment tools

Effectively identifying and understanding the learning needs of low-skilled workers complements broader awareness-raising efforts, and enables policy makers and service providers to better target outreach, guidance and information. Low-skilled workers are unlikely to identify themselves because they may not be aware of their lack of basic skills or may not wish this to be visible. England could build on the OECD's modelling of PIAAC data and its own analytics (e.g. enterprise segmentation) to identify and target the workers and employers who are most likely to have basic skills deficiencies. It could also draw on existing domestic tools for diagnosing low skills and understanding adults' learning needs and goals, and learn from more systematic efforts in Canada and France, to implement a large-scale solution of its own. Doing so will be critical for motivating more low-skilled workers to learn.

The OECD recommends that:

- Policy makers improve data analytics to better identify and target workers and employers who are most likely to lack basic skills. In order to target skills assessment tools and awareness raising efforts, policy makers should make better use of national and international data through diverse analytical approaches. This could involve the use of probability modelling to identify which workers and employers are most likely to lack basic skills as in the case of OECD PIAAC analysis, and segmentation techniques to target outreach and services based on the motivations, barriers and preferences of different groups of workers' and employers, building on England's experience with firm segmentation and adult learner typologies.
- The government and stakeholders support the widespread implementation of one or more tools to assess the basic skills development needs, and motivations and barriers of workers likely to have low basic skills. They could consider Unionlearn's SkillCheck tool, National Numeracy's tools, and even the OECD's Education & Skills Online assessment based on the OECD Survey of Adult Skills (PIAAC), while drawing on different but promising practices in France and Canada. Government and stakeholders should target the tool to those most likely lacking basic skills, based on the available data analytics. The government should consider whether mandating some form of skills assessment in low-skilled sectors is necessary.

Policy option 2.3: Providing tailored guidance and information to low-skilled workers and their employers

Targeted outreach, guidance and information for low-skilled workers and employers about basic skills complements broader awareness-raising efforts (policy option 2.1), and benefits from reliable information on the profile and needs of low-skilled workers to be effectively targeted (policy option 2.2).

Relatively limited tailored guidance and information is available to low-skilled workers and their employers, and more public support is necessary. While much information is available online, there is limited capacity for workers and employers to access personalised guidance and information, including face to face. Public employment service guidance counsellors are largely unavailable to low-skilled workers. In contrast, Denmark and Austria have centralised guidance and advisory services, which are available to low-skilled workers. Furthermore, England could more strongly promote the benefits of and opportunities for vocational training that is proven to develop basic skills, such as adult apprenticeships.

The OECD recommends that:

- The government expand publicly funded personalised career guidance and information services for low-skilled workers and their employers, in order to motivate basic skills development. Greater public investment could be directed to expanding the guidance services of Union Learning Representatives (ULRs), National Careers Service and/or Jobcentre Plus, for example. It could

involve investments in physical centres for guidance targeting low-skilled adults, as in Denmark and Austria. The government should continuously monitor the uptake and impact of face-to-face career guidance and information, to ensure it is effective in raising participation in basic skills development. England should also more actively promote vocational qualifications with basic skills content, such as intermediate level adult apprenticeships, as a promising mode for delivering basic skills to low-skilled adults and their employers.

Making basic skills development more accessible to workers and employers in England, United Kingdom (Chapter 3)

Motivating more low-skilled workers in England to develop basic skills requires more accessible and flexible learning opportunities. There are a range of opportunities that can be exploited in order to reduce barriers – and therefore increase access – to basic skills development, both for workers and employers. In general, these barriers can be divided into time-related barriers and cost-related barriers. Time-related barriers refer to the fact that those who are willing to participate in adult learning have no time for learning due to various responsibilities including work and family. Cost-related barriers, in the context of fully-funded basic skills entitlements in England, include the fact that employers might still need to find replacements for those who attend basic skills training and pay wages and associated costs if necessary.

The government has shown a commitment to removing cost related barriers not only by increasing funding and providing basic skills entitlements but also testing several pilots such as Cost and Outreach Pilots and the Flexible Learning Fund to foster a flexible and accessible learning offer. However, adult participation in basic skills training continues to decline, as many time-related barriers remain. In particular, individuals are unavailable during those times when education and training services are likely to be offering courses, and there is a lack of basic skills training courses that are organised in workplaces.

Policy option 3.1: Expanding the provision of basic skills training within workplaces

One way to tackle the time barriers to basic skills training of workers with low basic skills is to bring the training itself into the workplace. For those who are in work, the workplace is a familiar environment; the fact of learning basic skills with their colleagues in their workplace may facilitate initial participation, sustain participation and increase motivation. Unionlearn is a well-recognised actor in England in the promotion of learning in the workplace and in the improvement of workers' basic skills through effective means. The practice of Unionlearn is outstanding from the international point of view. Where Unionlearn is absent, other organisations – such as Jobcentre Plus (JCP), the country's public employment service (PES), and training providers – can play a role in facilitating basic skills training in workplaces. In several countries such as Estonia, Flanders (Belgium) and Germany, PES are beginning to play a greater role in strengthening training for low-skilled workers, in particular under the current COVID-19 crisis where many workers are (temporarily) displaced.

The OECD recommends that:

- The government improve the sustainability of Unionlearn by building upon its recently implemented multi-year funding model and preventing decreases in funding, with an aim of increasing funding in the future. The government should also make sure that the devolution of the Adult Education Budget includes provisions for Union Learning Representatives to continue to attend trade union education college training courses, regardless of geographic catchment area. Employers should actively engage with Unionlearn by entering into learning agreements to support Unionlearn efforts in order to encourage workers to take advantage of their training rights and opportunities.
- The government enable JCP to expand its service offerings to employed individuals, and low-skilled workers in particular, to assist them in taking advantage of basic skills entitlements. The Department for Work and Pensions should co-ordinate with the Department for Education with

regards to JCP's expanded role. The Department of Work and Pension should also take steps to promote the Flexible Support Fund for this purpose and monitor the extent of uptake and the purpose for which it is used by individual Jobcentres.

Policy option 3.2: Expanding the supply of flexible and non-formal basic skills programmes for low-skilled workers

A second approach to increase accessibility is to expand the supply of flexible basic skills programmes for low-skilled workers. Flexibility in adult learning allows people to initiate and maintain engagement in learning under atypical circumstances. The provision of basic skills in a flexible manner – through providing options such as distance learning, community learning and formal and non-formal learning as well as shorter, part-time and modularised courses – has the potential to attract more adults who face barriers in upskilling, in particular those in work. England has a series of existing initiatives that aim to promote flexible learning opportunities such as National Numeracy, the devolution of the Adult Education Budget and the Flexible Learning Funds Pilots and Cost and Outreach Pilots. However, there are opportunities for improvement and international practices can provide good examples. For example, in Flanders (Belgium), Germany and Ireland, modularised adult education that provides the learners with the autonomy to decide the timing and duration of learning, as well as type of delivery (e.g. face-to-face instruction, distance learning or independent learning at home or in an open learning centre) can increase both the flexibility and accessibility of formal basic skills programmes for workers. Innovative non-formal basic skills programmes are offered in Germany through online work-related content and multimedia targeting specific low-skilled occupations, in Switzerland through in-company training during working hours and in the United States through highly modularised micro-lessons and game-based learning programmes.

The OECD recommends that:

- The government support training providers to deliver formal basic skills programmes more flexibly to low-skilled workers, promoting online, hybrid, modular, credit-based, part-time or weekend courses as part of basic skills entitlements. Given that developing flexible programmes at the level of individual providers may be inefficient, the government could consider funding and facilitating the scaling up and dissemination of such initiatives, including projects funded and deemed successful under the Flexible Learning Fund pilots. The Office for Standards in Education, Children's Services and Skills could monitor the quantity and quality of such flexible provision as part of its annual inspection.
- The government support the increased provision of flexible non-formal basic skills programmes for low-skilled workers. The government should expand public funding for flexible non-formal courses. For example, conditions for learning in non-regulated English and maths programmes to be eligible for funding from the Adult Education Budget could be relaxed, to include high quality non-formal provision. Successful examples of non-formal provision of basic skills under the Flexible Learning Fund could be scaled up and disseminated with support from government. The government should consider how to best assure the quality of non-formal basic skills programmes that receive public funding, building on Ofsted expertise and the Learning and Work Institute's research into quality assurance of non-regulated provision.

Policy option 3.3: Extending training leave entitlements to low-skilled workers in SMEs

Finally, education and training leave can ensure that workers – including the low-skilled – have the right to put aside sufficient time for training. While training leave should help workers who are less likely to take time off for training, the current statutory training leave scheme in England does not sufficiently serve to enhance the basic skills of employees as it is unpaid and limited to large organisations. These conditions are restrictive compared with other OECD countries, and in fact the United Kingdom is particularly unique in that the current scheme is restricted to large organisations. Most schemes in European Union (EU)

countries do not distinguish between beneficiaries on the basis of company size. Moreover, there are examples of preferential treatment towards SME employees. In Korea, for instance, training leave for small companies (with fewer than 150 employees) is paid from public resources. In addition, the most common target group of training leave schemes among EU countries is low-skilled employees. Although sectoral and regional efforts do exist in England to compensate costs for promoting the use of training leave, a more strategic, national approach may help increase accessibility of basic skills development for low-skilled workers, such as done in Canada, Denmark, Flanders (Belgium) and Switzerland.

The OECD recommends that:

- The government extend the current statutory training leave to small and medium-sized companies, to support the skills development of low-skilled workers. This could begin with a pilot scheme in a low-skilled sector. The government should better promote and raise awareness of training leave (see Chapter 2). It should then monitor and evaluate the uptake and impact of training leave, in particular its use by low-skilled adults for training partly or fully targeting basic skills. In the long-term, the government should consider extending training leave to low-skilled workers on non-standard forms of work, such as zero-hour contracts.
- The government provide compensation to smaller-sized employers whose workers utilise training leave for basic skills development. The government should provide means to reasonably compensate employer costs related to employee training leave (e.g. the costs of replacing workers on training leave) – as well as the employee opportunity costs (e.g. foregone income). The government should consider whether this could be funded by surpluses in the Adult Education Budget or Apprenticeship levy. Funding for training leave for low-skilled workers in SMEs to take basic skills courses could be tied to the requirement to collect and provide information on the uptake of the training leave. The Individualised Learner Record could also collect data on learners on training leave more systematically through providers.

Making basic skills development more relevant for workers and employers in England, United Kingdom (Chapter 4)

Motivating more low-skilled workers in England to learn requires not only raising awareness and offering more accessible learning opportunities, but also providing more effective and relevant basic skills programmes. One reason low-skilled workers may lack motivation to develop their skills is that basic skills programmes may not be highly effective in improving workers' skills levels or career prospects.

Official inspections of further education and skills providers suggest that publicly funded basic skills programmes have faced quality problems. For low-skilled workers who do not participate in learning, problems with the job relevance of available training appear to be a key barrier. Employers in England report that the effectiveness and relevance of available education and training are relatively minor barriers to providing training. However, employers use the basic skills of low-skilled workers less frequently than higher-skilled workers, which can demotivate workers from learning and limits the benefits workers and employers realise from skills development. Longitudinal research in England has found that basic skills training can lead to skills or career improvements, but has not done so consistently for all participants.

Policy option 4.1: Tailoring basic skills content and programmes to low-skilled workers' vocational contexts

Tailoring basic skills programmes to low-skilled workers' work contexts, and embedding it into vocational training can make it more relevant, attractive and ultimately effective for low-skilled workers. Under such a 'contextualised' approach, basic skills can be acquired in the context of learning occupational skills. Contextualising basic skills content can have several benefits, in terms of engaging and retaining low-skilled adult learners; improving their attitudes towards learning and self-confidence, and resulting in the skills that are used and maintained in the workplace. However, 'contextualised' learning may be relatively

costly to deliver, often requiring both vocational and basic skills teachers to deliver course content in a co-ordinated manner (see policy option 4.2).

Publicly-funded basic skills programmes in England have standardised, generic content. Although achieving functional skills in English and maths is mandatory within some vocational qualifications (apprenticeships), adult learners are required to complete the same curriculum as school students and those from other sectors. Data are lacking on the extent to which contextualisation of basic skills is taking place, but for the most part providers do not seem to be adapting the content of basic skills programmes (GCSEs, functional skills qualifications, stepping stone qualifications) to the vocations of adult learners. This appears to be hindering participation, retention and completion by low-skilled workers. However, there are some very promising examples in England, such as the Army's contextualised approach to literacy training. Practices from Norway and the United States could serve as the basis for further progress in England.

The OECD recommends that:

- The government and stakeholders increase support for, and improve data on, contextualisation of basic skills content within vocational qualifications: The government should work with representatives of awarding bodies, providers and teachers to understand and reduce barriers to contextualised basic skills training for employed adult learners. England should consider pilots to contextualise GCSEs, functional skills and/or stepping stones to specific sectors, qualifications or trades. Sector bodies, employers and learners should be consulted in the design of such content. The government should ensure public funding is available to support contextualised learning of basic skills and offer guidance and promote providers' engagement with employers and learners to better contextualise basic skills programmes. Ofqual and Ofsted should improve monitoring of the extent and impact of embedded and contextualised basic skills content in vocational qualifications, starting with adult apprenticeships in low-skilled sectors and occupations.

Policy option 4.2: Strengthening the capacity of further education teachers to deliver flexible and tailored basic skills development programmes

Well trained and supported teachers are critical for ensuring basic skills programmes are effective and relevant for low-skilled workers. Effectively teaching basic skills to adults is complex and time-consuming, often requiring formative assessment, e-learning, and contextualisation and embedding of basic skills content. Teachers typically need to build on learners' experience, facilitate reciprocal teaching between learners, and link exercises to learners' contexts to achieve the best results. Qualified teachers who regularly assess learning progress to adjust teaching and who have professional development opportunities have been shown to be important for learners' progress. Vocational teachers may need to work together with specialist basic skills teachers to get the best results.

England's adult education teaching workforce faces capacity and skills constraints to deliver flexible and tailored basic skills training to low-skilled adults. Few teachers have acquired England's professional qualifications for basic skills in further education. Opportunities and incentives for engaging in professional development and specialising in basic skills instruction are limited, especially for the many volunteer teachers involved in the sector. Competition from other sectors has limited the expansion and specialisation of further education teachers of basic skills. England has taken steps to professionalise and expand the basic skills teaching workforce, and recently announced a major package to help further education providers across the country recruit, retain and develop excellent teachers. It will be important for this measure to give sufficient attention to basic skills teaching, building on the lessons of England's past workforce programmes and other OECD countries.

The OECD recommends that:

- The government ensure that the new package for strengthening the further education workforce also targets basic skills teaching specifically. Drawing on the experience of the previous Further Education Workforce Programme, the government should ensure that the new multi-million pound package for strengthening the further education workforce also targets and improves attraction and retention of, and initial training and professional development for basic skills teachers. As part of this, the government and further education stakeholders should raise awareness of qualifications, continuous learning and incentives for basic skills teachers. England should consider developing higher level qualifications for teaching adults English and maths, similar to Norway's approach, to help improve quality and relevance in delivery of basic skills. It could seek to expand uptake of qualifications for teaching basic skills to adults through efficient and effective recognition of prior learning, as in Austria. Finally, the government should ensure funding of vocational programmes is sufficient to allow both high-quality vocational content and highly tailored basic skills content in vocational programmes.

Policy option 4.3: Using and rewarding workers' basic skills more effectively in workplaces

How effectively employers encourage and reward the use of basic skills affects how relevant and attractive basic skills development is to low-skilled workers. The effective use of skills in workplaces has potential benefits for employers, employees and society as it can raise workers' productivity, wages and job satisfaction. Using workers skills not only makes the most of the initial investment in skills development, but also limits the depreciation and obsolescence of unused skills.

In England, low-skilled workers' skills are not effectively utilised in workplaces or consistently leading to career improvements. This limits the attractiveness of learning for individuals and the benefits accrued by them and their employers. Low skills use partly reflects the lack of practices known to positively affect workplace performance – namely high-performance workplace practices (HPWP) that include work flexibility and autonomy; teamwork and information sharing; training and development; and benefits, career progression and performance management. According to the 2017 Employer Skills Survey, employers with a low-educated workforce are the least likely to implement HPWP. The previous UK Futures Programme (UKFP), and initiatives in Belgium and Singapore, provide potential models for assisting low-skilled workplaces to increase HPWP and skills use, thereby encouraging investments in basic skills. In addition, too many managers themselves lack high levels of skills, especially in SMEs, which in turn limits HPWP implementation and skills use. England could consider more proactive measures to build leadership skills in SMEs, which in turn raise enterprise support for upskilling, as in other OECD countries such as Poland.

The OECD recommends that:

- The government and social partners support employers of low-skilled adults to adopt high performance work practices and provide career progression pathways. To complement the guidance and other services available to low-skilled workers receiving Universal Credit, the government and social partners should support employers of low-skilled workers to adopt HPWP and develop career progression pathways. This support could come in the form of information and guidance, toolkits, and/or subsidies for services such as HR consultancy, building on the experience of the UK Futures Programme (UKFP), Flanders (Belgium) and Singapore. It could be piloted for SMEs in sectors with high numbers of low-skilled adults, such as wholesale and retail trade, with strong involvement from sectoral bodies and associations.
- The government and social partners promote and increase support for professional development for managers in SMEs in low-skilled sectors. Government and social partners should seek to raise SMEs awareness of the importance and benefits of, and opportunities for basic skills training for low-skilled managers, as well as management training specifically (see Chapter 2). They could introduce sector level solutions with public contributions to fund such training, which will need to

be accessible (see Chapters 3) and relevant (see Chapter 4) to managers. The support could focus on employers with the largest management skill challenges (micro and small sized firms) in sectors with many low-skilled adults (e.g. wholesale and retail, human health and social work activities).

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Notes

[1] PIAAC data shed light on the relationships between an individual's skills (literacy, numeracy and problem-solving), their qualifications, and their employment outcomes.

[2] This is also the case for large firms compared with small and medium-sized enterprises (EIB, 2018[13]).

About a quarter of firms in the European Union (26%, compared with 28% in the United States) state that it is hard to find candidates with basic literacy and numeracy skills for lower-level occupations, which may point to some gaps in basic skills (EIB, 2018[67]). No information was available for the United Kingdom separately.

[3] Based on analysis of OECD data on Internet use for various tasks such as consulting online source, taking an online course (in any subject), or using basic arithmetic formulas in a spreadsheet.

[4] *Formal learning*: learning through a programme of instruction in an educational institution, adult training centre or in the workplace which is generally recognised in a qualification or certificate. *Non-formal learning*: learning through a programme or training course that is not usually evaluated and does not lead to certification, for example: courses through open and distance education; organised sessions for on-the-job training or training by supervisors or co-workers; seminars, workshops or private lessons. *Informal learning*: learning, typically unstructured, resulting from daily work-related, family or leisure activities, for example: learning by doing a task, learning from colleagues and supervisors or the need to learn new things to keep up with one's occupation.

[5] The number of employees working fewer hours due to attending a training course has declined from 140 000 in 1995 to 20 000 in 2014.

[6] T Level is a technical equivalent of A Levels combining classroom theory, practical learning and industry placement that will be introduced in 2020-21.

[7] The Online Centres Network is co-ordinated by the Good Things Foundation, a charity that supports socially excluded individuals to improve their lives through digital skills. Its online learning platform, Learn My Way, is employed towards the goal of providing thousands of people with a clear path to learn the digital skills they need the most.

[8] More information, see the UK Government's devolution guide.

[9] That is to say, colleges, higher education institutions, training organisations, local authorities and employers who receive ESFA-funded AEB to deliver education and training to learners.

[10] This excludes the traineeship programme for 19-24 years old, 2018 to 2019 continuing learners, and learners who attend a provider that will be funded nationally because they meet the criteria above. For a period of two years (2019-21), providers will be funded nationally if they: i) qualify for a financial residential uplift for their learning provision; ii) receive more than two thirds of their income from AEB funding; iii) predominantly target the most disadvantaged learners (ESFA, 2019[68]). See funding rates and formula 2019 to 2020 guidance.

2 Raising awareness about workers' basic skills in England, United Kingdom

Raising awareness about the benefits of and opportunities for improving workers' basic skills is the first step to motivate more low-skilled workers and employers to engage in learning. This chapter explores three policy options for raising awareness about workers' basic skills in England (United Kingdom): 1) setting and promoting the vision for raising the skills of low-skilled workers; 2) identifying and understanding the needs of low-skilled workers more systematically; and 3) providing targeted guidance and information to low-skilled workers and their employers.

Key findings and recommendations: Raising awareness about workers' basic skills

To be motivated to engage in learning, low-skilled workers (and their employers) must be aware of the nature and extent of their skills gaps, the costs and consequences of these gaps, and the potential benefits of (and opportunities for) addressing these gaps through learning.

However, relatively few low-skilled workers and employers in England are convinced of the need and value of investing in basic skills. Furthermore, they are often unaware of the programmes and public support available to them. England can build on some promising practices of its own, as well as various international practices, in order to raise awareness.

Policy makers and social partners in England today lack a shared understanding of the importance of and goals for raising the skills of low-skilled workers, partly reflecting the absence of a clear vision and strategy for skills. England could draw upon lessons from its own 2001 Skills for Life strategy, and recent strategies in countries like Norway and Ireland, to set and promote this vision.

England could more effectively identify which workers are low-skilled, and what their learning needs and goals are. The country has a rich array of skills data and assessment tools, but these are not utilised to their potential. Building on the analytical insights of the OECD Survey of Adult Skills, a product of the Programme for the International Assessment of Adult Competencies (PIAAC), and existing tools from England, Canada and France, England could more systematically identify and understand the needs of low-skilled workers.

Most employers in England do not seek or receive advice on skills and training related issues, especially in some low-skilled sectors. A wide range of non-government and public guidance services are currently available in England, but provision is fragmented and not consistently tailored. The examples of Union Learning Representatives in England and centralised guidance services in countries like Denmark and Austria could inform England's efforts to strengthen outreach and guidance to low-skilled workers.

Policy options	Policy recommendations
2.1 Setting and promoting the vision for raising the skills of low-skilled workers	• The government and stakeholders should collaborate to establish and actively promote England's vision and strategy for improving workers' basic skills. These efforts could be part of a broader skills strategy and awareness raising campaign.
2.2 Identifying and understanding the needs of low-skilled workers	• Policy makers should improve data analytics to better identify and target workers who are most likely to lack basic skills and their employers. • The government and stakeholders should support the widespread implementation of tools to assess the skills development needs, motivations and barriers of workers likely to have low basic skills.
2.3 Providing tailored guidance and information to low-skilled workers and their employers	• The government should expand publicly funded personal career guidance and information services for low-skilled workers and their employers, in order to motivate basic skills development.

The importance of raising awareness about workers' basic skills in England

To be motivated to engage in learning, low-skilled workers (and their employers) must be aware of the nature and extent of their skills gaps, the costs and consequences of these gaps, and the potential benefits of (and opportunities for) addressing these gaps through learning.

Individuals can have both intrinsic motives to engage in learning (e.g. learning for its own sake or socialising) and extrinsic motives (e.g. economic benefits, obliged by law or employer, professional, personal). Evidence suggests that low-skilled learners in particular tend to be motivated to engage in learning more by extrinsic motivators (e.g. career progression or better pay) than by intrinsic motivators (e.g. personal aspirations for learning) (Windisch, 2015[1]). Internationally comparative data such as the OECD Survey of Adult Skills (PIAAC) and the European Union (EU) Adult Education Survey also show that the biggest motivation of participating in training is the improvement of job and career prospects (OECD, 2019[2]). Raising awareness about these extrinsic benefits is essential for motivating low-skilled workers to learn.

Employers may be motivated by the need to address skills shortages; retain talented workers; improve productivity, creativity, innovation and profitability; or meet legislative requirements. To be convinced of its value and be willing to invest in training despite its cost and the time off required, employers will want to know the impact of basic skills provision in terms of productivity, staff turnover, and staff understanding of health and safety information. Employers want to see concrete results after employees complete basic skills courses, such as improved communications, higher levels of understanding of safety and health guidance, and ultimately higher levels of productivity. They also want to know how long it will take to recoup investment in basic skills training (Reder, 2015[3]).

Employers also require reassurances about other concerns. For example, returns to basic skills training may not be clear to workers or employers, compared with either training for high-skilled workers or technical skills training. Although the returns to literacy and numeracy proficiency of low-educated workers in England are relatively high, their returns are still lower than those of the highly educated. The wage increase associated with a unit increase in skills among the highly educated is 6 percentage points higher than among the low educated, and this gap is higher than the average gap of the 22 countries in the survey (OECD, 2016[4]; OECD, 2013[5]). Additionally, employers may be concerned about the poaching of trained workers. Here, the evidence suggests that such concerns may be unwarranted – for individuals, workplace training is associated with longer job tenure and reduced probabilities of quitting the firm, and with lower labour turnover for the company as a whole (Ananiadou, Jenkins and Wolf, 2003[6]).

Individuals' and employers' perceptions of the potential benefits of engaging in basic skills learning depend on many factors. England's own research found that adults go through four stages of decision-making with respect to learning – pre-contemplation, contemplation, determination, and maintenance – and face 12 main influences on whether and how they engage with and stay in learning, to varying degrees over these stages (Kantar Public and Learning and Work Institute, 2018[7]). These include their perceptions about their learning needs and future skills needs, as well as the availability, quality, relevance and cost of training. Policy makers have an important role in assuring the accessibility and relevance of basic skills learning (see Chapters 3 and 4). In addition, public authorities, social partners, learning providers and career guidance professionals must actively raise awareness of the importance and benefits of, and opportunities for improving the skills of low-skilled workers.

Various policies can be effective in raising the awareness and motivation of low-skilled workers to participate in education and training. These include raising awareness about the benefits of adult learning, engaging social partners to promote learning, and providing targeted guidance to adults about learning opportunities (European Commission/EACEA/Eurydice, 2015[8]). Convening key stakeholders to develop a vision and strategy for skills development can also be a powerful tool for raising the profile of the skills agenda, and building a shared understanding about a country's key skills challenges and opportunities.

Current responsibilities and initiatives for raising awareness in England

As in other OECD countries, responsibility and initiatives for raising awareness about workers' basic skills in England are not clearly defined and are shared across different departments, levels of government and social partners.

- The Department for Education (DfE) is responsible for teaching, learning and training for adults in apprenticeships, traineeships and further education. It develops and promotes strategic and operation policy for developing adults' skills. One of DfE's priorities in the area of "Post-16 and skills" is to improve the quality of careers advice and guidance, including for adults, so that they are aware of the breadth of opportunities available to them. The DfE is supported by numerous agencies, public bodies and non-ministerial departments, and works closely with local authorities as well as professionals in further education and skills institutions (Department for Education, n.d.[9]).
- The ESFA brings together the former responsibilities of the Education Funding Agency (EFA) and Skills Funding Agency (SFA) to create a single agency accountable for funding education and skills for children, young people and adults. The ESFA is accountable for funding for the education and training sector and operates key services in the education and skills sector, such as the National Careers Service, the National Apprenticeship Service and the Learning Records Service.
- The National Careers Service offers free and impartial information, advice and guidance to help residents of England with decisions about careers, courses and work. Its online career tools include: over 800 job descriptions covering average pay, relevant courses and skills for the job and where the job can lead; two online skills assessments for users to learn more about their career skills, strengths and motivations; and a "Find a course" database for learning and training opportunities offered by providers contracted with the Education and Skills Funding Agency. This includes college courses, apprenticeships and GCSEs (General Certificate of Secondary Education), among others. Moreover, users can contact qualified career advisers to receive support and have their question answered via phone, webchat or face to face.
- The National Apprenticeship Service provides support and funding for apprenticeships including a portal for learners to find apprenticeships, register and submit an application, but also for employers to find detailed information and guidance on offering apprenticeships (UK Government, n.d.[10]).
- The Department for Business, Energy & Industrial Strategy (BEIS) is responsible for business and industrial strategy. It develops and promotes strategic and operation policy for developing adults' skills. As part of its objective to deliver an ambitious industrial strategy, the BEIS seeks to ensure that the UK workforce meets the skills needs of the economy by working with the Department for Education (DfE) to establish a world-class technical education system.
- The Department for Work & Pensions (DWP) is responsible for welfare policy in England. Among their priorities, they provide mentoring and coaching to individuals to find employment and achieve financial independence. This translates into services to find, prepare for and apply to jobs, such as the Find a Job service which replaced Universal Jobmatch. Jobcentre Plus (JCP) helps those who need support and refers to active labour market policy measures and administers the benefit system.
- Unionlearn is the learning and skills organisation of the Trades Union Congress (TUC), assisting unions in the delivery of learning opportunities for their members (Unionlearn, n.d.[11]). Unionlearn provides information on different aspects of job-related practices, like apprenticeships, and barriers to learning. Moreover, it provides information on how to support learners in strengthening their basic English, maths, information and communications technology (ICT), and functional skills.

England's performance at raising awareness about workers' basic skills

The available data suggest that relatively few low-skilled workers and employers in England are convinced of the need and value of investing in basic skills. Furthermore, they are often unaware of the programmes and public support available to them.

England has much potential to demonstrate the benefits of basic skills

The UK Employers Skills Survey is one of the largest employer surveys in the world, providing information on workforce profile, employer training provision, employer perception on skills and training. Other surveys – such as the Employer Perspective Survey, Education and Skills Surveys, Skills and Employment Survey – also provide valuable information on how employers perceive and react to skill needs. In addition, England has one of the most extensive databases on adult learners among OECD countries. For example, Individualised Learner Record (ILR) and Longitudinal Education Outcomes (LEO) data provide policy makers with useful insights into aspects of adult learning, including basic skills. ILR is the primary data collection requested from learning providers for further education and work-based learning. It allows the government to monitor policy implementation and the performance of the adult learning sector. It is also used by organisations that allocate funding for further education. Using administrative data, the LEO dataset provides information on the labour market outcomes of UK graduates over time, including employment and earning; these data were first published in 2016. There are also a number of government-commissioned studies, including those conducted by the Behavioural Insights Team that develop and test behavioural interventions to improve participation and completion of mathematics and English courses (Hume et al., 2018[12]; Booth, 2017[13]),[1] and broader studies to understand adults' experiences of and decisions about learning (Kantar Public and Learning and Work Institute, 2018[7]).

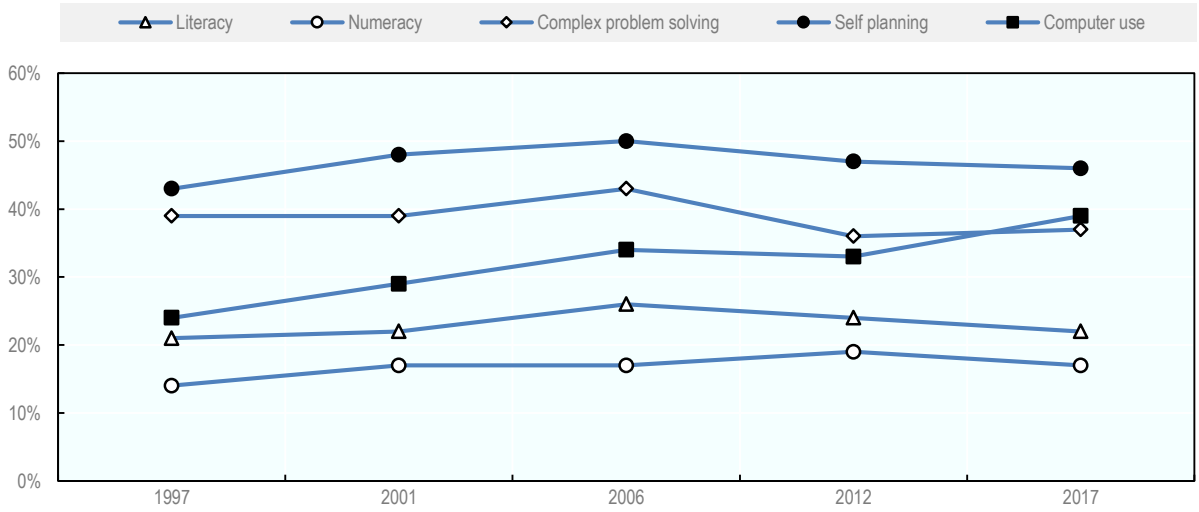
Yet many low-skilled workers seem unaware of the importance of basic skills

As noted earlier (Chapter 1), many low-skilled workers in England lack motivation to learn. About 51% of low-skilled workers in United Kingdom in the 2017 Skills and Employment Survey stated that they neither participated, nor wanted to participate in learning. Furthermore, few low-educated workers in the survey consider literacy and numeracy important to their jobs (Figure 2.1). Low-educated workers across the United Kingdom consider numeracy and literacy to be "essential" or "very important" in only about 15% to 20% of jobs. In contrast, workers consider self-planning to be the most important general skill, while the importance of computer use is growing steadily.

Relatively few low-educated workers search for information on learning possibilities. According to the 2016 Adult Education Survey, only about 21% of low-educated adults (with less than an upper secondary education) in the United Kingdom searched for information on formal and non-formal education and training in 2016 while twice as many (42%) highly-educated adults (with a tertiary qualification) searched for such information. Many submissions received during England's Business, Innovation and Skills Committee inquiry into Adult Literacy and Numeracy also highlighted that too few adults know that there is free provision for English and maths training, up to and including GCSE level (House of Commons, 2014[14]).

Figure 2.1. Relatively few low-skilled workers consider literacy and numeracy vital to their jobs

Share of low-educated workers who report basic skills are "essential" or "very important" for their jobs, United Kingdom, 1997-2017



Note: Low-educated workers have no qualification or GCSE D-G/ NVQ level 1.
Source: Based on Henseke et al. (2018[15]), *Skills Trends at Work in Britain – First Findings from the Skills and Employment Survey 2017*, https://www.cardiff.ac.uk/__data/assets/pdf_file/0011/1229834/2_Skills_at_Work_Minireport_Final_edit.pdf.

StatLink https://doi.org/10.1787/888934220363

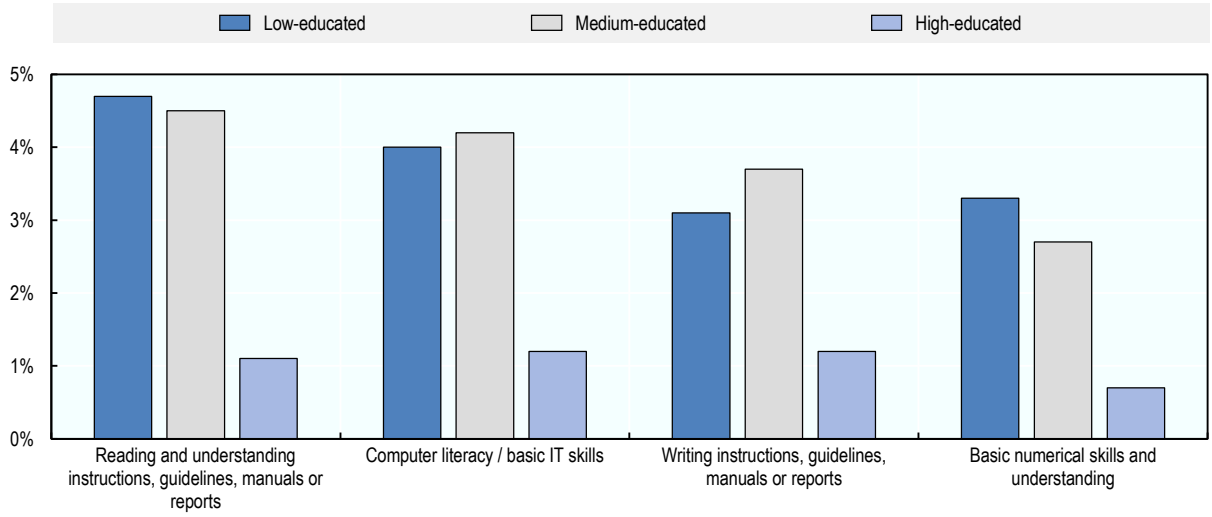
Employers lack awareness of the importance of raising workers' basic skills

Many employers see no need for training. While not specific to basic skills training, about 40% of England's employers with a low-educated workforce did not fund or arrange training for staff over the past 12 months, according to the 2017 Employer Skills Survey (Winterbotham et al., 2018[16]). By far the main reason employers gave for this was "All our staff are fully proficient / no need for training" (68% of employers). While this could reflect a good fit between workers' skills and job requirements, it may also reflect that employers are simply unaware of workers' basic skills gaps and/or see no economic benefits to investing in them.

Very few employers perceive that workers lack the basic skills needed in the job, in contrast to PIAAC evidence and, to some extent, employee's own perceptions. As noted in Chapter 1, the importance of basic skills in England's labour market is growing, while according to PIAAC, one in five working adults have low levels of skills. PIAAC analysis estimates that about 7% of workers in England lacked the numeracy skills required for their job, above the OECD average of 4% (OECD, 2016[4]). In contrast, only 3% to 5% (20 000-30 000) of employing establishments in England with a low educated workforce (where less than 20% of staff have a Level 4 qualification or above) report that workers need to improve their basic skills (Figure 2.2). Furthermore, almost half of enterprises do not value a certified English and maths GCSE A*-C when assessing potential new recruits (Shury et al., 2017[17]), and this rate is higher in lower-skilled sectors.

Figure 2.2. Very few employers in England perceive that workers lack basic skills needed for the job

% of all employers reporting that basic skills need improving, by type of skill, and workplace education level, England, 2017



Note: In low-educated workplaces (where less than 20% of staff have a Level 4 qualification or above), about 37% of workers who have a skills gap(s), have a skills gap(s) in "Reading and understanding". Medium-educated (high-educated) workplaces are where 20-80% (more than 80%) of staff have such a qualification.
Source: Based on Winterbotham et al. (2018[16]), *Employer Skills Survey 2017 Research Report*, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/746493/ESS_2017_UK_Report_Controlled_v06.00.pdf.

StatLink https://doi.org/10.1787/888934220382

Most employers are unaware of key public support available for upskilling low-skilled workers. According to England's Employer Perspectives Survey (EPS) 2016, about 60% of employers in England are not aware of any of the following services – Union Learning Fund, National Skills Academy, Growth Accelerator or the Right of employees to request time to train. Even fewer employers in low-skilled sectors are aware of these services (Institute for Employment Studies, 2017[18]). It is unsurprising, therefore, that only 3% of employers in England had used any of these services.

Employers may be disengaged from developing the basic skills of their employees for multiple reasons (Booth, 2017[13]; Windisch, 2015[1]). Workers and employers may have limited understanding of the amount of basic skills required to perform at work, or to secure other employment (Department for Business, Innovation and Skills, 2016[19]).

Employers consider basic skills to be less important than technical skills (Winterbotham et al., 2018[16]; Winterbotham et al., 2020[20]). Basic skills may be seen as important but not in isolation of vocational skills (Department for Business, Innovation and Skills, 2016[19]). Employers may not feel responsible for workers' basic skills, if they believe that basic skills should have been taught and learned in initial education. Employers have often used 'work arounds' to avoiding dealing with employees with low basic skills rather than identifying the issue and seeking a solution (Booth, 2017[13]).

At best, this puts employees in the situation of having to improve their basic skills without formal support from employers, and at worst it discourages them entirely. In the context of decreasing employer-provided

training and employee time spent in training in England (GLA Economics, 2018[21]; Winterbotham et al., 2018[16]; Winterbotham et al., 2020[20]), basic skills could become even more neglected.

Against this backdrop, raising low-skilled workers' and employers' awareness about the nature and extent of their skills gaps, the costs and consequences of these gaps, and the potential benefits of (and opportunities for) addressing them, is essential for England.

Policy options for raising awareness about workers' basic skills in England

According to available data and evidence on awareness about workers' basic skills in England, as well as the insights provided by experts in England consulted during this project, a range of factors likely inhibit awareness about the importance of, and opportunities for raising the skills of low-skilled workers in England. England lacks a clear and shared vision for raising the skills of low-skilled workers, to help make the issue a priority for government, social partners and workers. Tools and services for identifying and understanding the needs and learning goals of low-skilled workers (and their employers) have some limitations. The availability of high-quality, targeted guidance and information to low-skilled workers (and their employers) is limited.

England has opportunities to raise awareness about workers' basic skills by:

1. Setting and promoting the vision for raising the skills of low-skilled workers in England.
2. Identifying and understanding the needs of low-skilled workers.
3. Providing targeted guidance and information to low-skilled workers and their employers.

Policy option 2.1: Setting and promoting the vision for raising the skills of low-skilled workers in England

Governments can use skills strategies and broad information campaigns to help raise awareness of the importance of skills development and use, including for workers' basic skills. Policy makers and social partners in England require a shared understanding of the importance and goals of raising the skills of low-skilled workers, which could be fostered by a clear vision and strategy for skills.

Convene stakeholders to establish England's vision for improving workers' basic skills, as part of a national skills strategy

Governments can use skills strategies to help raise awareness of the importance of skills development and use, including for workers' basic skills. By involving key stakeholders in the strategy development and implementation, governments can articulate and raise awareness of skills challenges and opportunities; the goals, priority groups and targets for intervention; and roles and responsibilities for achieving those targets. Strategies of this sort can also help co-ordinate the efforts of different government departments, levels of government and social partners, leading to more coherent and effective skills development policies.

Stakeholders interviewed during the OECD review visits noted that there has been a lack of commitment from government to an explicit long-term strategy to address basic skills issues. This is in line with the findings from OECD (2019[22]) regarding the adult learning strategy in England. While the country has introduced various initiatives that directly or indirectly aim at enhancing basic skills as seen above, many recent policies and reforms have become more focused on developing occupational skills without giving much necessary recognition to the importance or contribution of basic skills to occupational skills and labour productivity.

England has raised the profile of the importance of workers' basic skills through past strategies. Skills for Life 2001 was England's national strategy for improving adult literacy and numeracy skills (Box 2.1). Skills

for Sustainable Growth in 2010 was a market-driven and demand-led strategy. It emphasised employer ownership of skills through industrial partnerships with trade unions and others. While basic skills for the most disadvantaged groups (e.g. young people and the unemployed) are publicly funded through the Adult Skills Budget, emphasis was placed on the responsibility of employers and learners to ensure that their own skills needs are met by sharing the costs of training. At the forefront of the strategy has been expansion and improvements in the numbers of apprenticeships. The strategy increased the expectations for English and mathematics within apprenticeships, with a requirement that from 2014/15 all intermediate apprentices should work towards achieving a Level 2 in English and mathematics (Department for Business Innovation & Skills, 2010[23]).

The strategy also led to the establishment of employer-led networks. In relation to funding, emphasis has been on use of public money to leverage private money. For example, in 2011 Employer Ownership Pilots were launched through which public investment is provided directly to businesses alongside businesses' own private investment; this ran counter to the mainstream public funding model where funding is channelled through further education (FE) colleges and training providers. To strengthen the teaching workforce, bursaries of GBP 20 000 were provided to mathematics graduates to encourage them to teach in further education colleges, and GBP 9 000 was offered to graduates teaching English (Department for Business Innovation & Skills, 2010[23]).

Several major reviews have promoted the importance of getting adults' skills right in England. The Leitch Review of Skills (Leitch, 2006[24]) recognised the importance of enhancing low basic skills and the risks of not doing so, and set targets for basic skills by 2020 (see Table 1.2).

The 2020 objectives mentioned in the review serve as a salutary reminder. Between 2005 and 2012 or 2017, there has been unsatisfactory progress in terms of adult basic skills compared with high-level skills. The *Taylor Review of Modern Working Practices* (Taylor et al., 2017[25]) – has important implications for developing adult basic skills in the workplace. It pointed out the declining level of training and investment for workers[2] and those outside work. It highlighted the changes of work towards more precarious jobs (e.g. platform-based work, dependent contractors) and the importance of providing additional protections for this group and stronger incentives for firms to treat them fairly. Finally, the Augar review of Post-18 Education and Funding examined the effectiveness and efficiency of public financial support available to the further education and skills and higher education sector. It concluded that, unlike higher education, the further education and skills sector is underfunded. Teachers in FE colleges are paid on average less than their counterparts in schools, funding levels are inadequate to cover essential maintenance or to provide modern facilities, and funding flows are complex to navigate (Augar et al., 2019[26]).

England has introduced various initiatives that directly or indirectly aim at enhancing basic skills. These include the basic skills entitlements, reform of Functional Skills Qualifications in English and maths, reform of basic digital skills qualifications, and extension of compulsory participation in learning. Furthermore, Apprenticeship Levy reforms are helping to put adult skills more generally in the limelight. However, the OECD heard during consultations for this project that recent major reforms have become more focused on developing occupational skills, giving little recognition to the importance and contribution of basic skills to occupational skills. As such, England does not have a clear and comprehensive strategy to help raise awareness about workers' basic skills. In fact, the United Kingdom is among a minority of OECD countries in which adult learning is part of a wider strategy (Table 2.1), and raising the basic skills of low-skilled workers is not an explicit priority.

The government could better develop strategic policies for skills in close partnership with sub-national levels of government and social partners, which can help raise awareness in regions and economic sectors. Along with policies such as devolution of the Adult Education Budget and T Levels, it will be necessary to set a clear and shared vision for basic skills policies. As in many other countries, this could be done as part of a broader national skills strategy.

Table 2.1. Examples of adult learning strategies, OECD and emerging countries

	Adult learning strategy				Contains quantitative targets	Sets deadlines	Has dedicated funding	Is monitored	Name of the strategy
	Stand-alone	Part of a wider strategy	Specific aspect	No					
Argentina				x					
Australia	x				x	x	x	x	National Foundation Skills Strategy for Adults
Austria			x				x	x	Austrian Initiative for Adult Education
Belgium		x	x		x	x	x	x	*Plan Formation 2020* (Brussels), Lifelong learning and a dynamic professional career (Flanders)
Canada			x				x		Innovation skills plan in Budget 2017
Chile				x					
Czech Republic			x		x	x	x	x	Digital literacy strategy 2015-20
Denmark		x							Strategy for Lifelong Learning (2007)
Estonia	x				x	x	x*	x	Lifelong Learning Strategy
France			x		x	x	x	x**	*Plan d'Investissement dans le Compétences*
Germany			x			x	x	x	National decade for literacy and basic skills
Greece	x								National lifelong learning programme 2013-15
Hungary		x				x		x	Lifelong Learning Policy Framework Strategy 2014-20
Iceland				x					
Ireland	x				x***		x	x	Further Education and Training Strategy 2014-19
Italy				x					
Japan		x			x	x		x	Growth strategy 2017
Korea	x								3rd Basic plan for vocational skills development
Latvia	x				x	x	x	x	AL – Adult Learning Development Plan (2016)
Luxembourg	x							x**	*Stratégie Lifelong Learning* (adopted in 2012)
Norway	x							x	National Skills Strategy 2017-21
Poland		x			x	x		x	Lifelong learning perspective (*Perspektywa uczenia się przez cale zycie*)
Portugal	x				x	x	x		Qualifica Programme
Slovak Republic				x					
Slovenia	x				x	x	x	x	Adult Education Master Plan (AEMP) for 2014-20
Spain	x				x****			x	Strategic lifelong learning plan
Sweden				X					
Switzerland			x			x	x	x	Promotion of the basic skills of adult 2017-20
Turkey	x				x****	x		x	Lifelong learning strategy paper and an action plan (2014-18)
United Kingdom		x							"People", one of the five pillars of the Industrial Strategy

Note: * Funding is based on the strategy, but funded by the budget; ** Strategy states that a committee should be set up to monitor the progress and the indicators; *** Specific quantitative targets are laid out by department of Education and skills; **** Very specific indicators for the monitoring, although no reference value provided in the strategy.
Source: OECD (2019[27]), Getting Skills Right: *Future-Ready Adult Learning Systems,* https://doi.org/10.1787/9789264311756-en.

England could build on the experience of recent strategies to set and promote the vision for raising the skills of low-skilled workers in England. Skills for Life 2001 was England's national strategy for improving adult literacy and numeracy skills. The Greater London Authority's adult education strategy stressed basic skills (including ESOL) as a priority within a broader upskilling agenda (GLA Economics, 2018[21]; Greater London Authority, 2018[28]) (Box 2.1).

Box 2.1. Relevant domestic examples: Skills strategies in England

2001 Skills for Life strategy

Skills for Life was a national strategy launched in 2001 and aimed at improving adult literacy and numeracy skills. It channelled more than GBP 5 billion towards ring-fenced funding for free literacy, numeracy and English for speakers of other languages (ESOL) provision.

The strategy was built with a co-ordinated effort by different governmental agencies and stakeholders from civil society. It encouraged the development of core curricula, learning materials and national qualifications based on new standards as well as new qualifications for initial teacher training and professional development for teachers. It set challenging national targets for the achievement of qualifications, involved top-down management of the skills system and setup important public subsidies.

According to various surveys, the strategy helped to engage the public in basic skills. The objective of improving the literacy, language and numeracy skills of 2.25 million adults by 2010 was surpassed, with 2.8 million individuals achieving national recognised qualifications by 2008. Furthermore, between the first and last Skills for Life surveys (2003 and 2011 respectively), the proportion of respondents achieving a Level 2 or above score in literacy increased from 44% to 57%.

Greater London Authority's Adult Education Strategy

Skills for Londoners is a post-16 skills and adult education strategy for London. The strategy was shaped following public consultation between November 2017 and January 2018. This included ten consultation events and written submissions from London's public, private and voluntary stakeholders.

Objective 3 "Increase the number and diversity of adult learners in London gaining the skills they need to participate in society and progress into further / higher-level learning, work or an apprenticeship" includes a strong focus on basic skills. One of the actions under this objective is "Drive up participation and progression outcomes in the provision of English and maths, identify new and more diverse sources of investment and innovative approaches in ESOL, work towards providing a digital skills entitlement for Londoners, and seek to make adult learning provision more accessible and flexible, through the devolved AEB." While it is too early to evaluate the impacts of strategy, the approach is to achieve the objectives in collaboration with stakeholders from civil society and by promoting access to and raising awareness of adult learning opportunities.

Source: GLA Economics, (2018[21]), *Skills Strategy for Londoners: Evidence Base*, https://www.london.gov.uk/sites/default/files/skills-strategy-evidence-base.pdf; Greater London Authority (2018[28]), *Skills for Londoners: A Skills and Adult Education Strategy For London*, https://feweek.co.uk/wp-content/uploads/2018/06/2018-SKILLS-FOR-LONDON-STRATEGY.pdf; English Department of Education and Skills (2004[29]), *Skills for Life – The National Strategy for Improving Adult Literacy and Numeracy Skills Delivering the Vision 2001-2004*, https://dera.ioe.ac.uk/7187/7/ACF35CE_Redacted.pdf; Department for Business, Innovation and Skills (2012[30]), *The 2011 Skills for Life Survey: A Survey of Literacy, Numeracy and ICT Levels in England*, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/36000/12-p168-2011-skills-for-life-survey.pdf.

Norway and Ireland have developed skills strategies that have helped raise awareness of the importance of skills development and use, including for workers' basic skills (Box 2.2). They highlight for England the importance of skills strategies that involve stakeholders from the outset, clear roles and responsibilities for implementation, and continuous refinement based on ongoing monitoring.

Box 2.2. Relevant international examples: Establishing a shared vision for skills development

Norway - the Norwegian Strategy for Skills Policy 2017-21

In 2017, Norway adopted the Norwegian Strategy for Skills Policy 2017-21, following up on the recommendations of the 2012-14 OECD Skills Strategy Project. Norway faced the challenge of an uncoordinated approach to skills between national, county and municipal levels which struggled to deliver flexible and adaptable policies. Thus, Norway was advised to develop a skills strategy that incorporated a whole-of-government approach and strong stakeholder involvement. One of the main objectives of the Strategy was implementing adult education measures with a specific focus on individuals with poor basic skills or limited formal qualifications.

The strategy is based on a binding agreement among the main strategy partners, namely the government, employer associations, trade unions, the voluntary sector and the Sami Parliament. More specifically, the government, in co-operation with social partners, is responsible for the development and implementation of the skills policy and for ensuring co-ordination across policy sectors and levels of government. Municipalities, including local and regional authorities, are the school owners and provide numerous services to the end user. Employers provide training in the workplace, often in collaboration with other partners. The Sami Parliament ensures that the authorities enable the Sami people to have the necessary linguistic and cultural expertise to develop Sami society and businesses. The voluntary sector contributes to skills development both within and outside the labour market.

The Norwegian strategy is overseen by the Skills Policy Council and includes the Future Skills Needs Committee. All stakeholders involved perceived the Council as an improvement in Norway's previous strategy as it allows to maintain skills policy at the top of the shared agenda, and it facilitates reforms. Furthermore, also the Committee has been acknowledged as facilitating the convergence of social partners. However, Norway is still in the process of refining the Strategy, and developing an even clearer mandate and adequate mode of operation for the aforementioned bodies.

Ireland – the Further Education and Training Strategy 2014-19

Ireland's Further Education and Training (FET) Strategy 2014-2019 sets the direction of adult education and training for individuals, employees and employers. The strategy establishes a comprehensive set of education and training programmes according to the needs of different adult populations.

The five main goals of the strategy are developing relevant skills for learners, jobseekers, employers and employees; supporting the active inclusion of individuals through a particular attention to literacy and numeracy; ensuring a high quality of provision; structuring the planning and funding of the initiative on the basis of sound empirical evidence; and finally ensuring a valued learning path leading to personal and professional development. The goal for literacy and numeracy includes, among other priorities, the development of an awareness campaign to increase engagement. These goals, are to be achieved through a co-ordinated mechanism that engages with industry, at the national, regional and local levels, so to ensure the relevance of FET provision.

The Irish Further Education and Skills Service co-ordinates implementation of the strategy, and involves close collaboration between various departments, employers, education providers and other stakeholders (Irish Department of Education and Skills, 2014[31]; OECD/ELS, 2018[32]). A review in 2018 highlighted the partial success of the strategy in achieving some of the goals, while also recognising the need to re-evaluate the timeline and fund further research on social and economic outcomes at an individual level.

In light of these practices, adopting a skills strategy in England would benefit from engagement with stakeholders from the outset, clear roles and responsibilities for these actors in the implementation phase, and a well-defined approach for monitoring the effectiveness of the strategy.

Source: SOLAS (2014[33]), *Further Education and Training Strategy;* https://www.education.ie/en/Publications/Policy-Reports/Further-Education-and-Training-Strategy-2014-2019.pdf, SOLAS (2018[34]), Progress Review of the Further Education and Training Strategy 2014-2019, https://www.solas.ie/f/70398/x/fd331c2bf7/fet-review_final_10_5-7.pdf; NALA (2014[35]), First ever five year strategy for Further Education and Training just launched, https://www.nala.ie/first-ever-five-year-strategy-for-further-education-and-training-just-launched; Norwegian Ministry of Education and Research (2017[36]), *Norwegian Strategy For Skills Policy 2017-2021*. https://www.regjeringen.no/contentassets/3c84148f2f394539a3eefdfa27f7524d/strategi-kompetanse-eng.pdf.

Recommendation for establishing England's vision for improving workers' basic skills:

- **The government and stakeholders should collaborate to establish England's vision and strategy for improving workers' basic skills.** This could be part of a broader national skills strategy (e.g. as a standalone priority), or comprise a targeted strategy for basic skills. Drawing upon lessons from its own 2001 Skills for Life strategy, and recent strategies in countries like Norway and Ireland, the government should convene key stakeholders to develop a shared vision and comprehensive strategy that: sets priorities and targets for basic skills development and other forms and types of adult education and training; establishes the importance of using adults' skills in workplaces; clarifies the main roles and responsibilities of each sector in adult learning; and establishes performance indicators and, where public funding is involved, accountability for implementation.

Actively promote England's vision for improving workers' basic skills, as part of a broader multimedia campaign

Having established a shared vision and strategy for raising the skills of low-skilled workers, it will be essential to communicate and promote this vision across the country. Awareness campaigns may promote the benefits of raising basic skills, advertise specific programmes for adult learning or reach out to under-represented groups (OECD, 2019[37]). The effectiveness of awareness-raising campaigns or outreach activities on the participation of adult education is in general rarely evaluated (Ceneric, Looney and de Greef, 2014[38]), and in particular in relation to those with low basic skills. Research based on in depth case studies suggests that raising awareness of the benefits of adult learning can increase participation, and increase earnings for workers (European Commission, 2015[39]). Public awareness raising campaigns come in many forms in other OECD countries (Table 2.2).

Table 2.2. Public awareness raising campaigns and their focus in selected OECD countries

	Focus						Name
	General adult learning	Specific programmes	Specific target groups	Basic skills	High-demand skills	Firms	
Estonia	x	x	x	X			*Jälle kooli* (Back to school again)
Germany		x	x	X		x	*Zukunftsstarter* (Future starter) *Nur Mut* (Courage)
Hungary		x					*Szakmák Éjszakája* (Night of Vocations)
Ireland		x	x	X	x		Take the first step
Korea		x			x	x	Vocational Skill Month
Portugal	x	x		X			*Qualifica*
Slovenia	x	x	x	X			Lifelong Learning Week
Switzerland	x	x	x				*Simplement mieux* (simply better)

Source: OECD (2019[27]), *Getting Skills Right: Future-Ready Adult Learning Systems*, https://doi.org/10.1787/9789264311756-en.

The communications strategies accompanying existing strategic policies for skills appear to be limited in their aspirations and reach. However, England has had relatively successful awareness-raising campaigns in the past (Melrose, 2014[40]). For example, the 2001 *Skills for Life* strategy in England (Box 2.3) set up a high-profile media campaign, funded in part by the European Social Fund. However, since *Skills for Life* such nation-wide campaigns have been absent in terms of addressing the importance of basic skills and encouraging participation in adult learning.

England's Business, Innovation and Skills Committee report on Adult Literacy and Numeracy (2014-15) concluded that:

> *"The Government has pledged funding for free training and tuition for any adult who wants to study English and maths up to and including GCSE level, but it needs to get the message across to adults with limited English and maths skills that this help is available. To make sure that this message reaches the right people, we recommend that the Government carry out a high-profile national campaign to promote robustly this initiative. This must be treated as a priority. The Government must publish a timetable of how and when the national campaign will be launched. Coupled with this national campaign, the Government should develop clear signposting routes, helping adults to find the most appropriate and nearest help (either voluntary schemes or more formal classes). The Government should report back in its response on the methods it will use to develop this initiative."*

England could draw on the experience of its 2001 Get on Campaign and the more recent Apprenticeship Campaign 'Fire It Up', as it seeks to raise workers' and employers' awareness of the importance of basic skills (Box 2.3).

Other OECD countries have implemented awareness raising initiatives, often connected to skills-related strategies. Portugal launched its adult learning programme Qualifica in 2016/17 with a largescale public awareness campaign titled "More Qualification, Better Jobs" (Box 2.4). The Institute for Adult Education in Slovenia, for example, has been organising an annual lifelong learning week since 1996, connected with its Adult Education Master Plan (ReNPIO). Today the initiative includes more than 1 500 events implemented in co-operation with partner organisations throughout the country. To reach the widest possible audience, campaigns can be delivered through different media channels, such as TV, radio, print, online and social media, as well as include outreach work through events, existing networks or direct mail. In Argentina, for example, the Hacemos Futuro programme reaches out to community leaders via Whatsapp, who in turn inform their target group about upcoming training offers (OECD, 2019[37]).

Box 2.3. Relevant domestic examples: Media campaign for England's skills agenda

2001 Get On campaign

Under the 2001 Skills for Life strategy, the Get On campaign and use of the Gremlin brand aimed to raise awareness and reduce the stigma attached to needing to improve English and maths skills. Ultimately it aimed to motivate adults to take action to improve their skills.

The campaign evolved over the years. In fact, the first wave of ads was focused on the portrayal of the common problems experienced by individuals with poor literacy and numeracy. Then, it moved towards the presentation of the potential benefits provided by improving someone's own skills level through courses and/or training. Finally, it depicted the learners while achieving their desired level of qualification and "getting rid" of their Gremlins. The advertisements invited the viewers to call a free national learning advice line, which was in charge of providing them with local learning opportunities as well as support to overcome their barriers towards learning. Those who called were also offered a free video or DVD that contained the testimonies of real individuals who decided to improve their skills level.

Some evidence suggests the campaign raised awareness of the issues surrounding adult literacy, language and numeracy skills in England (English Department of Education and Skills, 2004[29]). There was a national recognition rate of 93% amongst its target audience, with over 370 000 people contacting the national helpline following the campaign. Follow-up research indicates that 26% of people who called the helpline took up learning opportunities as a result (Paterson, Stringer and Vernon, 2010[41]; National Audit Office, 2004[42]). The success of the campaign could be seen not only through public reaction, but also in terms of the collaboration and coordination across different stakeholders working together as part of *Skills for Life* (English Department of Education and Skills, 2004[29]).

Fire It Up – Apprenticeships

The Fire It Up campaign was launched at the beginning of 2019 to raise awareness of the importance of apprenticeships and their potential benefits. The campaign is not primarily addressed to individuals with low levels of numeracy and literacy, but more generally to all the individuals who might benefit from the experience provided by a traineeship. Although the focus is primarily on young individuals, adult workers who want to gain new skills and experiences are also included in the scope of the programme. The media contents created by the campaign refer the users to the website of the Apprenticeship programme, which also displays real stories of other citizens who benefitted from this experience, with the aim of raising awareness regarding apprenticeship and improving the perception of the public towards them. Although it is too early to evaluate the impacts of the campaign, it may provide lessons for England's efforts to raise awareness of workers' basic skills.

Source: English Department of Education and Skills (2004[29]); *Skills for Life – The National Strategy for Improving Adult Literacy and Numeracy Skills Delivering the Vision 2001-2004*, https://dera.ioe.ac.uk/7187/7/ACF35CE_Redacted.pdf. Paterson, Stringer and Vernon (2010[41]), *Count Me In -- Improving Numeracy in England: A Guide for Charities and Funders*, https://www.thinknpc.org/wp-content/uploads/2018/07/Count-me-in.pdf; National Audit Office (2004[42]), *Skills for Life: Improving Adult Literacy and Numeracy*, https://www.nao.org.uk/wp-content/uploads/2004/12/040520.pdf.

Portugal and Ireland have implemented awareness raising campaigns, the former for a new adult education system and the latter focused on Adult Literacy and Numeracy (Box 2.4). They highlight for England the potential impact of such campaigns, and the importance of promoting the relevance of basic skills training in targeted ways to different groups of adults using a variety of channels.

Box 2.4. Relevant international examples: Awareness campaigns for adult learning

Portugal – Awareness raising for the New Opportunities Initiative and Qualifica Programme

The Portuguese government has made significant efforts for more than a decade to raise the interest of Portuguese citizens in participating in learning, including through public websites (ANQEP, IEFP) and broad-based awareness-raising campaigns during the New Opportunities Initiative (active between 2005 and 2013). These appear to have played a role in raising participation (Carneiro, 2011[43]). The OECD's Skills Strategy Implementation Guidance report for Portugal found that large-scale campaigns appear to be important for targeting low-skilled adults, especially given the large size of the target population.

More recently, the introduction of the new Qualifica Programme, which aims to upgrade the education and skills of adults, has been supported by several information tools, like the Minuto Qualifica large-scale television campaign launched in July 2017. The Qualifica Programme also has a web portal (Portal Qualifica), which provides access to a range of information on adult learning through multiple channels, including social media.

The OECD concluded, however, that any new or expanded communication campaign should build on past experience and avoid pitfalls such as overly general information and messages. In particular, stakeholders suggested that to be effective, any new campaign would need to i) raise awareness about the quality and rigour of the learning opportunities and processes used in adult learning, and ii) deliver well-targeted messages in innovative ways to reach populations with low motivation and participation. A complementary approach suggested during the project was to showcase best practices and stories from individuals, and create national awards to recognise investments in training (for instance by employers).

Ireland - National Adult Literacy and Numeracy Awareness Campaign

In September 2017, SOLAS, the Further Education and Training Authority in Ireland, funded a second phase of the national adult literacy and numeracy awareness campaign - a key action in Ireland's Further Education and Training (FET) Strategy 2014-19, aimed at eliciting more participation in national programmes. The campaign was managed by the National Adult Literacy Agency (NALA) and supported by a range of stakeholders via a national steering committee. It was first launched in 2016 with the slogan "Take the first step" and focused on four individuals sharing their own stories. Two additional phases in 2017 and 2018 included radio, video, digital and outdoor advertising, as well as public relation activities.

Following the third phase of the campaign, there was about a 110% increase in sessions and 87% new users to the main campaign website *takethefirststep.ie*. NALA provided information to 600 individuals who phoned and wanted information about improving their literacy and numeracy skills. An evaluation of the campaign showed that 38% of the total population recall the campaign and are gaining awareness of services, with a 74% recall rate among individuals with difficulties in literacy and numeracy. However, the challenge lies in reaching the 62% of the population who do not recall the campaign.

The Portuguese and Irish examples highlight the potential value of awareness campaigns for England, and the importance of promoting the relevance of basic skills training in targeted ways to different groups of adults, using a range of media.

Source: NALA (2018[44]), *2018 National Adult Literacy Awareness Campaign Evaluation - Phase 3 (NALA)*, https://www.nala.ie/publications/2018-national-adult-literacy-awareness-campaign-evaluation-phase-3-nala;
OECD (2018[45]), *Skills Strategy Implementation Guidance for Portugal: Strengthening the Adult-Learning System*, https://www.oecd.org/publications/skills-strategy-implementation-guidance-for-portugal-9789264298705-en.htm;
SOLAS (2017[46]), *National Adult Literacy and Numeracy Awareness Campaign, Phase Two: September 2017, Summary and Evaluation Report*, https://www.solas.ie/f/70398/x/e4795ce7a4/national-literacy-and-numeracy-awareness-campaign-phase-two-september.pdf.

Recommendation for promoting England's vision for raising workers' basic skills:

- **The government and stakeholders should actively promote England's vision and strategy for improving workers' basic skills.** This could be part of a broader awareness raising campaign about skills, or more focused on workers' basic skills specifically. It should draw on the lessons of England's 2001 Get On campaign and 'Fire It Up' Apprenticeship Campaign, as well as international experience from countries like Portugal and Ireland. The government, subnational authorities and social partners should be involved in designing, implementing and evaluating a multimedia campaign to raise awareness, which promotes the concepts, importance and benefits of lifelong and life-wide learning (including for basic skills); available learning programmes and recognition of prior learning opportunities; and career guidance services and funding support (including the Adult Education Budget). It could include a national award scheme that publicises stories of low-skilled workers and their employers successfully engaging in skills development.

Policy option 2.2: Identifying and understanding the needs of low-skilled workers, with improved analytics and assessment tools

Effectively identifying and understanding the learning needs of low-skilled workers complements broader awareness-raising efforts (policy option 2.1), and enables policy makers and service providers to better target outreach, guidance and information to low-skilled workers (policy option 2.3).

England could more effectively and efficiently identify which workers are low-skilled, and what their learning needs and goals are, in order to raise their awareness of and motivation for learning. Given that many low-skilled workers are unlikely to identify themselves – they may not be aware of their lack of basic skills or may not wish this to be visible – more systematic mechanisms are likely to be necessary. England currently does not have a systematic and comprehensive mechanism for identifying low-skilled workers, or their learning needs and goals.

Improve data analytics to identify and target workers who are most likely to lack basic skills

Identifying and reaching adults with poor basic skills is challenging, in part because they often do not self-identify as having poor basic skills due to social or economic pressures. Effectively helping low-skilled workers to upskill is also complex, because adult learners are very diverse (Windisch, 2015[1]). Some are highly dependent on teachers for structure and guidance, while others prefer to manage their own learning (Knowles, 1980[47]). Some may be motivated to learn because of some specific objective like helping their children with homework, others may want to learn out of curiosity (Merriam, 2011[48]). These adults may also have diverse backgrounds that create particular challenges, including adults whose initial experiences with education were largely negative, migrants with weak language skills, individuals with learning difficulties, individuals who have found themselves in and out of work, and those with challenging family responsibilities. At the same time, prospective learners come with diverse sets of positive motivations which can be multi-dimensional and subject to change depending on life circumstances.

Data-driven approaches like probability modelling, segmentation techniques and assessment tools can be useful for identifying and understanding the needs and motivations of low-skilled workers, in order to target outreach and awareness raising and skills assessment tools effectively.

England has among the richest data and evidence bases on adult skills and learning among OECD countries. In addition to participating in the 2012 OECD Survey of Adult Skills (PIAAC) (Kuczera, Field and Windisch, 2016[49]), the national Skills for Life 2011 Survey also measured adults' skills (Department for Business, Innovation and Skills, 2012[30]). England has detailed and longitudinal data on adult skills and learning in the Individual Learning Records (ILR) and Longitudinal Education Outcomes (LEO). These databases play an important role in understanding the reasons for participation or non-participation and the ingredients of achievements (and possibly the impact of the achievements). England also has an

impressive array of surveys on workers' and employers' skills challenges and training patterns, including the Employer Skills Survey, Employer Perspectives Survey, the Skills and Employment Survey, the Adult Participation in Learning Survey, and various other surveys implemented by social partners and researchers. However, apart from these two skills assessments in 2011/12, England has no ongoing, updated data on which or how many workers have low levels of literacy and/or numeracy.

England could make more use of probability modelling to identify which workers and employers are most likely to lack basic skills. As noted in Chapter 1, low-skilled adults are concentrated in certain economic sectors and occupations. According to the OECD Survey of Adult Skills (PIAAC), (see Annex A), over 50% of England's low-skilled workers are employed in four economic sectors (Wholesale and retail trade; Human health and social work; Manufacturing; and Transportation and storage). In terms of occupations, over 50% of England's low-skilled workers are employed in two occupation groups (Service workers and shop and market sales workers; and Elementary occupations). Furthermore, OECD quantitative analysis of PIAAC data showed that certain, more observable characteristics are predictive of adults having low-levels of skills (Box 2.6).

Policy makers and providers in England could potentially use market segmentation techniques to target outreach and services based on the motivations, barriers and preferences of different groups of workers' and employers. Market segmentation is a well-established approach to dividing potential markets into distinct and separate clusters of 'consumers' with shared characteristics, needs and values (Shiffman, Kanuk and Hansen, 2008[50]). In the higher education sector, there is evidence of widespread use of market segmentation by providers. Market segmentation is typically based on four key variables: geographic, demographic, behavioural and psychographic (Hemsley-Brown, 2017[51]). England is already applying segmentation analysis to understand different types of firms. Research by the UK Commission for Employment and Skills (Brown, 2014[52]) segmented small businesses, the results of which have been used to understand how to best target behavioural 'nudges' to increase workers' basic skills development (Box 2.5) and target behavioural interventions accordingly (Box 2.5). While not specific to low-skilled workers or basic skills, a recent study for England has already created an "attitudinal typology" of adult learners based on the most prominent reasons for learning and the influence of key factors on them at any given point (Kantar Public and Learning and Work Institute, 2018[7]). It highlighted potentially effective interventions for each group at each stage of their learning decision-making or learning "journey". Tailored advice, messages, open days, and advertising about career opportunities and associated learning options were identified as critical for adults lacking a strong and clear purpose for learning (see policy option 2.3).

Box 2.5. Relevant domestic examples: Segmenting workplaces to target basic skills interventions

The UK Commission for Employment and Skills sought to understand the different paths employers take to high-performance working practices (HPWP) adoption, and the different points at which they tend to end up.

Segmenting small-to-medium sized workplaces (between 5 and 99 employees) according to their reported adoption of HPWP highlighted a range of paths, with different choices between talent development and employee autonomy. The study identified seven segments of employers which seem to differ in coherent ways in their approach to HPWP adoption. The study analysed the relationship between establishment strategy, size, sector and workforce context and HPWP adoption. Substantial differences emerged, and the analysis became a foundation to further understand the motivations and outcomes of HPWP adoption.

A follow up study "Basic skills in workplaces – a behavioural insights perspective", used the segmentation of employers' working practices and identified broadly three groupings of employers whose characteristics determine whether behavioural insights could be used to shift training behaviour. The study found:

- High performers who are already engaged in and value training – there may be some room to encourage changes in training approach.
- Employers who do not currently train but may be open to changing this – behavioural approaches could encourage investment.
- Disengaged employers who are not training and are unlikely to shift behaviour – it is unlikely that behavioural approaches will influence this group.

Source: Brown (2014[52]), *High Performance Working: A New Segmentation of Smaller Workplaces,* https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/406806/HPW_FOR_WEB.pdf; Booth (2017[13]), Annex B: Basic Skills in Workplaces – A Behavioural Insights Perspective, Research Report, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690344/ANNEX_B_-_Basic_Skills_in_Workplaces_update_13March.pdf.

The OECD's analysis of PIAAC data highlights the potential for quantitative techniques to help identify those groups of adults (and enterprises) who are most likely to have low levels of basic skills (Box 2.6). England could make greater use of these, and other analytical techniques.

Box 2.6. Relevant international examples: OECD analysis of socio-demographic differences in basic skills

The Programme for the International Assessment of Adults Competences (PIAAC) provides an evaluation of adult competences in over 40 countries. The aim of this programme is to provide countries with important data on the skills' proficiencies in numeracy, literacy and problem solving of their own citizens.

The OECD has conducted a range of analysis of the PIAAC data using different analytical techniques, to better understand what observable characteristics (age, gender, education, immigrant and language background and parents' educational attainment) are associated with, and appear to affect, adults' basic skills levels. Using marginal effects modelling, and controlling for various observable influences, the OECD analysis of PIAAC data showed that, on average in England:

- Adults who have not attained upper secondary education are 35 percentage points more likely to be low-skilled than adults who have completed tertiary education.
- Foreign-born adults whose native language is not English are 26 percentage points more likely to be low skilled than adults born in England.

There is potential to further this analysis, for example by focusing on working adults, or analysing the association between job characteristics and skills levels. The results could help England identify those groups of adults and enterprises who are most likely to be characterised by low levels of basic skills, in order to target outreach, guidance and other services effectively (see Annex B).

Source: OECD (2019[53]), *Skills Matter,* https://doi.org/10.1787/1f029d8f-en.

Recommendation for improving data analytics to identify and target the low-skilled:

- **Policy makers should improve data analytics to better identify and target workers and employers who are most likely to lack basic skills**. In order to target skills assessment tools and awareness raising efforts, policy makers should make better use of national and international data through diverse analytical approaches. This could involve use of probability modelling to identify which workers and employers are most likely to lack basic skills as in the case of OECD PIAAC analysis, and segmentation techniques to target outreach and services based on the motivations, barriers and preferences of different groups of workers' and employers, building on England's experience with firm segmentation and adult learner typologies.

Assess the skills development needs, motivations and barriers of workers likely to have low basic skills

Understanding workers' basic skills gaps, motivations and barriers to learning, and most appropriate learning opportunity – workplace based, community learning (non-formal), functional skills, GCSE or apprenticeship (formal) – is critical to motivating them to develop their basic skills.

While England's rich data and information base support its capacity to identify groups of workers and employers most likely to lack basic skills, it needs better tools to assess the skills of individual workers. A best practice guidebook developed under the 2001 Skills for Life Strategy advised service providers to undertake a detailed diagnostic assessment for potential learners, comprising a short series of tasks to establish literacy, language or numeracy needs. Given that many of those with low basic skills, are unaware of the problems that they face in numeracy, literacy and digital skills or are hesitant to self-identify, a new mechanism to facilitate assessment of basic skills levels in workplaces may be warranted.

The National Career's Services' online skills assessment tool does not assess basic skills levels or refer users to learning. The "Discover your skills and careers" tool is a 5 to 10 minute assessment to find out what job categories, and which particular job roles, might suit the user. The "Skills health check" has individual assessment to allow users to explore how they make judgements using numbers or written information. However, it is designed to help users understand how they work with information and solve problems, in order to help them write a CV, look for work, apply for jobs or go to an interview. It is not designed to rigorously assess users' basic skills levels, and does not connect them to basic skills programmes, services or support in light of their results (National Careers Service, n.d.[54]).

Some non-government actors have tools for assessing workers' basic skills (Box 2.7). Unionlearn provides a skill assessment tool called SkillCheck covering English, Maths, ICT, Apprenticeships and Everyday Finances (Unionlearn, 2017[55]). National Numeracy provides accessible and scalable numeracy assessment tools to identify and address poor numeracy (National Numeracy, 2017[56]). Building confidence can also be one way to facilitate adult learning participation among adults with low basic skills. National Numeracy uses the *National Numeracy Challenge* to help people identify their confidence levels in numeracy. This can help engage adults in activities that aim to enhance their numeracy skills and it is a tool that can be embedded into existing programmes such as recruitment, induction and workplace development. With a similar approach, digital capabilities[3] are identified in addition to digital skills (Ipsos MORI, 2018[57]).

At the international level, the Programme for the International Assessment of Adult Competences (PIAAC) is currently the most ambitious assessment of the skills used by adults in their work, home and communities. OECD Education & Skills Online is an assessment tool designed to provide individual-level results that are linked to the PIAAC measures of literacy, numeracy, problem solving in technology-rich environments, and reading components (basic reading skills) measures that can be used to compare the test taker's results with the those of others both within the test taker's country and internationally (OECD, n.d.[58]). The assessment includes a background questionnaire to collect information on the test taker's age, gender, education level, employment status and native country and language. The tool also includes

non-cognitive assessments that measure skill utilisation, workforce readiness, career interests, and health indicators. It can be used as a diagnostic tool of skills and learning needs both for individuals in and out of work.

As important as developing a systematic tool for assessing worker's basic skills, needs and goals is finding the appropriate actor(s) to implement the tool. Assessment and screening often goes hand in hand with direct outreach to adults with low basic skills by career counsellors and guides, and other actors. This is discussed in the next section (policy option 2.3).

Employers could play a role in identifying low-skilled adults, and England might consider introducing assessments of employees' basic skills and upskilling needs by firms as part of regular career reviews. For example, France has made it mandatory for employers to have career development interviews with their employees every two years so that they can regularly check to see if their skill levels are adequate and if not, facilitating their access to appropriate training opportunities (*entretien professionnel*). These regular career reviews by employers can serve as a first step identification of basic skill needs, as well as retraining and upskilling needs for career progression more comprehensively. Individuals identified through these reviews as potentially having basic skills deficiencies could be advised to participate in an in-depth basic skills assessment, such as the one underlying the CléA certificate (Box 2.8). Such mechanisms could target low-skilled sectors and occupations as an industrial strategy, to anticipate skill needs and industrial and sectoral changes while providing upskilling and reskilling opportunities. However, sensitive screening and initial assessment are crucial so as not to demoralise potential learners (Windisch, 2015[1]).

Box 2.7. Relevant domestic examples: Basic skills assessment for adults in England

The bksb system for assessing, measuring and promoting learning

Bksb is a company operating in the EdTech field with the aim of supporting learners in improving their English, Mathematics and ITC skills via eLearning solutions. The instruments they provide are designed to allow learners to meet GCSE and Functional Skills criteria and they offer support to educational providers as well.

The system employed by bksb to assess and promote learning is innovative as it is based on artificial intelligence. In fact, the initial assessment is not achieved through the response to some questions chosen at random but selects the questions through an algorithm that takes into account the likelihood of guessing the correct answer as well as the previous responses. Such operations are made possible through a machine learning approach based on millions of tests taken by users. As a result of this process, the learners are assigned to a specific level of competence/learning, and assigned a distance from the next level. Moreover, the bksb system promotes learning by measuring learners' improvement from their initial assessment after undertaking training. The bksb platform for learning is employed by 90% of colleges in the United Kingdom and it has won for three years the Bett awards for "Company of the Year".

The National Numeracy Challenge and the Essentials of Numeracy

National Numeracy, an independent charity, provides accessible and scalable numeracy assessment tools to identify and address poor numeracy. Its focus is not only on skills but also on attitude and confidence. For example, the National Numeracy Challenge helps people identify their confidence levels in numeracy and engages adults in activities that aim to enhance their numeracy skills. It starts with a check-up test using adaptive questions to assess the users' level of proficiency, shows the areas that would need improvement and suggests appropriate learning resources, and finally allows users to re-take the test to measure their improvements. This tool can be embedded into existing programmes such as recruitment, induction and workplace development.

More than 280 000 individuals have taken part in the challenge. Of those who went on to access the learning resources and retake the test, three quarters improved their numeracy skills. The cost of this improvement was estimated in 2016 to be only GBP 74 per user. National Numeracy has received feedback from businesses that the tools have helped to avert costs of poor numeracy – mistakes handling money, staff inefficiencies, and staff shunning key responsibilities or dropping out of apprenticeships because of fears or anxiety about numeracy.

Source: National Numeracy (2017[56]), *A new approach to making the UK numerate,* https://www.nationalnumeracy.org.uk/news/new-report-signals-concerns-productivity-post-brexit-era.

Various OECD countries utilise skills assessment for adults. France introduced mandatory skills assessments in workplaces, while Canada developed a voluntary basic skills assessment tool tailored to workplaces and with training in mind (Box 2.8). These two examples provide England with different approaches to achieving the goal of systematic and widespread assessment of workers' skills. France mandates a standard process, while Canada provides a relatively standard set of tools for assessing skills.

Box 2.8. Relevant international examples: Policy tools that can be used to assess employee basic skills and upskilling needs

France – Assessing skill development needs

The mandatory career development interviews

Since the approval of the law n° 2014-288 of 5 Mars 2014, every employer in France must conduct a career development interview (*entretien professionnel*) every two years. The aim of such meetings is to discuss employees' further learning needs and to support them in their professional development.

At these interviews, employers discuss career progression opportunities – and the training that can advance these opportunities – with their employees. Moreover, every six years, the meeting needs to include an overview of the employee's professional pathway, to establish whether the employee has benefited from the professional meetings in those past six years. When the six-year review shows that an employer did not organise the required biennial meetings, or when no sufficient career progression options were provided to the employee, medium-sized and large firms can be sanctioned by having to pay for additional hours on the employee's personal learning accounts.

Career progression options are deemed sufficient if the employee has benefited from at least two of these: i) participation in at least one training course; ii) acquisition of at least one professional certificate, either through training or through recognition of prior learning; iii) salary or professional progression.

CléA certificate

For the assessment of basic skills, the French social partners at the inter-professional level (Copanef) developed the CléA certificate in 2016. This certificate should assist employed individuals in their career progress and help unemployed individuals who do not have any formal qualification, but possess relevant basic skills, in finding a job. To obtain the certificate candidates (employed or unemployed individuals) can get in touch with a CléA contact point, which assesses the candidate's basic skills. If the candidate lacks the necessary skills, a personalised training plan is made. Training is generally provided through short-term and practical programmes. The CléA training can be taken within the framework of existing training policies. Once a candidate obtains the necessary skill level, the certificate can be granted by a jury.

Canada – Skills Assessment tools

The Government of Canada and provincial/territorial governments fund a series of tools for citizens for skills assessments in terms of numeracy, literacy and document use indicators.

For example, the Workforce Skills Assessment Tools designed to help determine which basic skills an employee requires to be successful at work, and assist employees in developing these skills. Both workers and employers can use the tool. In the employer's case, the tool is used to help match employees to the right jobs, keep staff, and support employees in their move along a career path within the organisation. Based on an individual's response to the assessment questions (which takes approximately 30 minutes to complete), a free summary report will identify improvement areas and provide training suggestions to help strengthen specific skills – though it is not a stand-alone method to determine an individual's skills or competencies.

Moreover, the Essential Skills Mobile App Assessment Tool for Teachers and Students allows both individuals and employers to assess and develop the basic skills required in every workplace. It too helps employers match employees to the right jobs and maintain staff and support employees in learning basic workplace skills. The assessment, which takes approximately 20 minutes to complete, asks questions about the nine essential workplace skills such as reading, writing, numeracy, thinking and document use. Based on the assessment results, further training will be provided to help the employee build skills in weak areas.

Finally, TOWES (the Test of Workplace Essential Skills) is Canada's premier literacy and essential skills assessment instrument. Since its introduction in 1998, over 120 000 people have used TOWES on their pathways to success in education, employment and life. Several studies, carried out primarily between 2002 and 2012, have confirmed the effectiveness of TOWES in providing reliable information regarding the skills of individuals, as well as their competences for their workplaces.

These two examples provide England with different approaches to achieving the goal of systematic and widespread assessment of workers' skills. France mandates a standard process, while Canada provides a relatively standard set of tools for assessing skills.

Source: OECD (2017[59]), *Getting Skills Right: France*, https://dx.doi.org/10.1787/9789264284456-en; Skills/Compétences Canada (2020[60]), *Essential Skills Resources*, https://www.skillscompetencescanada.com/en/essential-skills/resources/; Government of Canada (2019[61]), *Tools, assessments and training support - Canada.ca*, https://www.canada.ca/en/employment-social-development/programs/essential-skills/tools.html#tab1; Government of Newfoundland and Labrador (n.d.[62]), *Workforce Skills Assessment*, http://www.nlhrmanager.ca/index.php%3Foption=com_content&view=article&id=186.html; TOWES (n.d.[63]), TOWES - Canada's Essential Credential, http://www.towes.com/en/home/home.

Recommendation for assessing workers' basic skills needs:

- **The government and stakeholders should support the widespread implementation of tools to assess the skills development needs, motivations and barriers of workers likely to have low basic skills.** They could consider Unionlearn's SkillCheck tool, National Numeracy's tools, and even the OECD's Education & Skills Online assessment based on the OECD Survey of Adult Skills (PIAAC), while drawing on different but promising practices in countries like France and Canada. Government and stakeholders should target the tool to those most likely lacking basic skills, based on the available data analytics. The government should consider whether mandating some form of skills assessment in low-skilled sectors is necessary.

Policy option 2.3: Providing tailored guidance and information to low-skilled workers and their employers

Targeted outreach, guidance and information for low-skilled workers and employers about basic skills complements broader awareness-raising efforts (policy option 2.1), and can be effectively targeted with reliable information on the profile and needs of low-skilled workers (policy option 2.2).

England's approach to providing targeted guidance and information to low-skilled workers and their employers is fragmented, and requires more public support. More consistent and effective messages about the benefits of and opportunities for basic skills training are needed. This includes promoting adult apprenticeships and other formal programmes that can both remediate basic skills and improve workers' technical skills and employability (see policy option 4.1 on improving the basic skills content in formal education).

Undertaking outreach and providing individualised advice and guidance services can encourage more low-skilled workers to participate in learning. Reaching out to workers and recruiting participants is essential because of low-skilled workers' lower willingness and higher barriers to learn (Windisch, 2015[1]). Outreach activities include not only engaging learners individually but also reaching out to employers to encourage them to support basic skills courses in the workplace.

Guidance and counselling are defined as "a range of activities such as information, assessment, orientation and advice to assist learners, trainers and other staff to make choices relating to education and training programmes or employment opportunities." (Decision No 1720/2006/EC of the European Parliament and of the Council). These activities can include counselling for personal, career development or educational guidance; assessment of skills and mental health; information on learning and labour market opportunities; consultation with peers, relatives or educators; vocational preparation; and referrals to learning or career specialists (Raschauer and Resch, 2016[64]).

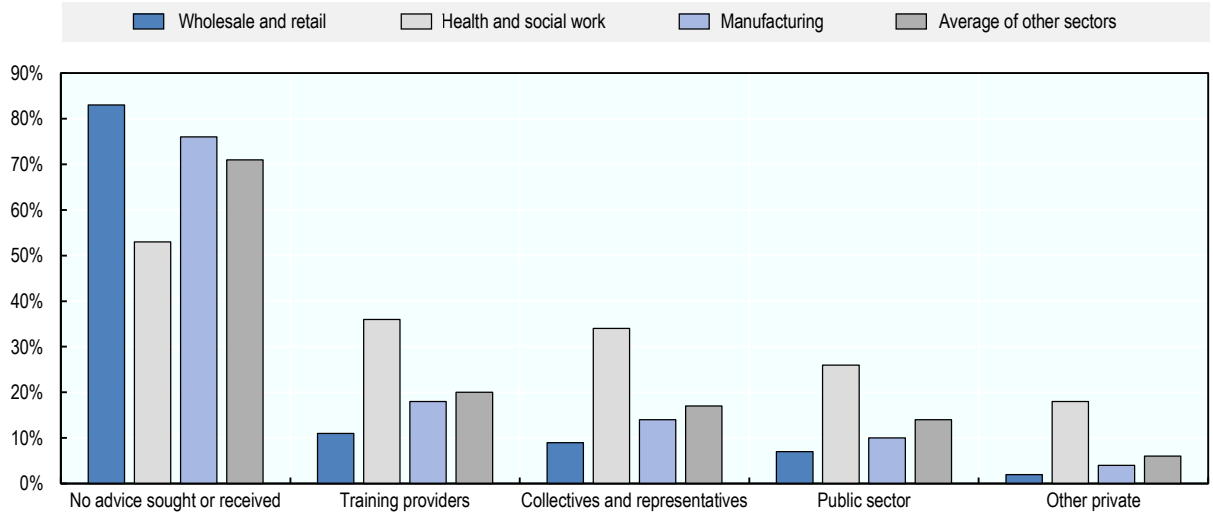
The content of this information and advice is important to get right. To be effective, career guidance takes into account timely labour market information and the outputs of skill assessment and anticipation exercises (OECD, 2019[37]). It should build upon an assessment of adults' learning needs (policy option 2.2), and promote training programmes and pathways based on evidence about their potential skills and employment benefits for low-skilled workers.

It can be challenging to get tailored information, advice and guidance to low-skilled workers and their employers. Workers typically have less access to such information, advice and guidance than jobseekers, who automatically qualify for publicly-funded services and have more time to actively participate. Employers may lack contact with the providers of such services, and may not be actively looking for them. In most countries, career guidance is delivered through a range of channels, including public employment services, specialised guidance services, career guidance websites, as well as by education providers and social partners (OECD, 2019[37]). However, these providers may not prioritise low-skilled workers.

According to 2016 Employer Perspectives Survey, most employers in England do not seek or receive advice on skill and training related issues. This is even more the case in some low-skilled sectors, such as wholesale and retail. However, for the few employers that do seek or receive advice on skill and training, they are more likely to get it from training providers and collectives and representatives, than from government or other private sources (Figure 2.3).

Figure 2.3. Not many employers have received advice or help on skill and training issues

Where employers have received advice or help on skill and training related issues in the past 12 months, by sector, England



Note: The values for "Average of other sectors" consist in the averages for each category among the sectors of "Primary sector and utilities", "Construction", "Hotels and restaurants", "Transport, Storage and Communications", "Financial services", "Business services", "Public administration", "Education", and "Arts and other services". The averages are weighted by the relative size of each sector on the total sample of firms.

Source: Based on Shury et al. (2017[17]), *Employer Perspectives Survey 2016*, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/622343/EPS_2016_UK_Report.pdf.

StatLink https://doi.org/10.1787/888934220401

Non-government actors, such as social partners and training providers, are playing a major role in providing targeted guidance and information about basic skills to low-skilled workers and their employers, and could be better supported.

Further education and skills providers and social partners have an important role in providing guidance. As shown in Figure 2.3, training providers – including further education colleges, community learning providers[4] and other private providers – offer not only basic skills courses but also advice or help on skill and training issues. Within the union-led programme Unionlearn, Union Learning Representatives (ULRs) help identify individual learning needs, provide information on accessing funded learning, and on local learning providers, colleges and learning centres (Box 2.9). They also suggest online tools that can also improve IT skills. ULRs can also help people develop confidence, which has the potential to lead to other learning opportunities. ULRs use different means (posters, noticeboards, emails, face-to-face contact, quiz and photos) to reach those in need. Unionlearn publishes guides for ULRs to share engagement ideas (Unionlearn, 2017[55]).

Employers also have a very important role in motivating workers to learn. An analysis of 18 literacy and numeracy courses in 15 companies in New Zealand, (Benseman, 2012[65]) found that the best results of publicising and recruiting potential learners were achieved when managers, supervisors or key people in the office proactively shoulder-tapped potential participants (Windisch, 2015[1]). An interim evaluation of DfE's adult learner outreach pilots in five of England's local areas found that learners responded positively to becoming aware of learning opportunities in the workplace. Information from employers meant that training was implicitly endorsed by the employer and motivated participation. The evaluation also confirmed the importance of outreach being perceived by learners as personally relevant, particularly where messages are linked to individuals' professional development plans and career aspirations (Learning and Work Institute, 2019[66]).

However, non-government actors alone cannot be expected to reach low-skilled workers and their employers effectively with guidance. Despite this, publicly-funded guidance and counselling services for low-skilled workers and their employers are limited.

Indeed across the EU, most countries do not have a structural guidance service that could be used by every adult enquiring about education and training opportunities, rather focusing such guidance on the unemployed (European Commission/EACEA/Eurydice, 2015[8]). However, this is changing, with an increasing number of countries devoting the resources of their public employment services and other agencies to motivate workers to engage in upskilling (OECD, 2019[37]).

Jobcentre Plus (JCP), England's public employment service (PES), does not currently provide tailored guidance services to low-skilled workers. In 2012, England launched the National Careers Service, replacing and building on the former 'Next Step' service, which provide publicly funded guidance and information services that are available to low-skilled workers and their employers. However, the National Careers Service provides information and guidance on learning, training and work opportunities via its website, by email and over the telephone, rather than through highly targeted or face to face counselling.

The Cost & Outreach Pilots (Learning and Work Institute, 2019[66]), mentioned above, also showed in-depth guidance to be uncommon even in the context of face to face guidance.[5] In most cases where information, advice and guidance (IAG) was experienced, this did not take the form of in-depth advice or guidance. Work coaches/careers advisers typically identified and provided information about relevant courses for learners. These interactions did not influence participants' attitudes and behaviours or inform their decision making to take up learning. Several participants stated that, in retrospect, they would have welcomed more substantive IAG, and the IAG could have been more effective if linked to education and training providers (Learning and Work Institute, 2019[66]).

Greater public investment will likely be needed to ensure low-skilled workers have access to targeted guidance and counselling that motivates learning. This could be directed to expanding the guidance services of Union Learning Representatives (ULRs) and National Careers Service for low-skilled workers. Furthermore, a growing trend in OECD countries is for public employment services to play a greater role in providing services to low-skilled workers, such as in-work training. Following these trends, the JCP's role could be expanded to provide guidance not only to the unemployed and Universal Credit recipients (OECD, 2017[67]), but also to low-skilled workers.

Guidance counsellors should follow established best practice for reaching low-skilled adults and workers in particular. For example, the Skills for Life Strategy Unit had developed a guidebook based on best practice that advises: i) an initial, informal one-on-one interview to put learners at their ease and to gather background information about them; ii) provision of information about the range of possible programmes; and iii) a detailed diagnostic assessment comprising a short series of tasks to establish literacy, language or numeracy needs. Such guidance should be followed and improved over time.

Box 2.9. Relevant domestic examples: Unionlearn outreach and guidance

The trade union-led programme Unionlearn in the United Kingdom, established in 2006, helps workers to gain new skills and qualifications to improve their employability. Among other activities, Unionlearn is responsible for training Union Learning Representatives, who are the first point of contact for workers who want to access learning opportunities.

Union Learning Representatives are in charge of promoting learning in companies, supporting learners to identify their training needs, and arranging education and basic skill training opportunities. UnionLearn's programmes also seek to build learner confidence through peer-to-peer support, and take advantage of the existing relationship and trust between workers and trade union representatives. The representatives also support workers to tackle the barriers that prevent them from participating in learning.

Since the establishment of Unionlearn, more than 40 000 representatives have been trained. More than 250 000 workers receive learning opportunities each year, especially workers with no or low qualifications. According to an evaluation report of 2016, Union Learning Representatives represented the main channel (52%) through which the learners surveyed became engaged in union learning activities. Moreover, according to the same report, 77% of employers reported that they experienced a positive return from investing in supporting the representatives and union learning.

Source: OECD (2020[68]), *Getting Skills Right: Continuous Learning in Working Life in Finland*, https://doi.org/10.1787/2ffcffe6-en; OECD (2019[69]), *Getting Skills Right: Engaging Low-skilled Adults in Learning,* http://www.oecd.org/employment/emp/engaging-low-skilled-adults-2019.pdf*;* Pennacchia, Jones and Aldridge (2018[70]), *Barriers to Learning for Disadvantaged Groups,* https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/735453/Barriers_to_learning_-_Qualitative_report.pdf.

Denmark and Austria have national guidance and advisory services, which are available to low-skilled workers (Box 2.10). These cases highlight for England the importance of a targeted, user-centred and personalised approach to motivate low skilled adults to learn.

Box 2.10. Relevant international examples: Targeted guidance and information for low-skilled workers

Denmark – Network of career guidance centres (Voksen- og EfterUddannelse)

In 2010, Denmark established a network of 13 career guidance centres known as VEU centres (Voksen- og EfterUddannelse) to act as a 'one-stop entrance' for adult education and training. Alongside individual guidance for adults, they also provide counselling services to businesses (especially SME's) regarding the CVET provision.

These centres provide free of charge one to one career guidance sessions, along with other educational programmes. Moreover, some of the centres also organise second opportunity programmes for adults who were early school leavers, while other centres offer intensive vocational education and training (VET) and technical skills training. Noticeably, the individual characteristic of the sessions allow for a precise targeting of the advice provided, which ensures its value for the individual. Qualitative evidence from Denmark suggests that the VEU Centres have contributed to more effective and efficient delivery of adult learning, having helped to reduce gaps in participation across the country's different regions.

Austria – Central advice centre for basic education and literacy

Guidance support can also be directed towards adults with a low level of basic skills. Austria has established a specific central level institution that delivers guidance services related to basic skills and literacy (Zentrale Beratungsstelle für Basisbildung und Alphabetisierung).

This Advice Centre offers services to learners, providers and teachers. They support learners looking for a basic education course in reading, writing or mathematics. The services for learners include an advanced search feature that allows individuals to look for courses close to their area of residence and in the specific domain they are interested, which allow for better targeting. The centres also offer a platform to providers to have their courses recognised and inserted in the search engine, and provide teaching material as well as information on available job offers to teachers.

These cases highlight for England the importance of a targeted approach to guidance for low-skilled workers, who are generally less motivated to engage in learning. In particular, the user-centred approach and personalised tools used in these examples could help ensure the value of advice and guidance for users.

Source: OECD (2018[71]), *Skills Strategy Implementation Guidance for Slovenia,* https://doi.org/10.1787/9789264308459-en; Windisch (2015[1]), *Adults with Low Literacy and Numeracy Skills: A Literature Review on Policy Intervention,* https://dx.doi.org/10.1787/5jrxnjdd3r5k-en; *bifeb* (n.d.[72]), *bundesinstitut für erwachsenenbildung: eb Beratung, https://www.bifeb.at/programm/eb-beratung;* OECD (2017[73]), *Educational Opportunity for All: Overcoming Inequality throughout the Life Course,* https://doi.org/10.1787/9789264287457-en.

Those providing guidance and information to low-skilled workers and employers should promote the proven benefits of existing programmes that solely or partly target basic skills.

A recent English study evaluated returns to completing English and maths courses for (adults 19+) taken as part of more substantial qualifications in FE colleges. It finds that an average earning premium associated with completing maths and English courses ranges from 4% to 6% if compared to those who did not manage to complete similar courses. Earning premiums are higher for younger adults (aged 19-24) (Buscha et al., 2013[74]). In particular, England could more effectively promote adult apprenticeships as an effective means to basic skills development, in order to motivate more low-skilled workers to learn.

As noted earlier (Chapter 1), apprenticeships can play an important role in raising worker's basic skills and should be promoted to low-skilled workers. Apprenticeships in England require and support apprentices to achieve Level 2 English and maths (Kuczera and Field, 2018[75]). They are becoming one of the most important forms of learning for low-skilled workers in England. Around 62% of England's apprentices are incumbent workers (the others are new, typically younger recruits)[6] (Thornton et al., 2018[76]). Apprenticeships are concentrated in the three economic sectors with the most low-skilled adults in England – wholesale and retail, health and manufacturing. In all but a few sectors, the majority of starts are in intermediate, Level 2 apprenticeships, corresponding to GCSE level.

Apprenticeships are also a good instrument for small and medium-sized enterprises, given that SMEs – who do not pay the Apprenticeship Levy – now receive full government support for apprenticeships, for example a special payment, training cost exemption and reduced fee for apprenticeships (from 10% to 5% of the training costs).[7] However, employers in sectors with more low-skilled workers appear to know less about apprenticeships. For example, 43% of employers in the wholesale and retail sector currently offer, or have a "good" or "very good" knowledge of apprenticeships, compared to almost 50% on average across sectors. Raising awareness of adult apprenticeships could attract more low-skilled workers to learn, and in turn improve their basic skills. Of course, monitoring the effectiveness and relevance of adult apprenticeships for low-skilled workers after recent reforms will also be essential (see Chapter 4).

Recommendation for improving guidance and information for low-skilled workers and their employers:

- **The government should expand publicly funded personal career guidance and information services for low-skilled workers and their employers, in order to motivate basic skills development**. Greater public investment could be directed to expanding the guidance services of Union Learning Representatives (ULRs), National Careers Service and/or Jobcentre Plus, for example. It could involve investments in physical centres for guidance targeting low-skilled adults, as in Denmark and Austria. The government should continuously monitor the uptake and impact of face-to-face career guidance and information, to ensure it is effective in raising participation in basic skills development. England should also more actively promote vocational qualifications with basic skills content, such as intermediate level adult apprenticeships, as a promising mode for delivering basic skills to low-skilled adults and their employers.

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Notes

[1] According to the Behavioural Insights Team, in FE colleges, weekly text messages of encouragement to adult learners enrolled in mathematics and English courses improved attendance rates by 22% and achievement rates by 16%. A social support intervention improved achievement rates by 27%. Finally, an intervention that incorporated a short writing exercise, where learners reflect on their personal values and why they are important to them, improved attainment by 25%. However, in a work-based setting, experimental approaches aimed at obtaining similar results did not yield the same results (Hume et al., 2018[12]).

[2] The number of employees working fewer hours due to attending a training course has declined from 140 000 in 1995 to 20 000 in 2014.

[3] The Index digital capability measure complements Basic Digital Skills, as it analyses individuals' actual behavioural data.

[4] Publicly-subsidised community learning provides a broad range of flexible non-formal learning opportunities, ranging from personal development through to older people's learning, IT courses, employability skills, family learning, and activities to promote civic engagement and community development. Courses are structured but usually unaccredited. Providers include local authorities, further education colleges, community groups and voluntary (third) sector organisations, such as the University of the Third Age (U3A), an organisation of retired and semi-retired people, learning for pleasure rather than for any qualification.

[5] From 173 survey responses and 60 semi-structured interviews with learners enrolled on subsidised courses, only 18 had experiences of information, advice and guidance (IAG).

[6] In 2019/20, under 19 years old account for 32.3% (40 700), 19 to 24-year-olds account for 29.3% (36 800), and those aged 25 and over account for 38.4%% (48 300). Those aged 25 and over have consistently had the highest share of starts each year over the period 2014/15 to 2018/19.

[7] A special payment of GBP 1 500 per apprentice is made available to smaller employers who have not recruited an apprentice in the last 12 months and want to take an apprentice aged 16-24 (Kuczera and Field, 2018[75]). Non-levy paying employers including SMEs must pay 10% of the training and assessment costs when they take on apprentices but it will be reduced to 5%; small employers are able to train at no cost those aged 19-24 with certain conditions and these employers are not required to contribute the 5% co-investment; instead, the government will pay 100% of the training costs for these individuals.

3 Making basic skills development accessible to workers and employers in England, United Kingdom

Making basic skills development more accessible to low-skilled workers and employers can help to raise participation in these programmes. This chapter explores three policy options for making basic skills development more accessible in England (United Kingdom): 1) expanding the provision of basic skills training within workplaces; 2) expanding the supply of flexible basic skills programmes outside of workplaces; and 3) extending training leave entitlements to low-skilled workers in SMEs, while supporting SMEs.

Key findings and recommendations: Making basic skills development accessible to workers and employers

The main barriers to adult learning participation are time and cost. Time-related barriers refer to the fact that those who are willing to participate are sometimes unable to due to various responsibilities including work and family. Cost-related barriers refer to the fact that employers must find replacements for workers who attend basic skills training, while also paying wages and other associated costs. Although cost-related barriers to workers are being addressed to some degree through basic skills entitlements, time-related barriers often incur their own, sometimes hidden, costs.

Adult participation in basic skills training continues to decline, as many time-related barriers remain. England has shown a commitment to removing these barriers by increasing funding and providing basic skills entitlements but also through Unionlearn – a well-recognised actor in England in the promotion of learning provision in the workplace and in the improvement of workers' basic skills – and Flexible Learning Fund Pilots.

England could build on the internationally recognised success of Unionlearn, and where Unionlearn is absent, Jobcentre Plus (JCP) – a public employment service (PES) – can play a role in facilitating basic skills training in workplaces. In several countries such as Estonia, Flanders (Belgium) and Germany, PES are beginning to play a greater role in strengthening training for low-skilled workers, in particular during the COVID-19 crisis as many workers are displaced.

Flexible training provision is important to help overcome time-related barriers. England has a series of existing initiatives that aim to promote flexible learning opportunities such as National Numeracy, the devolution of the Adult Education Budget and testing of the Flexible Learning Funds Pilots and Cost and Outreach Pilots. England could learn from other countries or regions such as Flanders (Belgium), Germany and Ireland in terms of flexible, formal basic skills programmes for low-skilled workers, and Germany, Switzerland and the United States in terms of innovative, highly modularised non-formal basic skills programmes.

Moreover, England could revisit the conditions for the right to training leave, which are restrictive compared to other OECD countries where training leave schemes do not distinguish between beneficiaries on the basis of company size yet provide preferential treatment towards small and medium-sized enterprises (SME) employees. Although sectoral and regional efforts do exist in England to compensate costs for promoting the use of training leave, a more strategic, national approach may help increase accessibility of basic skills development for low-skilled workers, such as done in Canada, Denmark, Flanders (Belgium) and Switzerland.

Policy options	Policy recommendations
3.1. Expanding the provision of basic skills training within workplaces to overcome workers' time constraints	• The government and other stakeholders should improve the sustainability of Unionlearn by preventing decreases in funding, with an aim of increasing funding and training in the future. • JCP should expand its service offerings to employed individuals, and low-skilled workers in particular, to assist them in improving basic skills.
3.2. Expanding the supply of flexible basic skills programmes	• The government should support training providers to offer more flexible basic skills training, while funding and facilitating the upscaling and dissemination of such initiatives, including the Flexible Learning Fund pilots. • The government should support increased provision of flexible non-formal basic skills programmes, and simplify pathways to formal qualifications.
3.3. Extending training leave entitlements to low-skilled workers in SMEs	• The statutory training leave should cover small and medium-sized companies, to better support the skills development of low-skilled workers. • The government should provide compensation to smaller-sized employers whose workers utilise training leave for basic skills development.

The importance of accessible basic skills development for workers and employers

Many adults, including low-skilled workers, wanted to participate in (more) learning, but are prevented from doing so by various barriers. According to the OECD Survey of Adult Skills, a product of the Programme for the International Assessment of Adult Competencies (PIAAC), across OECD countries 20% to 65% of low-skilled workers (aged 19-65) face barriers to participating in education and training. In England, 31% of low-skilled workers are willing to participate in education and training but could not because of various barriers.

Reducing these barriers to basic skills development, both for workers and employers, is a way to give these willing learners access to opportunities for improving basic skills. Existing barriers can range from complex institutional issues such as inadequate or outdated legal frameworks, to personal issues such as a lack of time. For low-skilled workers, the barriers can typically be divided into two types: time-related and cost-related barriers. Time-related barriers include, among other things, long working hours, difficulty receiving approval to learn during work hours, lack of flexible training opportunities outside of work hours, and the need to care for children and elderly family members. Low-skilled workers are entitled to free formal basic skills programmes in England (GCSE (General Certificate of Secondary Education), FSQs, (Functional Skills Qualifications), etc.), but there are associated cost-related barriers. These include costs to the worker (such as foregone wages for zero-hour contract workers who miss work to attend training) and costs to the employer (such as reduced production or replacing workers who are in training). Minimising these barriers facilitates the participation of low-skilled workers in training generally, and basic skills training in particular.

Current responsibilities and initiatives for ensuring accessible basic skills development

Responsibility for reducing barriers to learning rests with a variety of actors and stakeholders, including individual government departments, sub-national governments and authorities, and both public and private education and training institutions. Each of these groups has a different and complementary role to play in increasing access, from ensuring legal entitlements are in place and providing funding, to developing or implementing specific programmes and policies.

Several recent reforms and policies may impact the accessibility and flexibility of learning opportunities for low-skilled workers and their employers. This includes making training in Entry Level and Level 1 qualifications free for low-skilled adults to remove cost barriers, and launching funds to support flexible provision of learning - including basic skills.

Making basic skills training accessible to workers and employers is a goal shared by multiple departments

As in other OECD countries, responsibility and initiatives for reducing barriers to learning rests with a variety of actors and stakeholders.

- The Department for Education (DfE) is responsible for further education and adult apprenticeships policy. One of the DfE's 12 strategic goals is to ensure access to quality places where they are needed, including in post-18 education. The DfE governs both the Adult Education Budget (AEB) through the Education and Skills Funding Agency (ESFA) and the Union Learning Fund (ULF) through Unionlearn, which are some of major resources for ensuring the accessibility of adult basic skills development.

- The Department of Work and Pension (DWP) not only helps people move into work but also supports their progression in work, and in this sense it is also their responsibility to make basic skills development more accessible to workers and employers.
- The Department for Digital, Culture, Media and Sport (DCMS) has a role to play in enhancing basic digital skills among low-skilled workers. In fact, it assesses digital skills challenges and seeks to tackle digital exclusion, including by promoting accessible and flexible digital skills programmes (Department for Digital, 2019[1]).
- The Office of Qualifications and Examinations Regulation (Ofqual) is also an important actor in basic skills as it regulates basic skills qualifications, examinations and assessments. In fact, among its statutory objectives there is the one of ensuring that regulated qualifications are provided efficiently. Moreover, Ofqual's corporate plan devotes particular attention to implementing regulatory requirements for digital skills in the two years to come (Office of Qualifications and Examinations Regulation, 2019[2]).
- There are other departments that do not currently have obvious roles to play in improving access to employee basic skills development opportunities but may have value to add. For example, Department of Health and Social Care can help make sure that low-skilled workers in the sector have access to basic skills assessment and development, given that human health and social work activities employ 16% of low-skilled workers (ages 19-65) in England and one-quarter of employees in the sector have low basic skills, according to the OECD Survey of Adult Skills (PIAAC). This has been highlighted in previous reports (House of Commons, 2009[3]; Bathmaker, 2007[4]).

Legal entitlements to basic skills training are fully funded by the Adult Education Budget

England's Adult Education Budget (AEB) takes the question of affordability "off the table" for low-skilled workers. Since 2016, the AEB, funded by the ESFA, has enabled eligible adult learners to participate in fully funded basic skills qualification courses.[1] Eligible learners are individuals aged 19 and over, including those employed, who have not previously attained a GCSE grade A*-C or grade 4, or higher in English or mathematics qualifications, up to and including Level 2. Qualifications included under the legal entitlement include: GCSE English language or mathematics; functional skills in English or mathematics from Entry Level to Level 2; and steppingstone qualifications in English or mathematics approved by the Department for Education and the ESFA.

The AEB also supports delivery of flexible, tailored training provision for adults, including qualifications (and components of these) and/or non-regulated learning, up to Level 2. This provision, called 'local flexibility',[2] is fully or co-funded depending on the learner's age, prior attainment and circumstances. Local flexibility provision can be delivered alongside a legal entitlement qualification. The government has additionally announced that an entitlement to free basic digital skills will begin from the 2020-21 academic year.[3]

Before 2016, DfE's Adult Skills Budget (ASB) spending (comprising funding for further education, apprenticeships and other workplace training) fell by 32% between 2010-11 and 2015-16, partly in line with decreasing adult learning participation (see Chapter 1).[4] Within the ASB, expenditure on adult apprenticeships increased by 58%, while non-apprenticeship ASB spending fell by 54%.[5] Non-apprenticeship workplace training saw the largest proportional reduction at 87% in cash terms (Foster, 2018[5]). The newly created AEB in 2016 (comprising the non-apprenticeship part of the ASB plus community learning and discretionary learner support) is set to be held constant in cash terms at GBP 1.5 billion up to 2019-20 (Keen et al., 2018[6]).[6] Funding for community learning, which provides resources for further basic skills provision, has remained fairly constant over the period.

Table 3.1. Level of government's contribution for the Adult Education Budget to fund basic skills

Provision	Individuals aged 19-23	Individuals aged 24 or above	Low-wage flexibility
English and mathematics, up to and including Level 2 (Must be delivered as part of the legal entitlement)	Fully funded[1)]		
English for speakers of other languages (ESOL) learning up to and including Level 2	Co-funded[2)] (Fully funded for the unemployed[3)])		Fully funded when the learner is both eligible for co-funding and earns less than the low-wage threshold.
Learning aims up to and including Level 2, where the learner has already achieved a first full level 2, or above			
Learning aims up to and including Level 2, where the learner has not achieved a first full Level 2, or above	N/A	Co-funded[2)]	
Non-regulated learning	- Independent living skills or engagement learning supporting adults to operate confidently and effectively in life and work - Locally commissioned and/or locally developed basic knowledge and skills needed to access technical qualifications - Employability and labour market re-entry - Community learning courses		

Note: 1) Must be delivered as one of the English and mathematics, and/or first full Level 2 or first full Level 3 qualifications required as part of the legal entitlements.
2) Low-wage flexibility may apply (the low-wage threshold in 2019 was GBP 16 009.50 annual gross salary). The Adult Education Budget (AEB) low-wage trial, which started in 2018 to 2019 (ESFA, 2019[7]), has now become part of AEB mainstream funding policy.
3) Unemployed if one or more of the following apply: learners i) receive Jobseeker's Allowance (JSA), including those receiving National Insurance credits only; ii) receive Employment and Support Allowance (ESA); iii) receive Universal Credit (other state benefits or no benefits), and their earned income from employment (disregarding benefits) is less than GBP 338-541 a month depending on the number of benefit claimers; and iv) are released from prison on temporary licence, studying outside a prison environment, and not funded by the Ministry of Justice.
Source: Extracted from ESFA (2019[8]), *ESFA Funded Adult Education Budget (AEB): Funding and Performance Management Rules 2019 to 2020,* https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/826820/AEB_2019-20_rules_2_July_Version_2.pdf.

Flexible Learning Fund Pilots sought to explore flexibility in adult skills provision

In 2018, the UK Government allocated GBP 11.7 million to the Flexible Learning Fund (FLF), to test flexible training delivery methods to better understand which approaches overcome barriers to access (OECD, 2019[9]). It aimed to support adults to take part in new training or courses that would help them progress in current employment or secure a new job (see Box 3.3).

England's performance at ensuring the accessibility of basic skills development

Many low-skilled workers in England face time-related barriers to participating in education and training, contributing to low rates of training. Barriers are highest for workers in low-productivity sectors and SMEs, where employers perceive there to be limited financial incentives, or lack capacity to support training. Relatively few employers explicitly deliver basic skills training in the workplace, a context that is highly accessible and relevant for low-skilled workers. Countries can tackle time-related barriers in varied ways, including by supporting workplace delivery of learning, and more flexible learning outside of the workplace – in terms of delivery (part-time, online) and design (modular, credit-based courses). They can also require and financially support training leave for low-skilled workers and their employers.

Time-related barriers to participation in basic skills training are significant in England

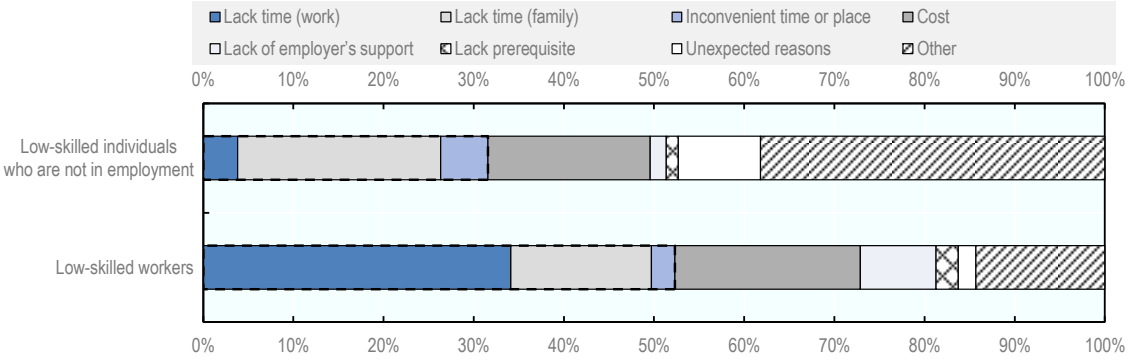
Among the barriers preventing low-skilled workers from participating in adult learning in England, time-related barriers are the most prevalent. More than half of low-skilled workers wanted to participate in (more)

learning activities, but did not because they were too busy at work (34%), had no time because of child care or family responsibilities (15%), or the training course was offered at an inconvenient time or place (3%) (Figure 3.1).[7] As in other countries these time-related barriers were more common among the employed than the unemployed (Figure 3.2). Although in the context of basic skills entitlements, it can be argued that cost-related barriers are already being addressed, time-related barriers often incur their own, sometimes hidden, cost. For example, lack of time to participate due to work commitments could be resolved through paid training leave, while a lack of time due to family responsibilities could be addressed by child or family care support. Other time barriers, such as inconvenient scheduling (e.g. because of shifts at work) or the need to travel to participate in learning, also incur costs.

Cost and Outreach pilots that are testing different approaches to reduce costs in engaging adults in learning have stressed that such practical barriers related to personal circumstances must be addressed in order to engage adults seeking to retrain. When asked about additional costs incurred as a result of their learning, survey respondents highlighted costs associated with travel (50%), reduction in pay due to lost time at work (16%) and additional childcare costs (13%) (Learning and Work Institute, 2019[10]). The results of qualitative research conducted by Kantar Public and Learning and Work Institute (2018[11]) underlined that since the barriers to participation vary based on the attitudes of individual learners towards learning, the fact that those attitudes change over time, and that learners all weigh the costs and benefits of learning differently, there should likewise be a diversity of interventions and options regarding access to learning.

Figure 3.1. Time is one of the greatest barriers to participation in any learning activity among adults with low basic skills in England (UK)

Share (%) of adults with low basic skills who wanted to participate in (more) learning activities but did not (ages 19-65), by reason, 2011/12

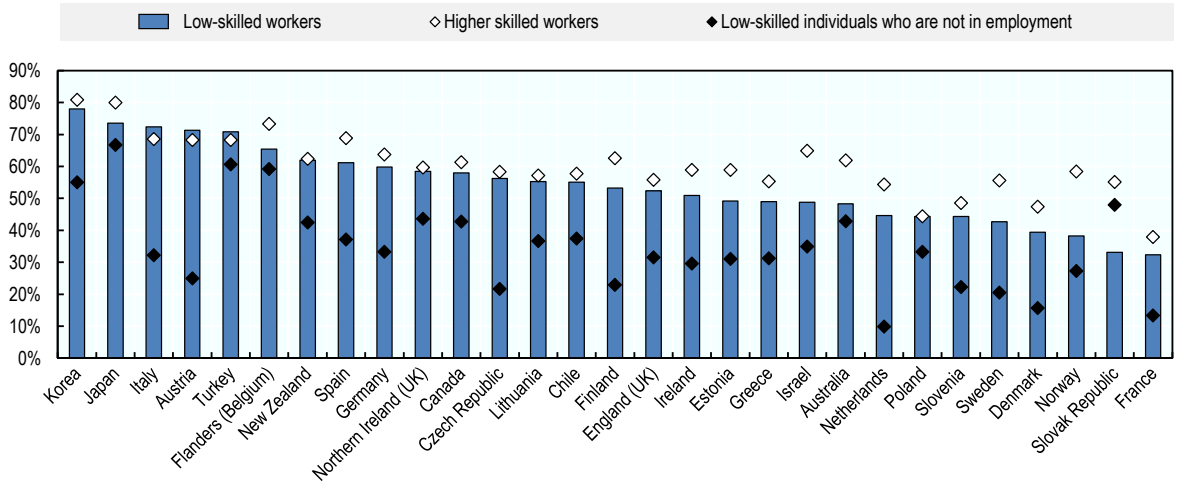


Note: This graph uses PIAAC questions: "In the last 12 months, were there learning activities you wanted to participate in but did not? Include both learning activities that lead to formal qualifications and other organised learning activities" and "Which of the following reasons prevented you from participating in education and training? Please indicate the most important reason".
Source: Authors' calculations based on OECD (2012[12]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

StatLink https://doi.org/10.1787/888934220420

Figure 3.2. Low-skilled workers' time-related barriers to learning are similar to the OECD average

Share (%) of adults by level of skill and employment status who wanted to participate in (more) learning activities but did not due to time-related barriers (ages 19-65), 2011/12



Note: This graph uses PIAAC questions: "In the last 12 months, were there learning activities you wanted to participate in but did not? Include both learning activities that lead to formal qualifications and other organised learning activities" and "Which of the following reasons prevented you from participating in education and training? Please indicate the most important reason".
Source: Authors' calculations based on OECD (2012[12]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

StatLink https://doi.org/10.1787/888934220439

Structural factors can leave low-skilled workers with little time for learning

Low-skilled workers in the United Kingdom work longer hours, work more during weekends, and are more likely to have atypical working schedules than peers in European Union (EU) countries. While overtime work has fallen from an average of two hours per week in 1998 to one hour in 2018, basic hours worked have slightly increased according to the Annual Survey of Hours and Earnings (ASHE). According to the survey, 12% of employees work more than fifty hours a week. These work schedules make it much more difficult to find the time for education and training. In other words, this may mean that their employers would be less willing to provide time-off for basic skills training.

In addition to the unpredictability of scheduling in non-standard forms of employment and the need to work multiple jobs (McBride and Smith, 2018[13]), other structural factors may make it more difficult for low-skilled and low-wage workers to engage in regular programmes of learning. For example, according to the Childcare and Early Years Survey of Parents, lower income families – which are more likely to include low-skilled parents – found it more difficult to meet their childcare costs and less likely to have their children enrolled in childcare (Department for Education, 2019[14]). Over two in five (44%) families earning under GBP 10 000 per year found it difficult to meet their childcare costs, compared to a third (33%) of families earning between GBP 10 000 and GBP 45 000, and 22% of those earning GBP 45 000 or more. Lowest income families use child care 22% less than the highest income families (Department for Education, 2019[14]).

Relatively little basic skills training is delivered in workplaces in England

Currently, relatively few employers in England organise basic skills training. In 2015, 4.2% of employers in the United Kingdom providing continuing vocational training courses to their workers do so in the area of basic numeracy and/or literacy, according to the EU Continuing Vocational Training Survey. Other surveys undertaken by the Behavioural Insights Team and the Federation of Small Business also provide insight in this regard. The Behavioural Insights Team reported that only about 15% of UK employers provide any form of training in literacy or numeracy (Booth, 2017[15]). The Federation of Small Business found that only 4-6% of small business owners and staff had undertaken basic skills training, whereas almost half of all owners had engaged in training for technical and job-specific skills (FSB, 2017[16]).

The time-related barriers faced by employees mentioned above also incur cost to employers. Providing for the basic skills training needs of employees requires human resource management systems with formalised learning and development management systems in place – SMEs often do not have or afford such systems. They are also more constrained in terms of money and time. SMEs also have fewer financial resources to spend on training and fewer staff to cover for those who are out on external training. They are unable to access the economies of scale that large employers can for training and do not have the resources to set up in-house provision. Many small businesses are focused on immediate issues and on growing the business and have limited ability to focus on the medium or long term (Booth, 2017[15]).

Policy options for making basic skills development more accessible to workers and employers in England

According to available data and evidence on awareness about workers' basic skills in England, as well as the insights provided by experts in England consulted during this project, a range of barriers exist to low-skilled workers and their employers accessing basic skills education and training. The key issue that emerged is the inability for workers to access education and training due to time constraints. However, while this was partially due to a simple lack of time, it was more fundamentally due to a lack of the availability of these workers during those times when education and training services were likely to be offered.

Workers typically lack the time to participate in basic skills training outside of working hours, as their work often features long hours and work on evenings and weekends. Such workers are also unlikely to have additional financial resources to free up what non-work time they do have through paid childcare, for example.

Currently, there is a lack of flexible basic skills programmes for workers outside of workplaces, and as relatively few employers in England organise basic skills training, this leaves low-skilled workers with limited options. Compounding this issue is the fact that SMEs are not covered by the current right to training leave, and that workers and employers do not receive compensation for lost wages or revenue, to utilise training leave.

These fundamental challenges can be addressed through a series of policy options that can reduce time constraints for learning and related financial constraints, both for workers and employers, and ultimately make basic skills development more accessible to workers and employers. These include:

1. Expanding the provision of basic skills training within workplaces.
2. Expanding the supply of flexible basic skills programmes outside of workplaces.
3. Extending training leave entitlements to low-skilled workers in SMEs, while at the same time compensating SMEs for lost revenue or staff replacement costs.

Policy option 3.1: Expanding the provision of basic skills training within workplaces to overcome workers' time constraints

One way to tackle the time barrier to basic skills training of adults with low basic skills is to bring the training itself into the workplace. While basic skills do not necessarily need to be taught in the workplace, basic skills training in the workplace is more accessible for workers who struggle to find time for basic skills training.

Furthermore, teaching low basis skills training in workplace facilitates the acquisition and retention of these skills. First, learning basic skills in the workplace allows low-skilled adults to learn in a context closely linked with their work tasks. Second, by learning basic skills in the workplace, where they are practically applied, it can help them to understand the relevance of these skills and provide opportunities to practice what they have learned, facilitating their retention. Third, learning and improving basic skills together with their colleagues can reinforce learning benefits. Finally, the provision of training in workplaces can help overcome motivational barriers resulting from previous negative experiences that make further classroom learning unpalatable to low-skilled adults (Windisch, 2015[17]).

Basic skills training in the workplace can be facilitated through compensatory mechanisms for training leave, which is discussed under policy option 3.3. The OECD visit to Sheffield confirmed that there are already employers that allow employees to participate in basic skills training during working hours in the workplace, with the training provided by a local college. This form of basic skills training can be very effective both for employer and employees.

Support Unionlearn in facilitating basic skills training delivery in workplaces

Union-provided learning activities can be effective in helping workers become aware of and embark on basic skills training, and in sustaining their learning pathways and continuous upskilling. If employers often do not have sufficient time or resources (or incentives or awareness) to initiate such courses and assess needs among employees – and employees often do not want employers to find out that they have low basic skills – unions are relatively well-placed to mediate the needs of both and promote basic skills learning.

Unionlearn is a well-recognised actor in the promotion of learning in the workplace, and one of its priorities is to improve basic skills through its Union Learning Fund.[8] The success of Unionlearn's approach is rooted in employee accessibility to training. Unionlearn supports the establishment of workplace learning centres (or union learning centres) to embed learning in the workplace; offers information sessions and proficiency tests[9] in the workplace; and provides information on local learning providers and accessing funded learning, through Union Learning Representatives (ULRs)[10] (Hume et al., 2018[18]). Co-ordinating with employers, ULRs help workers identify training needs (from basic skills to prerequisites for professional career development) and arrange learning opportunities within the companies (Crews et al., 2018[19]). They can suggest online tools, which may in themselves also improve IT skills. ULRs can also help people develop confidence, which has the potential to lead to other learning opportunities. ULRs use different means (posters, noticeboards, emails, face-to-face contact, quizzes and photos) to reach those in need; Unionlearn meanwhile publishes guides for ULRs to share engagement ideas (Unionlearn, 2017[20]). Recent initiatives have focused on providing career guidance through trade unions.[11]

According to the Union Learning Survey (ULS) (Crews et al., 2018[19]), respondents agreed that union learning resulted in them becoming: more confident in their abilities (68%); more likely to undertake further learning and training (77%); more enthusiastic about learning (74%); and better able to organise, mentor and support other people (58%). Around half of all learners agree or completely agree that union learning has improved their quality of life and well-being (46%). According to the same survey, 70% of respondents felt that they would not have done their learning without the support of their union. Importantly, respondents in many minority or disadvantaged groups attributed a higher level of importance to the support received

from their union than other respondents. For example, 79% of those with no qualifications would not have done their learning without the support of their union compared with 62% of those with UK Level 4 qualifications. Moreover, an impact estimation has each GBP 1 invested in the Union Learning Fund generating a total economic return of GBP 12, of which GBP 7 accrues to individuals and a fraction over GBP 5 to employers.

For England, the challenge is how to expand Unionlearn's successful results, in particular to smaller, non-union workplaces. A large population is out of the reach of Unionlearn initiatives (Table 3.2) and its Union Learning Fund has been largely reduced since 2011 which affected the number of workplaces and learners engaging in basic skills and other types of learning (Figure 3.3).[12] In addition, trade union membership levels among employees have fallen recently, although there was a marginal rise between 2016 and 2018 – but the levels in 2018 remain around 579 000 lower than in 2008. There is also a large disparity in the proportion of public sector workers (53%) who are trade union members when compared to private sector workers (13%). Moreover, highly educated employees and employees in larger workplaces are more likely to be union members (Department for Business, Energy and Industrial Strategy, 2019[21]). From an international perspective, trade union density in England is low: for example, it was about 25% in 2013 – lower compared to Belgium (55%) and Nordic countries (52% for Norway and about 66% for the rest) (OECD, 2013[22]).

Table 3.2. Relatively few learners and employers benefit from the Union Learning Fund projects

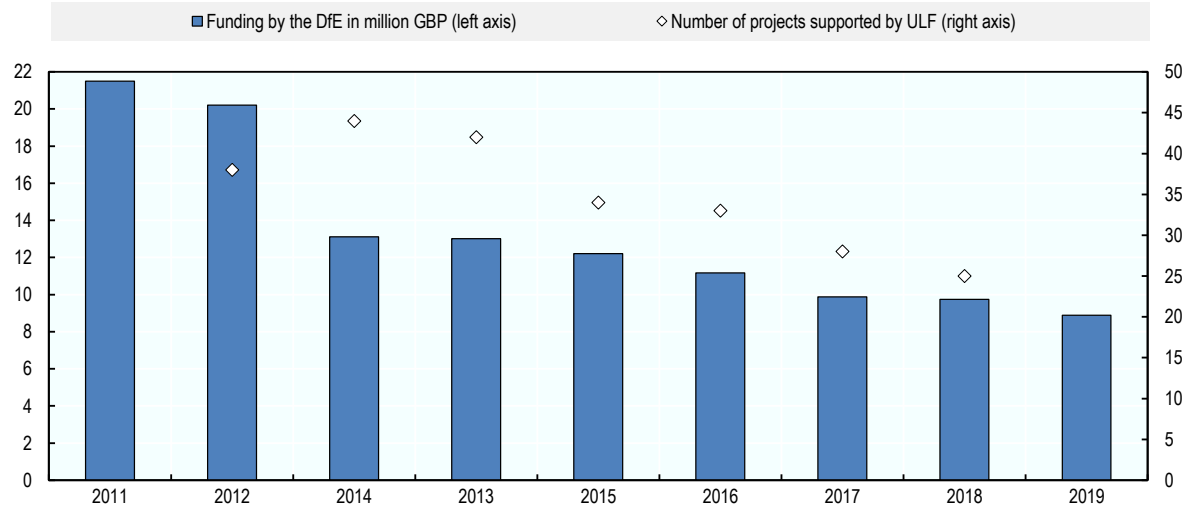
Number of learners who participated in training and/or assessment through the Union Learning Fund projects

		2019-20	2018-19	2017-18	2016-17
All training		149 496	156 377	141 000	210 000
Adding learners and reps accessing training directly from Unionlearn and TUC Education		189 100	205 000	188 000	-
English and maths		37 736	35 822	27 733	27 501
	English and maths by Unionlearn's direct support	-	8 107	6 114	5131
ICT		24 992	28 568	19 613	-
ESOL (English for speaking of other languages)		985	838	-	-
Initial English and maths assessments		30 499	25 827	25 723	-
	English only	10 517	13 347	-	-
	maths only	19 982	12 480	-	-
Initial ICT assessments		11 079	11 852	7 649	-
New employer learning agreements		247	123	96	137

Source: Unionlearn (2017[23]), *Unionlearn Annual Report 2017*, https://www.unionlearn.org.uk/sites/default/files/publication/Annual%20Report%202017.pdf; Unionlearn (2018[24]), *Unionlearn Annual Report 2018* , https://www.unionlearn.org.uk/sites/default/files/publication/Unionlearn%20Annual%20Report%202018.pdf; Unionlearn (2019[25]), *Unionlearn Annual Report 2019*, https://www.unionlearn.org.uk/sites/default/files/publication/Unionlearn%20Annual%20Report%202019.pdf; Unionlearn (2020[26]) *Unionlearn Annual Report 2020*, https://www.unionlearn.org.uk/news/unionlearn-publish-2020-annual-report

Figure 3.3. The Union Learning Fund and the number of projects supported by it have declined since 2011

Funding by the Department for Education (in million GBP) and the number of project supported by the Union Learning Fund



Source: Stuart et al. (2016[27]), Evaluation of the Union Learning Fund Rounds 15-16 and Support Role of Unionlearn https://www.unionlearn.org.uk/sites/default/files/publication/ULF%20Eval%201516%20FINAL%20REPORT.pdf; Unionlearn (2017[23]), *Unionlearn Annual Report 2017*, https://www.unionlearn.org.uk/sites/default/files/publication/Annual%20Report%202017.pdf; (2018[24]), *Unionlearn Annual Report 2018* , https://www.unionlearn.org.uk/sites/default/files/publication/Unionlearn%20Annual%20Report%202018.pdf; (2019[25]), *Unionlearn Annual Report 2019*, https://www.unionlearn.org.uk/sites/default/files/publication/Unionlearn%20Annual%20Report%202019.pdf.

StatLink https://doi.org/10.1787//888934220458

In order to engage with workers with low basic skills regardless of the union membership, more proactive outreach is necessary through providing basic skills training in the workplace. Union learning centres are available to employees in a number of non-union workplaces and there are Union Learning Fund projects for non-unionised learners under way, but the outreach could be further expanded. Another challenge for Unionlearn is how to continue its successful practice in the context of the devolution of Adult Education Budget (AEB). For example, training ULRs is an important part of leading the success of Unionlearn practice but there is a risk that devolution may lead to a reduction in such trainings. A large share of ULRs attend college-based training courses that are outside of the geographic catchment of those colleges, which can potentially exclude them from area-based funded programmes in the future (Unionlearn, 2019[25]).

Recommendation for increasing support to the Unionlearn practice in promoting basic skills development participation, practice, and provision in the workplace:

- The government should improve the sustainability of Unionlearn by building upon its recently implemented multi-year funding model and preventing decreases in funding, with an aim of increasing funding in the future. This would increase Unionlearn's capacity to expand the provision of basic skills training within workplaces, thereby encouraging low-skilled workers to take advantage of basic skills entitlements. The government should also make sure that the devolution of the Adult Education Budget includes provisions for Union Learning Representatives to continue to attend trade union education college training courses, regardless of geographic catchment area. Employers should actively engage with Unionlearn by entering into learning agreements to support

Unionlearn efforts in order to encourage workers to take advantage of their training rights and opportunities.

Box 3.1. Relevant domestic examples: Sectoral effort to promote basic skills participation, practice, and provision in the workplace

Health Education England

Health Education England (HEE) plays a similar role as Unionlearn in the health care sector – promoting education, training and workforce development in the health sector sponsored by the Department of Health and Social Care. The HEE Apprenticeship Hub in the North have been working in conjunction with employers – National Health Service (NHS) – and a number of providers to offer up to Level 2 Functional Skills in English and maths to NHS employees. The success rate is 93% and learner feedback collected via online surveys has been positive. 71% of learners feel that attending the basic skill courses has increased their performance in their current role; 100% of learners feel that these courses have benefited them professionally; and 88% of learners felt that as a result of attending these courses, they felt more confident in applying to new positions such as a higher band role or NHS apprenticeship.

Source: Lillis, Finbar (2019[28]) *Skills for Life in Health and Care: A National Strategy for Basic and Transversal Skills in the Health and Care Workforce*, https://www.mdx.ac.uk/__data/assets/pdf_file/0028/539713/MDX-HEE-report-Skills-for-Life-in-Health-and-Care.pdf.

Expand the role of the public employment service in facilitating delivery of basic skills for workers

Where Unionlearn is absent, other organisations – such as Jobcentre Plus (JCP), the country's public employment service (PES), and training providers – can play a role in facilitating basic skills training in workplaces. JCP was created in 2002 with the merger of the Employment Service and the Benefits Agency, thereby combining active and passive labour market benefits. Currently, JCP is involved only in training the unemployed and benefits recipients but is not able to assist employed people who do not receive benefits. This stands in contrast to practice in other OECD countries where public employment services are beginning to play a greater role in strengthening training for low-skilled workers, in particular under the current COVID-19 crisis where many workers are displaced (OECD, 2020[29]).

For example, in Germany, the Federal Employment Agency (Bundesagentur für Arbeit), the country's PES, introduced in 2006 WeGebAU programme (Weiterbildung Geringqualifizierter und beschäftigter Älterer in Unternehmen), which was integrated and expanded in the 2019 Law on Qualification Chances (Qualifizierungschancengesetz). This programme provided educational and financial support for older workers without certified vocational qualifications and for those with low skills proficiency to improve their employability (Box 3.2). In Estonia, the Estonian Unemployment Insurance Fund (EUIF), which is managed by the Estonian PES, has recently expanded its services to the employed (Box 3.2). In addition, the Estonian PES, in co-operation with the relevant stakeholders, was able to quickly develop e-learning for care workers, in high demand during the crisis (OECD, 2020[29]).

Reflecting these trends, JCP could be strengthened to support both employer basic skills training provision in workplaces, and job and income progression among low-skilled adults, for example by brokering between employers, training providers and workers and by providing career guidance for people in work (OECD, 2017[30]). JCP is well-placed in this role given that job-seekers and benefit claimants who become employed are often in contact with JCP. The Flexible Support Fund, administered by Job Centres, could be used for this purpose: the Fund is currently used to support receiving unemployment benefits, for example for funding travel to training venues or paying for family care to enable a claimant to undertake

training, but despite this promising role, the Fund has been underused and under publicised (House of Commons Work and Pensions Committee, 2017[31]).

Box 3.2. Relevant international examples: Role of the public employment service in facilitating basic skills development

Germany – Federal Employment Agency

In Germany, the Federal Employment Agency (Bundesagentur für Arbeit), which is the country's PES, has promoted since 2002 the continuing professional education of low-skilled and older workers and introduced in 2006 WeGebAU programme (Weiterbildung Geringqualifizierter und beschäftigter Älterer in Unternehmen), which was integrated and expanded in the 2019 Law on Qualification Chances (Qualifizierungschancengesetz). This programme provided educational support for older workers without certified vocational qualifications and for those with low skills proficiency to improve their employability. The Federal Employment Agency covered the cost of training courses, travel, and lodging. In addition, participants received extra unemployment compensation if they were not able to work while they were taking the courses. At the end of the programme, participants received a recognised vocational qualification or partial qualification. In addition, the agency is part of a broad social alliance for the National Decade of Literacy and Basic Education 2016–26 (Nationale Dekade für Alphabetisierung und Grundbildung), which aims to raise the reading and writing skills as well as the level of basic education amongst adults in Germany.

Estonia – Unemployment Insurance Fund

The Estonian Unemployment Insurance Fund (EUIF), founded in 2002, was initially responsible for the training of unemployed individuals only, with the goal of contributing to the upskilling of jobseekers. Starting from 2017, the EUIF also provided training programmes targeted at employees, with the aim of preventing unemployment due to lack of skills or their skills being outdated. Both unemployed and employed can purchase training through a training voucher scheme. An evaluation of the programme carried out in 2011 has found that the individuals trained by the EUIF displayed higher employment rates and salary, on average, than comparable individuals who did not access the programme.

Flanders (Belgium) – Flemish Public Employment Service (VDAB)

VDAB is a public service under the Flemish Ministry of Work and Social Welfare, controlled by representatives of the employers and the trade-unions (on an equal basis). Its primary objective is to offer training courses relevant to the labour market for jobseekers as well as for employers and employees. Training may be offered in their own centres or in collaboration with outside organisations (e.g. on-the-job-training in companies).

Source: Federal Institute (2013[32]), "Data Report to accompany the Report on Vocational Education and Training", http://datenreport.bibb.de/html/index.html; OECD (2020[33]), *Increasing Adult Learning Participation: Learning from Successful Reforms*, https://doi.org/10.1787/cf5d9c21-en

Recommendation for expanding the role of relevant actors in facilitating basic skills training delivery:

- **The government should enable JCP to expand its service offerings to employed individuals, and low-skilled workers in particular, to assist them in taking advantage of basic skills entitlements.** This expanded mandate could allow employers and training providers to work closely with JCP to identify employees with basic skills needs (see policy option 2.3). Funding for this expansion of JCP's mandate could be met in part through the Flexible Support Fund. The Fund

could also support JCP in covering related costs for promoting basic skills training participation as well as co-ordination costs for facilitating workplace delivery of basic skills training. The Department for Work and Pensions should co-ordinate with the Department for Education with regards to JCP's expanded role. The Department of Work and Pension should also take steps to promote the Flexible Support Fund for this purpose and monitor the extent of uptake and the purpose for which it is used by individual Jobcentres.

Policy option 3.2: Expanding the supply of flexible basic skills programmes for low-skilled workers

Flexibility in adult learning allows people to initiate and maintain learning even in the face of time-barriers and unexpected disruptions. The provision of basic skills training in a flexible manner – through providing options such as basic skills training in the workplace (policy option 3.1) as well as distance learning and shorter, part-time and modularised course – has the potential to attract more adults who face barriers in upskilling, in particular those in work. To overcome workers' and employers' time constraints, policy makers and providers should gain a better understanding of the needs of low-skilled workers (and their employers) and should ensure an adequate supply of flexible basic skills programmes.

England could increase the flexibility of existing formal basic skills training that aims to help learners to obtain formal qualifications and is largely classroom based, in order to make basic skills training more accessible for workers and employers. Given that many low-skilled workers face time-related barriers, more flexible forms of basic skills training are necessary for them to access training. In England, many formal basic skills training courses are often offered by and in the further education colleges, which are limited to fully accommodate the needs of working adults. Moreover, flexible forms of basic skills training are rarely credited while such credits may give or facilitate access to further training including higher-level basic skills training.

Make formal basic skills programmes more flexible and accessible to workers

More accessible and flexible basic skills courses can encourage participation by low-skilled workers. This can include delivering basic skills training in the workplaces (policy option 3.1), delivering online, hybrid, modular, credit-based, part-time or weekend courses).

In recognition of this need for flexibility and accessibility, England launched the Flexible Learning Fund Pilots (Box 3.3) with the funding going to online and blended learning (OECD, 2019[9]). The Cost and Outreach Pilots (Box 3.3) were also launched to test flexible and accessible learning offerings. For now there is no detailed information on the future of these projects, and evaluation will be necessary to test how effective they have been at encouraging participation.

Yet despite such initiatives, participation in distance or open education in England remains relatively low, regardless of age group. Participation is also relatively low among the low-skilled employed compared to other OECD countries (Figure 3.4), possibly due to the fact that ICT access and usage among the low educated in England is also lower than other OECD countries. Initiatives such as the Online Centres Network (of community organisations) run by the Good Things Foundation[13] could help in this regard. This network aims to reach the hardest to reach and provided free or low-cost access to computers and the Internet. Its blended or online courses have shown good progression rates to further learning, such as basic skills courses in further education colleges. Such non-formal online courses can be effectively used to provide low-skilled workers with digital proficiency to access formal basic skills training.

Box 3.3. Relevant domestic examples: Initiatives to expand the supply of flexible basic skills programmes

Flexible Learning Fund Pilots

The GBP 11.7 million fund provides grant support to projects that develop methods of delivering learning that are flexible and easy to access for adults who are in work, or returning to work, with either low or intermediate level skills.

Thirty projects successfully accessed the funds. These include National Numeracy's project to pursue online learning to engage working adults in improving their basic maths skills; NA College Trust's project to develop online packages for UK Level 1/2 maths and English functional skills for engineering, manufacturing and service sector workers; and Weston College's project to develop online/online blended training packages to bridge the skills gap for the West of England.

The fund sought to support adults to take part in new training or courses that would help them progress in current employment or secure a new job. More specifically, the projects aimed to help more adults learn new skills by testing different approaches to flexible learning. While it is too early to evaluate the projects, they could produce some highly effective examples for replication across England.

Source: Department for Education (2019[34]), Further education: flexible learning fund, https://www.gov.uk/government/publications/further-education-flexible-learning-fund

Cost and Outreach Pilots – Testing flexible and accessible learning offers

Although the emphasis of the Cost and Outreach Pilots is on career learning and in-work progression and the focus is on courses leading to qualifications at Level 3 or above, implication for basic skills could be drawn since the broad target group for the pilots were working adults with low to medium skills (e.g. nearly half of learners on Level 3 courses held qualifications at Level 2 or below).

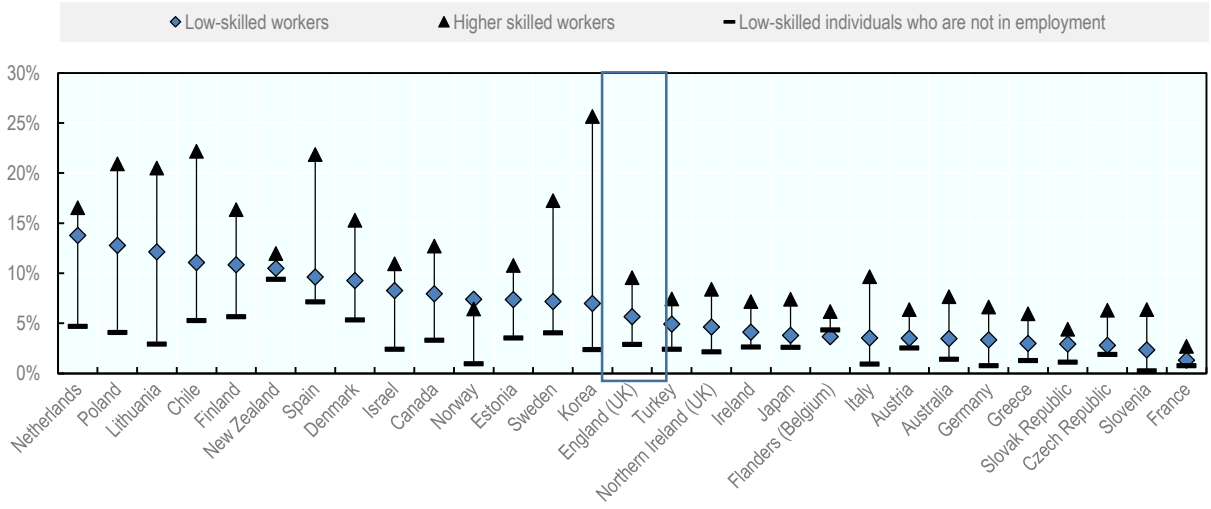
The interim report presents piloted approaches for flexible and accessible offers, whose results are still to be analysed and evaluated at a later phase.

- For the Greater Lincolnshire pilot, activities were delivered flexibly on Saturdays or out of working hours in accessible venues by local organisations which had established links to employers and communities.
- The Local Enterprise Partnership in the Heart of the South West delivery plan decided to include childcare and travel subsidies for learners enrolling onto subsidised courses. This would test whether addressing cost-related barriers, beyond those associated with course fees, would make a difference to engagement in learning.
- The Leeds City Region pilot offered a free one-month travel pass to new learners, to see if the provision of a travel subsidy helped to drive up enrolments.

Source: Learning and Work Institute (2019[10]), *Cost and Outreach Pilots Evaluation Interim Report,* https://archive.learningandwork.org.uk/resource/cost-and-outreach-pilot-evaluation-interim-findings/.

Figure 3.4. Participation of low-skilled workers in open or distance education in England (UK) is relatively low

Share of adults having participated in open or distance education in the 12 months before the survey (aged 19-65)



Note: Open or distance education is defined as not leading to formal qualification. It covers courses that are similar to face-to-face courses but take place via postal correspondence or electronic media, linking together instructors, teachers or tutors and students who are not together in the classroom.
Source: Authors' calculations based on OECD (2012[12]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

StatLink https://doi.org/10.1787/888934220477

In addition to online learning in general, modular learning and micro-credentials allow for more frequent starting points and more flexible modes of learning. For example, Flanders (Belgium) offers modularised adult education where the subject material is subdivided in a number of certifiable modules and several modules can compose a programme. Providers and learners are free to spread a module over different durations in different timing and to begin the modules at various points in time. The modules in adult education can be organised as different combinations of face-to-face instruction, distance learning or independent learning at home or in an open learning centre. Ireland also offers modular, credit-based online basic skills courses – both independent learners and adults who are assisted by learning centres. The courses use text to speech software to support beginner readers (Box 3.4).

Stakeholders interviewed during the OECD review visits suggested that English courses could award micro-credentials in speaking, reading and comprehension separately, instead of requiring achievement in all these areas in parallel. This would allow adult learners who are relatively skilled in some of these domains to advance more quickly, buying them time and building their confidence to proceed to the areas of English proficiency that they find more difficult.

Box 3.4. Relevant international examples: Providing flexible, formal basic skills programmes for low-skilled workers

Flanders (Belgium) – flexibly modularised adult education

Adult education in Flanders is offered in modules, meaning that the subject material is subdivided into a number of certifiable modules and several modules together compose a programme. An Adult Basic Education Centre (ABEC) or Adult Education Centre (AEC) is free to spread a module over a part of a school year, over an entire school year, or over several school years. This implies that modules may be started at various points in time. This structure allows course participants to determine to a certain degree the make-up of their study package and the duration of their studies.

The modules in adult education can be organised as face-to-face instruction or as blended learning consisting of a combination of face-to-face instruction and distance learning. Part of the module is taught in class while another part of the module is processed independently, at home or in an open learning centre. Modules which comprise at least 25% of distance learning are eligible for a financing of 120%. In addition, the Flemish government provides means within the available budget to support a number of centres that want to start a programme with a substantial share of distance learning. Adult education programmes are organised in daytime classes, in evening classes or as a combination of both. In addition, the programmes or modules can also be followed on Saturday.

Source: Eurydice-European Commission (2018[35]), "Belgium - Flemish Community: Adult Education and Training", https://eacea.ec.europa.eu/national-policies/eurydice/content/adult-education-and-training-3_en

Ireland – WriteOn: modular / credit-based basic skills courses

WriteOn is web-based learning resource run by Irish National Adult Literacy Agency. It is aimed at independent learners such as adults who are not engaged in adult education programmes, but also offers online courses for adults who are assisted by learning centres. Its purpose is to enable learners to improve their reading, writing, numeracy, ICT, personal development skills and to develop new digital literacies and pursue accreditation if desired. There are 12 accredited awards at Level 2 and 14 at Level 3, mapped to the National Framework of Qualifications of Ireland. Learning is individualised through initial assessments and learner choices. The site uses text to speech software to support beginner readers.

Source: Irish National Adult Literacy Agency (n.d.[36]), Learn with NALA – the new Write On, https://courses.nala.ie/

Recommendation for increasing the flexibility of basic skills training to reduce barriers facing low-skilled workers:

- **The government should support training providers to offer more flexible basic skills training**, such as online, hybrid, modular, credit-based, part-time or weekend courses as part of basic skills entitlements. Given that developing or outsourcing online and modularised courses and crediting them as part of basic skills qualification courses at the level of individual providers may be inefficient, the government could consider funding and facilitating the upscaling and dissemination of such initiatives, including projects funded and deemed successful under the Flexible Learning Fund pilots. The Office for Standards in Education, Children's Services and Skills could monitor the quantity and quality of such flexible provision as part of its annual inspection.

Support increased provision of non-formal basic skills programmes

While formal adult learning designed to help adults to attain qualifications that are comparable to initial education (i.e. qualification-based approaches) does benefit many learners (Desjardins, 2019[37]), this approach may not be the solution for all. In particular, the majority of the current provision is generally linked to, or often reminds learners of, classroom settings, exams and fear of failure. There may be less flexibility to innovate with curriculum, teaching approaches and assessment developed for formal, regulated basic skills qualifications, compared to flexible non-formal programmes.

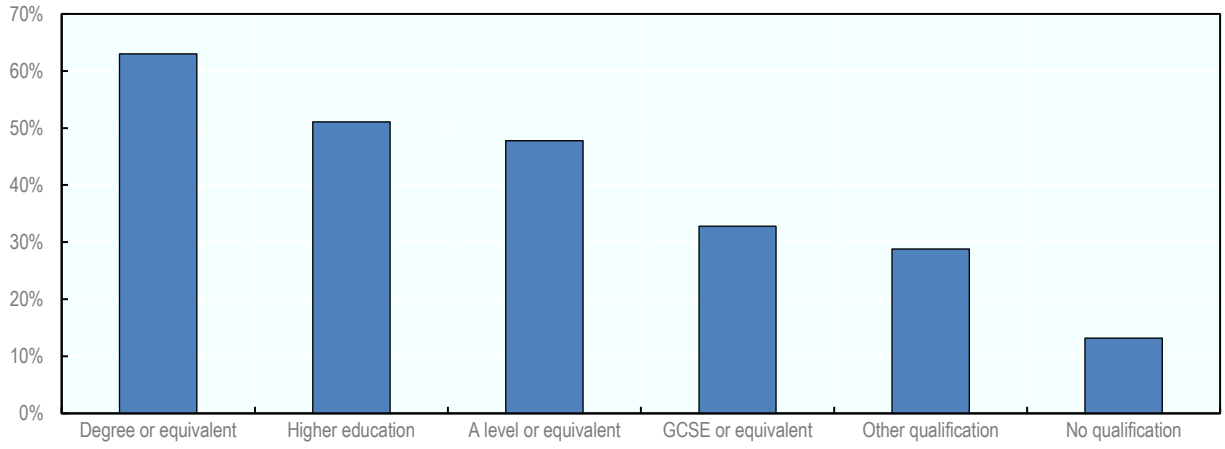
England is at one extreme of international practice in its heavy use of formal qualifications in non-advanced education (Wolf and Jenkins, 2014[38]). In England, adult education in general and publicly-funded adult education in particular is focused on providing learners with formal qualifications. Ofsted has acknowledged the drawback of this approach, for example, by expressing concerns about the effectiveness of the government's policy to require learners who have not achieved a grade 4 in English and/or mathematics to continue studying for a qualification in these subjects. Qualification-based approaches, especially in English and maths, creates the perception that "studying these subjects in further education is a punishment for not getting a grade 4 at an earlier stage of education" (Ofsted, 2018[39]).

For employees wanting to enhance their basic skills, attaining a formal qualification may not be their objective or optimal from a policy perspective. This is especially the case where the worker already holds a medium-/high-level qualification. Low-skilled workers already participate far more in non-formal (non-regulated) learning than formal learning (see Figure A A.6). Thus non-formal learning can be an important means of basic skills development. Although a majority of non-formal learning in England does not lead to a certificate (63%), employer support in non-formal learning is relatively strong. According to the Adult Education Survey 2016 (Department for Education, 2018[40]), 93% of non-formal learning in England is funded by employers or prospective employers (a higher share than formal learning: 75%). Employees report similar benefits for non-formal learning as they do for formal learning – for both forms about 62% of participants report the main outcome as "better performance in present job".

Despite its advantages, concerted effort is still needed to boost low-skilled adults' participation in non-formal learning. Adults with no qualifications do participate proportionately more in non-formal learning than formal learning. However, their participation rates in non-formal learning (13.2%) are much lower than for more highly educated adults (Figure 3.5). In England, it is rare for non-formal learning to receive public funding, and even when it does it is a difficult process. For example, Learning Support is available from further education providers to help learners on fully-funded basic skills courses who are facing financial difficulty, but those who are on a Community Learning course cannot claim this type of support (ESFA, 2019[8]).

Figure 3.5. Participation in non-formal learning is low among adults with lower levels of qualification in England (UK)

Share of participation in non-formal learning, by level of education attainment



Source: Based on the Department for Education (2018[40]), Adult Education Survey 2016, https://www.gov.uk/government/publications/adult-education-survey-2016.

StatLink https://doi.org/10.1787/888934220496

Other OECD countries have invested in, created and promoted flexible, online basic skills programmes for adults, in particular low-skilled workers, but these are not necessarily linked to formal basic skills qualifications. For example, innovative non-formal basic skills programmes are also offered online in Germany through work-related content and multimedia targeting specific low-skilled occupations, as in-company training during working hours in Switzerland, and through highly modularised micro-lessons and game-based learning programmes in the United States (Box 3.5). In the Netherlands, through the Language at Work (Taal op de werkvloer) initiative, the government provides companies with funding to invest in language skills at the workplace and to provide language courses at or outside the workplace. The government sets the frameworks but leaves the mode and approach to basic skills learning to be defined jointly between the employer and the training providers (Eurydice, 2019[41]).

Box 3.5. Relevant international examples: Expanding the provision of innovative non-formal basic skills programmes

Germany – ABC+ (online learning platform for low-skilled workers)

The ABC+ project developed an online learning platform to promote work-related basic skills among people with reading and writing difficulties, including those who work in the cleaning, catering or gardening sectors which have high share of these people. The platform was developed by specialists working with the target group and is free of charge. Information on the platform was spread across cleaning companies, restaurants employing low-skilled workers, garden centres etc. as well as German association of adult education centres, Bundesverband Alphabetisierung (German association dealing with the promotion of literacy) and employers.

The platform provides exercises to motivate people to study autonomously or to be used for literacy classes and workshops for adults with learning difficulties. The work-related contents are conveyed through easy-to-read texts, all of which have been recorded to audio files and can be listened to. Short videos provide explanations of relevant devices used at work. Furthermore, work-related vocabulary can be trained by playing learning game. All materials have been checked by professional experts and tested with learners from the target group. Developing, testing and implementing such a platform can be costly but its effects are sustainable.

In addition, Germany offers a learning portal (called 'vhs') supported by the National Decade for Literacy and Basic Education (Nationale Dekade für Alphabetisierung und Grundbildung) – a free digital learning offer, including comprehensive range of courses for the acquisition of professional language skills.

Source: Scholz (2015[42]), ABC+ Online learning opportunities for low-skilled workers, Germany, http://www.onthemove-project.eu/bp2.html#p1 and www.abc-projekt.de/abc-plus

Switzerland – Project GO

The project GO, organised by the Swiss Federation for Adult Learning and Interkantonale Konferenz fuer Weiterbildung, took place from 2009-15 both in large companies and SME. It aimed to identify and develop basic skills for low-skilled employees and provided in-company trainings in Switzerland. Employees took part in further education during their working hours. The project adapted the trainings to the needs and challenges in different companies. The implementation of in-company trainings was carried out in five steps:

1. Identifying the competences required in the specific workplace.
2. Assessment of basic skills needs of the employees at the workplace.
3. Development of a training programme covering workplace requirements and needs of employees.
4. Transfer of learning back to the workplace.
5. Training evaluation.

The project offers a toolkit for training providers to identify the skill-level of the companies' employees and potential training needs, and has an outreach approach, providing in-house training. The project website for companies provides information and checklists where their staff's need for further education in basic skills can be tested (www.weiterbildung-in-kmu.ch). The programme does not provide certification on completion of the training, but recognition of informal learning as well as basic skills competences are subjects of discussion in some cantons. There are ten successful GO pilots in Switzerland, four in Niedersachsen (Germany) and several more in Hungary which provide a stable base of experience and know-how for the GO Model.

Source: Eurydice (2019[41]), *Promoting-Adult-Learning-in-the-Workplace-* http://www.eurydice.si/wp-content/uploads/2019/04/promotion-of-adult-learning-in-the-workplace-ET-2020-final-report-Group-on-Adult-learning.pdf

United States – Winners of the Adult Literacy XPRIZE

Adult Literacy XPRIZE is a global competition challenging teams to develop mobile applications for existing smart devices that result in the greatest increase in literacy skills among participating adult learners in just 12 months (thus proven effective).

For example, Cell-Ed (a for-profit social enterprise) launched a mobile learning platform in 2014, targeting low-skilled workers. Accessing Cell-Ed simply requires a phone that can text (no data or Internet required). Once plugged in, a learner is guided through a series of modules on a chosen topic, such as literacy or numeracy. Each module is made up of dozens of micro-lessons, which are delivered through a combination of audio, video, still images, and written content. Lessons last no longer than three minutes, which thus could be undertaken during a break at work or while waiting to pick up the kids from school. Meantime, Cell-Ed coaches are available around the clock to support a learner via messaging or a phone call. By March 2020, fourteen countries deliver Cell-Ed programmes such as language and digital literacy, numeracy, and job skills to reach, teach, text, coach and upskill their learners and workers on any device. Private companies often fund their employees.

Source: Wartzman (2018[43]), "*This mobile learning platform aims to combat the "hidden epidemic" of adult illiteracy*", https://www.fastcompany.com/90259739/this-mobile-learning-platform-aims-to-combat-the-hidden-epidemic-of-adult-illiteracy.

Recommendation for expanding non-formal basic skills provision to complement formal qualifications:

- **The government should support increased provision of flexible non-formal basic skills programmes**, and simplify pathways to formal qualifications. The government should expand public funding for flexible non-formal courses. For example, conditions for learning in non-regulated English and maths programmes to be eligible for funding from the Adult Education Budget could be relaxed, to include high quality non-formal provision. Successful examples of non-formal provision of basic skills under the Flexible Learning Fund could be scaled up and disseminated with support from government. The government should consider how to best assure the quality of non-formal basic skills programmes that receive public funding, building on Ofsted expertise and the Learning and Work Institute's research into quality assuring non-regulated provision.

Policy option 3.3: Extending training leave entitlements to low-skilled workers, particularly in SMEs

Education and training leave, i.e. a regulatory instrument which sets out the conditions under which workers may be granted time away from work for leaning purposes, is a policy tool to ensure that adults – including the low-skilled – have the right to put aside sufficient time for training (OECD, 2019[44]). In light of the significant time barriers preventing adults with low basic skills in work from participating in basic skills training, time off from work such as training leave can be a solution. While training leave should help workers who are less likely to take time off for training, the current statutory training leave scheme in England does not sufficiently serve to enhance the basic skills of employees as it is limited to large organisations and it is unpaid.

Extend training leave entitlements to workers in SMEs who (are likely to) have low basic skill levels

Although education and training leave exists in many OECD countries, take-up tends to be low, especially for the low-skilled because of their limited bargaining power vis-à-vis their employer. Employers themselves are generally not obliged to accept the training leave request and may be reluctant to grant education and training leave to the low-skilled, especially for basic, general skills that are transferable to a different job with another employer (OECD, 2019[45]).

Training leave instruments in England are a relatively recent development. The *Right to Request Time to Train* in England was established in 2009 as part of the Apprenticeships, Skills, Children and Learning (ASCL) Act, and became effective in April 2010. Most other European countries introduced training leave

instruments much earlier – Poland in 1949, Czechoslovakia and Spain in the 1960s; Belgium, France, Luxembourg, the Netherlands, Italy, Portugal and Sweden in the 1970s; and Germany in the 1980s (Cedefop, 2012[46]).

The current statutory training leave scheme in England does not sufficiently serve to enhance the basic skills of employees. It is limited to organisations with more than 250 workers and to those workers who have worked with a large employer for at least 26 weeks of continuous employment. Given that SMEs employ slightly higher shares of low-skilled workers than larger firms,[14] the scheme may benefit only a limited proportion of the target group. Also, only one application can be made per employee in any 12-month period. Even if they were willing to do so, these low-skilled workers will not likely be able to improve basic skills through a single, short-term commitment. All these conditions are restrictive compared with other OECD countries (Table 3.3).

Table 3.3. Education or training leave in selected OECD countries

Country	Compensation for employees	Compensation for employers	Duration	Entitlement	Type of learning content supported
Austria	Yes		Up to 1 year (every 4 years)	Employees (including seasonal workers)	Generic and specific training
Flanders (Belgium)	Yes	Yes	Between 32 and 125 hours	Full-time and (under certain conditions) part-time employees	Generic and specific training
Estonia	Yes		Up to 30 days per year + 15 days (under certain conditions)		Generic and specific training
Finland	No		Up to 30 days per year	Private and public sector employees.	Generic and specific training
France	Yes	Yes	Not specified	Employees with a minimum seniority	Generic and specific training
Hungary	Yes		Depends on agreement	Employees (if committing to stay for a given time after training)	Generic and specific training
Italy	Both paid and unpaid leave	No	Unpaid: up to 11 months. Paid: depends on agreement	Unpaid: 5 years seniority. Paid: employees in formal education	Generic and specific training
Norway	No		Up to 3 years	Employees with 3-year work experience, 2-year seniority	Generic and specific training
United Kingdom	No	No	Up to 1 application per year	Employees with 26 weeks seniority, if training is job related, and company has 250+ employees (with exceptions)	Specific to company or sector

Source: Adapted from OECD (2019[44]), *Getting Skills Right: Future-Ready Adult Learning Systems*, https://dx.doi.org/10.1787/9789264311756-en; Cedefop (2012[46]), *Training leave. Policies and Practice in Europe* https://www.cedefop.europa.eu/files/5528_en.pdf.

Uptake of the current training leave scheme has been limited, especially by low-skilled workers and their employers. Few employers are aware of the current training leave scheme. Only half of the employers in England in the Employer Perspectives Survey had heard of employees' Right to Request Time to Train (five years after its introduction), and the share was lower in the low-skilled sectors (Institute for Employment Studies, 2017[47]). Moreover, employees lack support from employers to take time off for training. According to a recent Union Learning Survey: 44% of employees experience work pressures that make it hard to take time off for learning, 31% have managers who do not allow them to take time off for learning, and 30% report a lack of interest and support from management (Crews et al., 2018[19]). The interest and support from employer can be expected to be lower for basic skills training for low-skilled adults: on the one hand employers are typically less aware of or convinced by the benefits of basic skills training, vis-à-vis job-specific or vocational training, and on the other hand they may be reluctant to grant education and training leave for basic, general skills that are transferable to a different job with another

employer. Some employers may refuse training leave requests as they have the right to do so under the certain conditions. In fact, the training leave is primarily being used for relatively higher levels of training (e.g. qualifications at UK Level 3 or above).

However, there is some evidence to suggest that training leave has facilitated access to basic skills training. In fact, 21.4% of training requested under the scheme was for Skills for Life/ESOL, according to a 2013 Unionlearn survey.[15] However, there have been no available data on monitoring or evaluation regarding use of the scheme for participating in basic skills training in recent years – in particular in relation to the entitlement to basic skills training which was introduced in 2016.

The training leave scheme is unavailable to workers in SMEs, including those with low levels of basic skills. In England, more than half of low-skilled workers are in companies with fewer than 50 employees. In addition, employees in large companies have more chances to take time off for training without relying on the training leave scheme, compared with those in smaller companies (Institute for Employment Studies, 2017[47]). Yet, as indicated in Table 3.3, the United Kingdom is unique in that the current scheme is restricted to large organisations. Thus employees working in SMEs who would benefit most from the scheme are not eligible for it. Most schemes in EU and OECD countries do not distinguish between beneficiaries on the basis of company size, but, in contrast, there are examples of preferential treatment towards SME employees: the most common target group of training leave schemes among EU countries that specified was low-skilled employees (Cedefop, 2012[46]). In Korea, training leave for small companies (with fewer than 150 employees) is paid from public resources (KORCHAMHRD, n.d.[48]).

Workers moving regularly from employer to employer will need portable skills such as basic skills, as well as portability of training rights and recognition of their skills. Fixed-term workers in particular may benefit from upskilling or reskilling while enhancing basic skills, if it enables them to access open-ended employment opportunities. As training leave in the United Kingdom is based on the number of employees – and more critically tenure – workers on short contracts are often excluded from these benefits. Even in cases where training might be available, there could be little incentive to take advantage of the opportunity. For example, workers on zero-hour contracts have little scope for career development, which discourages them from investing time, energy or money into training. Employers of fixed-term and temporary workers have a lower likelihood to invest in their employee training (OECD, 2019[9]), and even less when it comes to basic skills. Lack of training has been cited as a problem facing workers in zero-hours arrangements: they are 20% less likely to have been offered training by their employer. When offered, zero-hours workers will more likely have to pay for their training than other workers (Adams and Prassl, 2018[49]; Koumenta and Williams, 2018[50]; CIPD, 2013[51]). There may be less concern regarding basic skills among platform workers, who are estimated to be predominantly highly educated in Europe (Pesole et al., 2018[52]). Similarly, self-employment attracts more highly qualified individuals in England.[16]

Box 3.6. Relevant international examples: Education and training leave for low-skilled workers

Flanders (Belgium) – Educational leave

In the Flanders region of Belgium, workers in the private sector have access to paid education and training leave (Vlaams Opleidingsverlof, adopted in 2019 to replace the former Belgian Paid Education Leave) to participate in professional training between 32 and 125 hours per year. The maximum duration depends on the worker's working time. The leave can be taken for training that is part of the Flemish training registry or that has been recommended as part of officially recognised career counselling, as well as for participating in exams for second-chance secondary education and exams related to recognition of prior learning. Workers receive their normal salary during training hours, although employers are allowed to cap wages at a level determined by the government (EUR 2 928). Employers receive a government payment per hour of paid education and training leave of their

employees (EUR 21.3). Employers cannot deny a worker's request for education and training leave, except when the worker delivers the enrolment certificate to the employer after the deadline and the employer uses collective planning of work schedules. In 2017, just under 51 000 workers benefitted from paid education leave in Flanders. On average, training leave covered 61 training hours per worker.

Denmark – Training leave financed by the VEU allowance

In Denmark, training leave financed by VEU (Centres for adult education and continuing training**)** was introduced in 2001 as part of a major reform of the adult education system which was undertaken to promote further and vocational training for unskilled and low-skilled employees. The leave scheme provides adults, preferentially unskilled employees, with an economic basis for participation in continuous vocational training. It stimulates education and training for unskilled and low-skilled employees in particular, and reduces costs of training and thereby incentivise training activity. Moreover, it contributes to a reduction of business costs and employees' loss of wages. In terms of duration, the benefit does not have any limit, although the leave is usually kept within ten working days per year. Monitoring and evaluation of this policy have found post-training income and employment effects. However, the quality of training (measured in terms of certification of training programmes and accreditation of training providers) was not deemed by stakeholders to be higher, and stakeholders maintained that the sustainability of such instrument was not optimal.

Hungary – Learning contract

Introduced in 1992, the Learning contract consists in an agreement between employer and the employee according to which the former agrees to provide financial support during the learning activity, while the latter commits to remain with the employer for an agreed period of time (up to a maximum of five years). It has similar aims as the National Retraining Scheme[1] in England: to improve employees' work-related competences and allow them to gain new skills and move towards higher salaries. Employees who are below the lower-secondary level are eligible for such contract. This policy has been assessed as effective in improving the employment outcomes as well as the competencies of beneficiaries, while also being efficient in terms of resources.

1. As of 13 October 2020, the National Retraining Scheme is being integrated into the National Skills Fund. According to a recent communication, it will no longer continue as a separate programme but rather its work and learning will be rolled into the development of the National Skills Fund (UK Parliament, 2020[53]).

Source: Cedefop (2012[46]), *Training leave. Policies and practice in Europe,* http://werk-economie-emploi.brussels/fr_FR/conge-education-paye; OECD (2019[54]), *OECD Skills Strategy Flanders: Assessment and Recommendations,* https://dx.doi.org/10.1787/9789264309791-en; Vlaamse Overheid (2019[55]), Statistieken BEV: volledige cijfers schooljaar 2013-2014, 2014-2015, 2015- 2016 en 2016-2017 en status cijfers schooljaar 2017-2018 op 21/11/2019, https://dam.vlaanderen.be/m/6c366377116a8ec0/original/WSE-BEV-Statistiek-VG-op-20191121-2016-2017-volledig-2017-2018-tussentijds.pdf; Vlaamse Overheid (2019[56]), Vlaams opleidingsverlof, https://www.vlaanderen.be/vlaams-opleidingsverlof.

Recommendation for improving training leave entitlements for low-skilled workers and their employers:

- The government should extend the current statutory training leave to small and medium-sized companies, to support the skills development of low-skilled workers. This could begin with a pilot scheme in a low-skilled sector. The government should better promote and raise awareness of training leave (see Chapter 2). It should then monitor and evaluate the uptake and impact of training leave, in particular its use by low-skilled adults for training partly or fully targeting basic skills. In the long-term, the government should consider extending training leave to low-skilled workers on non-standard forms of work, such as zero-hour contracts.

Provide compensation for employers of low-skilled workers who take training leave, especially SMEs

Closely associated with time-related barriers are cost-related barriers.[17] Even though participating in formal, regulated basic skills training is free for low-skilled workers, such participation has other indirect costs which affect participation.

In England, training leave is unpaid and there is no financial compensation for employer cost for basic skills training, i.e. the wage for employees on training. In this context, adults with low basic skills in work are likely unwilling to forfeit earning opportunities. In addition, the costs that companies have to bear for staff absence during the training leave may be relatively higher for smaller companies. So even if the scheme were extended to organisations with fewer than 250 workers, the challenge facing these companies could remain unresolved unless reasonable compensation is given. To free up employee time for training, a company first needs to check availability of cover for absent employees and secure a replacement, as well as manage administrative procedures for the employee to request training, take time off and access training. This is especially problematic for companies in which staff turnover is high. In addition, inability to reorganise work among existing staff or to recruit additional staff is part of the reasons for refusing training leave (Gov.UK, n.d.[57]). As it is, these same challenges face larger companies, the take-up rate of the current training leave is at a low 23% (2014).

While no financial incentive is in place for the current training leave scheme in England, there is qualitative evidence that when combined with local skills funding (the North West), the scheme contributed to an increase in employer interest and investment related to the provision of basic skills training in the workplace; when the funding was withdrawn however, the training demand plateaued (Institute for Employment Studies, 2017[47]). Given this example, the devolved Adult Education Budget – which pays basic skills training – may be used to compensate employer cost to support employee participation in basic skills training through training leave.

Box 3.7. Relevant domestic example: Compensation for employees to take training leave

National Health Service, England

The health and social work sector hosts the second largest share of low-skilled workers in England (Figure A A.3), according to the OECD Survey of Adult Skills (PIAAC). In recognition of this, the sector has strengthened its efforts to develop basic skills of its workers. For example, several employers in the sector provide financial and non-financial support to provide basic skills training during working hours, which in practice functions as paid training leave. Time out for learning and provision in the workplace are key success factors to engaging in basic skills courses and upskilling, in combination with local partnership with FE colleges, dedicated college staff members and individual learning support.

For example, University Hospital Southampton NHS Foundation Trust has been working with a local college to deliver in-house training for Functional Skills with a college staff member on site 4 days per week. These were initially set up as half day per week sessions for Level 1 and 2, but later increased to twice per week as part of a 9 week rolling programme to meet demand. As result of this, some staff have gained Functional Skills qualifications prior to commencement of the apprenticeship while others were able to do so during their apprenticeship. Feedback from managers through an online survey has shown that staff attending Functional Skills as personal development have put their learning into practice and have become more confident at work.

Source: Lillis, Finbar (2019[28]) *Skills for Life in Health and Care: A National Strategy for Basic and Transversal Skills in the Health and Care Workforce*, https://www.mdx.ac.uk/__data/assets/pdf_file/0028/539713/MDX-HEE-report-Skills-for-Life-in-Health-and-Care.pdf.

Several OECD countries provide financial compensation for employees, employers or both to make training leave effective. Common tools include subsidies for small employers to compensate for administrative costs and the time off required for training, and paid leave for training; both are often funded by national or regional (Flanders) governments to compensate the employer cost for wages. In some cases, sectoral training funds pay for the leave (e.g. in Denmark and the Netherlands) (OECD, 2019[58]). In the case of training leave in France (Congé Individuel de Formation, CIF, recently replaced by the Projet de Transition Professionnelle), the wage and training costs are covered through social partner organisations, with funds collected from employers. During the leave, individuals receive their salary (60-100%, depending on the salary level and training duration) and the training does not have to be related to the current job of the employee (OECD, 2017[59]). Switzerland also provides financial compensation to employers for providing basic skills training.

In addition to compensating the employer costs for training leave, providing mechanisms such as helping to find replacement and covering the replacement cost can encourage the use of training leave. Denmark's Jobrotation scheme provides public subsidies to help this process. This scheme is in particular helpful for SMEs: the scheme encourages employers to train their workers through solving the problem of staff absence, and employees to participate in the training through reduced risk of losing their job after the training (OECD, 2016[60]).

Box 3.8. Relevant international examples: Financial compensation for replacement workers during training leave

Korea: Subsidy for paid training leave

In Korea, employers who grant their workers time off work to train can receive a subsidy for paid training leave. The subsidy is available for SMEs and large firms, but the eligibility requirements are more stringent for the latter. To benefit from the subsidy, SMEs need to provide training for at least 20 hours and give their employees at least 5 days of paid leave. The subsidy for SMEs covers the wage of participants, which is subsidised at 150% of the minimum wage, as well as training costs. Since 2011, additional support is given to SMEs to partially subsidise the wage of replacement workers (at 100% of the minimum wage). This additional subsidy is granted when three conditions are met: the employers need to continuously i) provide training for at least 120 hours; ii) give employees at least 30 days of paid leave; and iii) hire replacement workers.

While the take-up of the training leave subsidy has been on the rise in recent years in Korea, especially among small firms, the number of firms benefiting from the subsidy for the replacement workers' wages remains very low.

Denmark: Jobrotation

Adult education in Denmark typically takes place during work hours and with generous government support for tuition fees and wage costs during training. Jobrotation is a scheme to facilitate the supply of replacement personnel during an employee's training period. It is a tool used for different levels of skills, but mainly it is used to temporarily replace low-skilled workers. Municipalities place a jobseeker in the scheme and receive reimbursement from the central government for related expenses.

The scheme encourages firms to train their workers through a public subsidy to hire a replacement worker during the training period. Upskilling through the scheme has received favourable evaluations and provides motivated employees with the opportunity to reduce the risk of job loss. The aim is to combine upskilling of workers with work practice and network building for the unemployed. This can have both a prevention effect on job displacement and a re-employment effect by easing the access to work experience for already displaced workers. SMEs can also benefit from Jobrotation's solution to the problem of absence for purposes of training. Employers receive a substantial subsidy, particularly when providing employees with learning opportunities in areas with a labour shortage (OECD, 2016[60]).

In addition, the country's Preparatory Adult Education (FVU) programme aims to improve basic literacy and numeracy skills (Eurydice - European Commission, 2019[61]) and a 2017 tripartite agreement aims at improving the training opportunities for both skilled and unskilled workers to strengthen their basic skills (Eurydice - European Commission, 2019[62]).

Source: OECD (2016[60]), *Back to Work: Denmark: Improving the Re-employment Prospects of Displaced Worker*, https://dx.doi.org/10.1787/9789264267503-en; Eurydice - European Commission (2019[61]), Adult education and training - Main types of provision. Denmark, https://eacea.ec.europa.eu/national-policies/eurydice/content/main-types-provision-21_en; Eurydice - European Commission (2019[62]), *National Reforms in Vocational and Education and Training and Adult Learning. Denmark*, https://eacea.ec.europa.eu/national-policies/eurydice/content/national-reforms-vocational-education-and-training-and-adult-learning-18_en.

Recommendation for supporting employers of low-skilled workers on training leave:

- **The government should provide compensation to employers and employees, in particular smaller-sized enterprises where workers utilise training leave for basic skills development**. The government should provide means to reasonably compensate employer costs related to employee training leave (e.g. the costs to replacing workers on training leave) – as well as the employee opportunity costs (e.g. foregone income). The government should consider whether this could be funded by surpluses in the Adult Education Budget or Apprenticeship levy. Funding for training leave for low-skilled workers in SMEs to take basic skills courses could be tied to the requirement to collect and provide information on the uptake of the training leave. The Individualised Learner Record could also collect data on learners on training leave more systematically through providers.

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Notes

[1] Set out in the Apprenticeships, Skills and Children's Learning Act 2009 (as amended by the Education Act 2011).

[2] Local flexibility provision that ESFA funds is not part of the English and maths, Level 2 or Level 3 legal entitlement offer.

[3] Plans launched to boost digital skills for adults, Department for Education, 23 April 2019.

[4] In cash terms, from GBP 3.63 billion to GBP 2.48 billion. In part this is connected to the replacement of grant funding with loan funding for some learners from 2013-14 onwards (Foster, 2018[5]). Spending per

learner has remained roughly constant in real terms, at just over GBP 1 000 per learner each year. (Belfield, Farquharson and Sibieta, 2018[63]).

[5] These figures do not include spending on Advanced Learner Loans, which replaced grant funding for learners aged 24 and over studying at Levels 3 and 4 (e.g. A Levels) from 2013-14.

[6] The Government subsequently decided that a portion of the AEB would be retained centrally to spend on other Department for Education priorities. As a result, the annual AEB was reduced to GBP 1.34 billion from 2016-17 onwards (Foster, 2018[5]).

[7] A similar conclusion was also made in Learning and Work Institute's Adult Participation in Learning Survey 2018 for the surveyed adults in the United Kingdom (Egglestone et al., 2019[64]).

[8] The ULF is managed and administered by Unionlearn under an agreement with the Department for Education (DfE), which directs the level and type of learning activity that should be supported by the Fund. Unions are invited to apply for the Fund to support their learning projects on an annual basis.

[9] Unionlearn provides a skill assessment tool called *SkillCheck*.

[10] ULRs are entitled to reasonable paid time off for training and for carrying out their duties as learning promoters and supporters. Union members are entitled to unpaid time off to consult their learning representative, as long as they belong to a bargaining unit for which the union is recognised.

[11] www.unionlearn.org.uk/union-learning-reps-ulrs.

[12] It was announced that the Department for Education will not be providing Unionlearn with grant funding in the next financial year. Instead, it has been decided to concentrate funding and resources on a number of major investments in further education, including the National Skills Fund.

[13] The Good Things Foundation is a charity that supports socially excluded individuals to improve their lives through digital. Its online learning platform, Learn My Way, is employed towards the goal of providing thousands of people with a clear path to learn the digital skills they need the most.

[14] Low-skilled workers – defined as those whose jobs require only compulsory education plus basic on-the-job training or induction – constitute around 15.5% of SME employees (Federation of Small Businesses, 2017[65]) compared to the average of all firms of about 11%, according to the Migration Observatory (Sumption and Fernández-Reino, 2018[66]).

[15] The number of respondents was 247 with multiple responses.

[16] The United Kingdom has seen an increase in self-employment, from 12% of total employment in 2001 to 15% in 2017. During those years, this growth in self-employment has been driven mainly by highly educated individuals. The growth has led to an increase in the share of the self-employed holding a degree or equivalent, from 19% in 2001 to 33% in 2016; by contrast the share of those with no qualification has been very low. When considering those self-employed with a degree as a share of total employment (employees and the self-employed), the share of degree holders increases from 2% to 5% over the same period, indicating a higher concentration of relatively highly qualified individuals among the self-employed (Office for National Statistics, 2018[68]) This increase in self-employment can be interpreted as a positive development in terms of growing entrepreneurship. The government provides an effective self-employment subsidy of GBP 5.1 billion, or GBP 1 240 per person per year (UK Parliament, 2017[67]) Evidence has shown that this subsidy aimed at promoting entrepreneurship has also incentivised people to identify as self-employed in order to receive a tax break (OECD, 2019[45]).

[17] Financial barriers directly related to basic skills training participation are expected to be lower because of the basic skills entitlement for English and mathematics up to Level 2 (see Chapter 1).

4 Making basic skills development more relevant for workers and employers in England, United Kingdom

Making basic skills development more relevant to work and career development can help to increase the learning and skills of low-skilled workers. This chapter explores three policy options for making basic skills development more relevant for workers and employers in England (United Kingdom): 1) tailoring basic skills content and programmes more closely to learners' vocational contexts; 2) strengthening the capacity of adult education teachers to deliver flexible and tailored basic skills; and 3) using and rewarding the skills of low-skilled workers more effectively in workplaces.

Key findings and recommendations: Making basic skills development more relevant

Motivating more low-skilled workers in England to learn requires more effective and relevant basic skills development opportunities. One reason why low-skilled workers may lack motivation to develop their skills is that basic skills programmes may not effectively raise workers' skills levels and/or help them meet their career goals. Longitudinal research in England has found that basic skills training can lead to skills or career improvements, but has not done so consistently for all participants. Broader quality assurance monitoring of basic skills programmes in England has yielded mixed results, and highlighted some quality problems.

Tailoring basic skills content to participants' vocational contexts can make it more relevant, attractive and effective for low-skilled workers. Data are lacking on the extent to which contextualisation of basic skills is taking place in England. The Army's contextualised approach to literacy training is one of several promising examples. Yet for the most part providers do not seem to be adapting the content of basic skills programmes to the vocations of adult learners. Examples from countries like Norway and the United States could inform England's progress.

Well-trained and supported teachers are critical for ensuring basic skills programmes are effective and relevant for low-skilled workers. However, England's adult education teaching workforce faces capacity and skills constraints to deliver flexible and tailored basic skills to low-skilled adults. Uptake of professional qualifications, professional development and specialisations related to basic skills are limited. England's Further Education (FE) Workforce Programme is one promising example to address these challenges, and England could draw on experience in Austria and Norway to strengthen basic skills teaching further.

How effectively employers encourage and reward the use of basic skills affects how relevant and attractive basic skills development is to low-skilled workers. Low-skilled workers' skills are not utilised to their full potential in England's workplaces or consistently leading to career improvements. In part, this reflects insufficient high-performance work practices and managerial capacity in many enterprises, particularly small and medium-sized enterprises (SMEs). Lessons from the UK Futures Programme and Belgium, Singapore, Ireland and Poland are relevant for improving England's performance.

Policy options	Policy recommendations
4.1: Tailoring basic skills content and programmes more closely to low-skilled workers' vocational contexts	• The government and stakeholders should increase support for, and improve data on, contextualisation of basic skills content within vocational qualifications.
4.2: Strengthening the capacity of further education teachers to deliver flexible and tailored basic skills	• The government and adult learning sector should collaborate to strengthen initial training, professional development and overall conditions for adult education teachers.
4.3 Using and rewarding workers' basic skills more effectively in workplaces, to increase the benefits for workers and employers	• The government and social partners should support employers of low-skilled adults to adopt high performance work practices and provide career progression pathways. • The government and social partners should promote and increase support for professional development for managers in SMEs in low-skilled sectors.

The importance of effective and relevant basic skills development for workers and employers

Motivating more low-skilled workers in England to learn requires not only raising awareness (Chapter 2) and providing more accessible learning opportunities (Chapter 3), but also more effective and relevant

basic skills development opportunities. As noted earlier (Chapter 1), there are diverse and complex reasons why low-skilled workers may lack motivation to develop their skills. One of the reasons is that basic skills programmes may not be highly effective in raising workers' skills levels or career prospects, or highly relevant to workers' needs and career goals. As stated by England's House of Commons Business, Innovation and Skills Committee, "If the government is successful in persuading adults to improve their maths and English skills, then those adults cannot be let down by inadequate provision" (Adult Literacy and Numeracy, Fifth Report of Session 2014-15).

Job relevance and career development opportunities are perhaps the strongest motivation factors for low-skilled workers to engage in learning. Low-skilled learners tend to be motivated to engage in learning more by extrinsic motivators (e.g. career progression or better pay) than by intrinsic motivators (e.g. personal aspirations for learning) (Windisch, 2015[1]). According to the OECD Survey of Adult Skills, a product of the Programme for the International Assessment of Adult Competencies (PIAAC), about 60% of low-skilled workers in England who participated in education and training (of any sort) reported that their main reason was "To do my job better and/or improve career prospects". Evidence from England's surveys and research tell a similar story. The vast majority (93%) of respondents in the Cost and Outreach Pilots interim report reported that their decision to enrol in their training course was work or career-related (Learning and Work Institute, 2019[2]). The majority of participants in formal learning aim to improve career prospects (78.3% in the United Kingdom), according to a 2016 Adult Education Survey (Department for Education, 2018[3]). Research conducted as part of the National Retraining Scheme[1] on the views of potential users and employers also highlights that most people would not sign up for training without first having further information and guidance on their career progression – most people will only consider training if there is a clear route to a new job (Department for Education, 2019[4]).

Work relevance is also critical for employers, who typically lack incentives to invest in transferable skills, and expect to see performance improvements following training investments. Indeed, 66% of England's employers with low-educated workforces formally assess the performance of employees who have received training, compared to 58% of employers with high-educated workforces (Winterbotham et al., 2018[5]).

Given the considerable barriers to learning faced by low-skilled adults in general, and the time constraints for workers and employers in particular (Chapter 3), basic skills programmes must be effective at raising skill levels to be attractive.

Making basic skills development effective and relevant for workers and employers is multi-faceted, and can involve, for example:

- Tailoring training to the basic skills levels of workers.
- Tailoring training to workers' and/or employers' individual or organisational goals.
- Linking the content of basic skills training to the learner's work context.
- Providing high quality, tailored and contextualised basic skills teaching.
- Providing ongoing peer and other support to low-skilled workers in basic skills programmes.
- Ensuring basic skills programmes are continuously improved based on evaluation evidence and stakeholder input.
- Ensuring workers' newly formed basic skills are subsequently used in the workplace.
- Proactively devising plans to follow basic skills training with further education and training, particularly formal qualifications, and/or career progression.

Current responsibilities and initiatives for ensuring relevant basic skills development

As in other OECD countries, responsibility for ensuring basic skills programmes are effective and relevant for workers and employers are shared across different government and non-government actors.

- The Department for Education (DFE) priorities in the area of "Post-16 and skills" include the review of qualifications at Level 3 and below, the improvement of the status of the further education teaching profession and the increase of adult learning and retraining (Department for Education, 2019[6]).
- The ESFA is accountable for GBP 58 billion of funding for the education and training sector. It regulates academies, further education and sixth-form colleges, and training providers, with interventions in cases of risk of failure or of potential mismanagement of public funds. Among the projects and services under its responsibility, there are the school capital programmes, the National Career Service, the National Apprenticeship Service and the Learning Records Service (Education & Skills Funding Agency, n.d.[7]).
- The Department for Business, Energy & Industrial Strategy (BEIS) seeks to ensure that the UK workforce meets the skills needs of the economy by working with the Department for Education (DfE) to establish a world-class technical education system.
- The Office for Standards in Education, Children's Services and Skills (Ofsted) is responsible for inspecting the further education and skills providers, ensuring quality, relevance, outcomes and overall high standards for learners (Ofsted, n.d.[8]).
- The Office of Qualifications and Examinations Regulations (Ofqual) is responsible for regulating qualifications, examinations and assessments in England. Specifically, Ofqual is responsible for ensuring that regulated qualifications reliably indicate the level of knowledge or skill that learners have achieved, and assessments and exams accurately report what level students have reached (Ofqual, n.d.[9]).
- The Institute for Apprenticeships and Technical Education oversees the development, approval and publication of apprenticeship standards and assessment plans, and occupational maps for apprenticeships (Institute for Apprenticeships & Technical Education, n.d.[10]).
- National Skills Academies (NSAs) have a leading role in developing the infrastructure needed to deliver specialist skills for key sectors and sub-sectors of the economy across the United Kingdom. Established from late 2006, they are employer-led and work with Sector Skills Councils (SSCs) and other industry bodies to design and deliver skills programmes, qualifications and curricula to meet current and future sector needs. The academies cover many fields, from construction to health, energy, sports and fitness (National Skills Academies, 2017[11]).
- The Local Enterprise Partnerships (LEPs) are business-led partnerships between local authorities and local private sector businesses. There are 38 across England. They contribute to determining local economic priorities, and undertaking activities aimed at driving economic growth and job creation, at improving infrastructure and at raising workforce skills within the local area (Local Enterprise Partnerships, n.d.[12]).

England's performance at ensuring the effectiveness and relevance of basic skills development

Official inspections of further education and skills providers suggest that publicly funded basic skills programmes are facing quality problems. On the other hand, survey data about adult education and training in general (not basic skills specifically), such as the 2017 and 2019 Employer Skills Survey, suggests that

low-skilled workers and employers in England are relatively satisfied with the effectiveness and relevance of the learning in which they participate. Yet low-skilled workers' skills are not effectively utilised in workplaces or consistently leading to career improvements, which likely limits the attractiveness of learning for individuals and the benefits accrued by employers.

Basic skills development could be more effective and relevant for workers and employers

For low-skilled workers who do not participate in learning, problems with the job relevance of available training appears to be a barrier (Figure 4.1). While not limited to basic skills training, low-educated workers in England report as reasons for not receiving any training "not needing additional training for their current job" in about 70% of cases, and "training would not help me get a better job in my organisation" in about 45% of cases (Henseke et al., 2018[13]). These responses could be interpreted in different ways. However, they do suggest the need for more job-relevant training and effective translation of training into better jobs for the low-skilled.

Figure 4.1. The job relevance of training in England (UK) appears to be a barrier for low-skilled workers

Reasons for not receiving any training, workers with no qualification, GCSE grades d-g, or NVQ Level 1, England

Note: The various categories add up to more than 100% as respondents could agree to more than one statement.
Source: Based on Henseke et al. (2018[13]), *Skills Trends at Work in Britain – First Findings from the Skills and Employment Survey 2017*, https://www.cardiff.ac.uk/__data/assets/pdf_file/0011/1229834/2_Skills_at_Work_Minireport_Final_edit.pdf.

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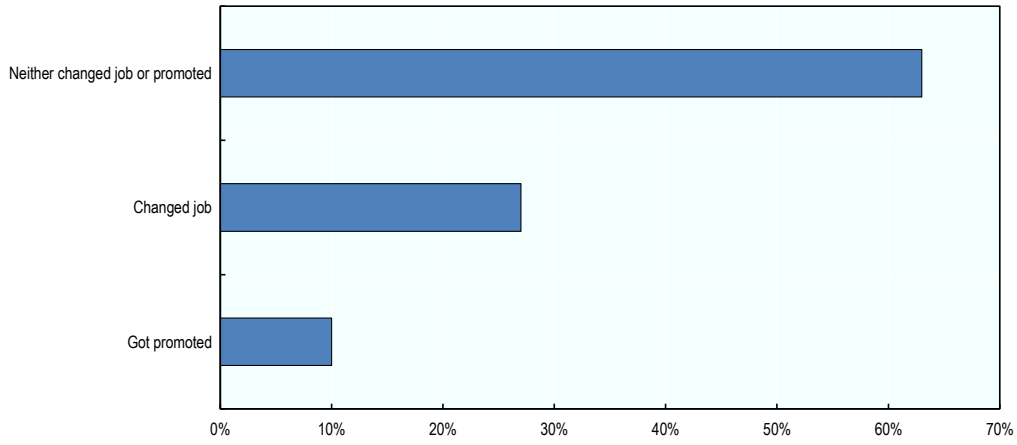
For low-skilled workers who do participate in learning, results on the effectiveness and job relevance of their learning appear to be mixed. A major longitudinal study in England (Panayiotou, 2018[14]) found that basic skills training did not consistently lead to skills or career improvements. While not specific to workers, about one in five adults who completed a Skills for Life funded basic skills course (English and/or maths) in the period 2002-06 did not improve their skills over the course of the programme. Also, most workers who completed a Skills for Life funded English course had not improved their job a year later (Figure 4.2). Only 10% were promoted, and 27% had changed their job (72% of whom much/slightly preferred their new job). The results were similar for workers who completed a Skills for Life funded maths course.

Figure 4.2. For most learners, basic skills training in England (UK) has not led to career improvements

Responses of participants in Skills for Life funded English courses about job changes one year after completion, 2012-13

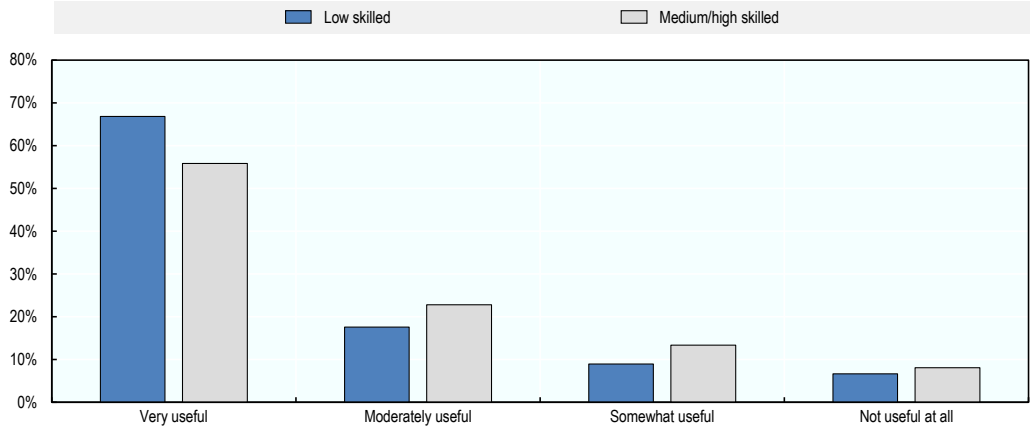


Source: Panayiotou S. et. al. (2018[14]), Quantitative Programme of Research for Adult English and Maths: Longitudinal Survey of Adult Learners, Final Research Report, https://dera.ioe.ac.uk/31139/4/Quantitative_programme_of_research_for_adult_English_and_maths-Technical_report.pdf.

StatLink https://doi.org/10.1787/888934220534

Although not specific to basic skills training, most low-skilled workers in England reported that the learning they undertake is relevant to their jobs, a result that is unsurprising given the most common type of training was 'On the job training'. As Annex A (Figure A A.6) shows, about 50% of England's low-skilled workers participated in formal and/or non-formal education and training in 2011/12 according to the OECD Survey of Adult Skills (PIAAC). Almost 70% of these workers reported that their education and training was very useful for their job, higher than for medium- and high-skilled workers (Figure 4.3).

Figure 4.3. Most low-skilled workers report that their education and training was useful for their job, 2012



Note: The differences across low and medium/high-skilled individuals are insignificants, apart from the category "Very useful".
Source: Authors' calculations based on OECD (2012[15]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

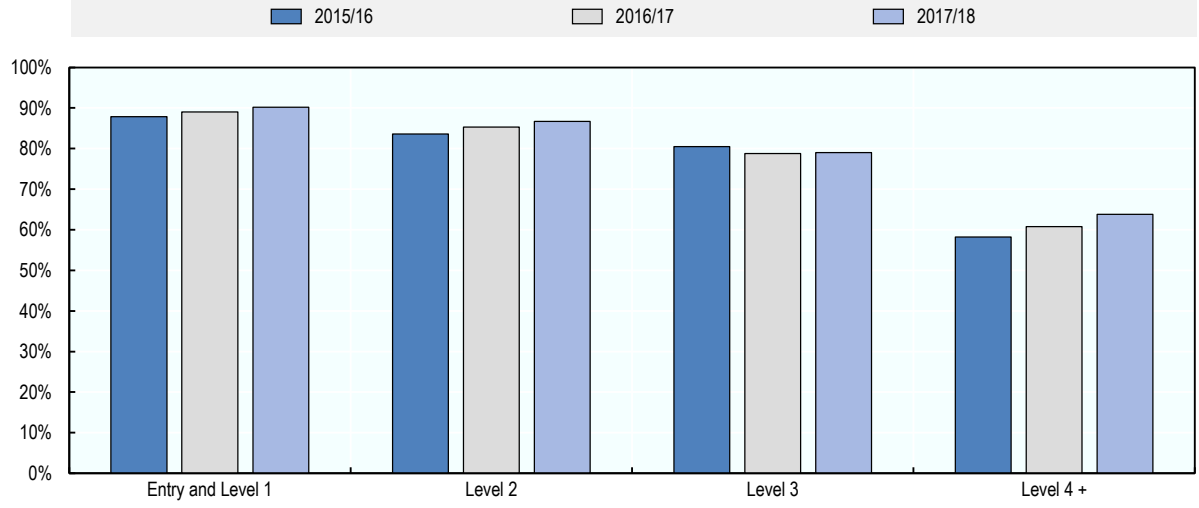
StatLink https://doi.org/10.1787/888934220553

For employers in England, the effectiveness and relevance of available education and training appear to be relatively minor barriers to providing training. While not specific to basic skills training, about 40% of England's employers with a low-educated workforce did not fund or arrange training for staff over past 12 months (Winterbotham et al., 2018[5]). Yet only about 4% of these employers cited "No training available in relevant subject area" as a reason, and less than 1% reported "The quality of the courses or providers locally is not satisfactory". In contrast, 68% cited "All our staff are fully proficient / no need for training" (68%) as a reason for no training (see Chapter 2 on raising awareness of basic skills development). A further 43% of England's employers with a low-educated workforce did provide training and wanted to provide more but were prevented from doing so (Winterbotham et al., 2018[5]). However, only about 5% of these employers cited "A lack of appropriate training / qualifications in the subject areas we need" as a barrier to more training, and 2% cited "A lack of good local training providers". In contrast, 47% cited "Lack of funds for training / training expensive" and/or "Can't spare more staff time (having them away on training)" as barriers (see Chapter 3 on making basic skills development more accessible and flexible).

Training relevance is connected to the broader quality of the training available to low-skilled workers in England. Broader evidence on quality also provides mixed results. On the one hand, adults (including workers) in lower level basic skills programmes have relatively high achievement rates (Figure 4.4). A high and growing share of participants in Entry and Level 1 qualifications achieve their learning aims.

Figure 4.4. Adults in lower level basic skills programmes have relatively high achievement rates

Learning achievement rates for adult learners by qualification level (2015/16 to 2017/18), England (UK)



Note: The overall achievement rate is the number of achieved learning aims as a percentage of the total number of learning aims in the cohort that ended. See Box 1.3 for more details on levels.
Source: Department for Education (2019[16]), National Rate Tables, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/789589/201718_NARTs_MainText.pdf.

StatLink https://doi.org/10.1787/888934220572

On the other hand, official inspections of publicly-funded basic skills programmes have highlighted quality problems. Of Ofsted's 54 inspections in foundation English and maths for adults (2012-13), over half required improvement or were inadequate. More than half (56%) of provision of foundation mathematics was judged to require improvement or be inadequate. And almost three quarters (74%) of foundation English required improvement or was inadequate (House of Commons Business, Innovation and Skills Committee, 2014/15, Adult Literacy and Numeracy). Since then, the Ofsted Common Inspection

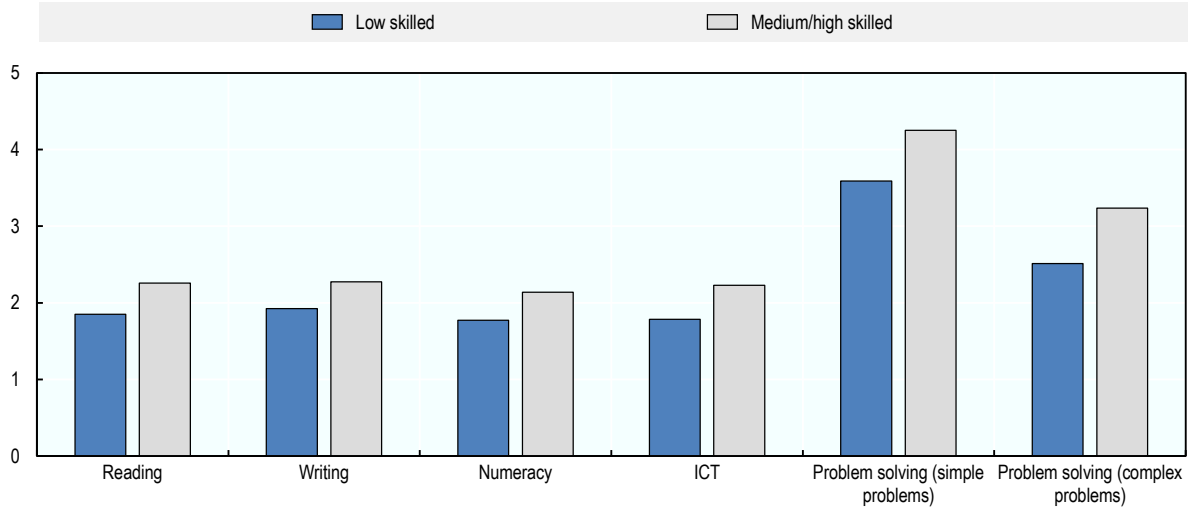
Framework was revised to give more attention to English and mathematics (Kuczera, Field and Windisch, 2016[17]). While not limited to basic skills programmes, more recent Ofsted inspections of further education and skills providers in England show some concerning results. In the year to August 2019, about 10% of inspected providers were judged as "inadequate" and about 35% were judged as "requires improvement" in the areas of "Quality of teaching, learning and assessment" and "Outcomes for learners". These results were worse for Independent learning providers (including employer providers), who provide a growing share of apprenticeships (Ofsted, further education and skills inspections and outcomes as at 31 August 2019).

Better utilising and rewarding workers' basic skills could make learning more attractive and impactful

Employers' use of low-skilled workers' basic skills may make basic skills development more or less relevant and attractive to workers. Employers use low-skilled workers' basic skills consistently less intensively than that of medium- to high-skilled workers (Figure 4.5). As using skills also helps maintain and build these skills, this also represents a missed opportunity for developing the basic skills of low-skilled workers. Furthermore, England's Employer Skills Survey (2017) suggests that about 600 000 (7%) workers in low-educated workplaces are "under-utilised", meaning they have both qualifications and skills that are more advanced than required for their current job role. By finding ways to utilise these skills, employers could potentially improve their productivity and value-added.

Figure 4.5. Low-skilled workers in England (UK) use their basic skills relatively infrequently at work

Workers' reports of the frequency with which they use different skills



Note: Skill use indicators show how often each skill is used, scaled from 1 "Never" to 5 "Every day". The gap between low and medium/high-skilled is significant for all the categories shown in the graph.
Source: Authors' calculations based on OECD (2012[15]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/.

StatLink https://doi.org/10.1787/888934220591

Policy options for making basic skills development more relevant to workers and employers

According to available data and evidence, as well as the insights provided by various stakeholders in England consulted during this project (see Annex B), England could further improve the effectiveness and relevance of basic skills development for workers and employers.

Publicly-funded basic skills programmes in England have standardised, generic content. For the most part, providers do not adapt the content of formal basic skills programmes (General Certificate of Secondary Education (GCSE)), functional skills qualifications, stepping stone qualifications) to the vocations of adult learners, even when this content is delivered as part of a vocational qualification. Non-formal basic skills programmes are rarely tailored and publicly funded (see Chapter 3). Well-trained and supported teachers are critical for ensuring basic skills programmes are effective and relevant for low-skilled workers, because the process of adapting the basic skills content to the vocational context can be complex and time-consuming. Yet England's adult education teaching workforce faces capacity and skills constraints to deliver flexible and tailored basic skills to low-skilled adults. Employers generally do not encourage the use of basic skills in the workplace, which is related to a low level of high-performance workplace practices (HPWP) and leadership and management skills, especially in SMEs.

England has opportunities to make basic skills development more effective and relevant to workers and employers, in order to increase workers' and employers' willingness to engage in learning. It can do this by:

1. Tailoring basic skills content and programmes more closely to low-skilled workers' vocational contexts.
2. Strengthening the capacity of further education and skills teachers to deliver flexible and tailored basic skills.
3. Using and rewarding basic skills more effectively in workplaces.

Policy option 4.1: Tailoring basic skills content and programmes to low-skilled workers' vocational contexts

Tailoring basic skills programmes to learners' work contexts, and embedding them into vocational training can make this type of training more relevant, attractive and ultimately effective for low-skilled workers. Under a 'contextualised' approach, basic skills are acquired in the context of learning something else, often an occupational skill. Contextualising basic skills content can have several benefits, in terms of engaging and retaining low-skilled adult learners; improving their attitudes towards learning and self-confidence, and resulting in the skills that are used and maintained in the workplace.

Publicly-funded basic skills programmes in England have standardised, generic content. Awarding organisations, learning providers and teachers do not currently have strong incentives, capacity or flexibility to adapt the content of basic skills programmes (GCSEs, functional skills qualifications, stepping stone qualifications) to the vocations of adult learners. Although functional skills in English and maths were recently reformed to take into account labour market relevance, adult learners are still required to complete the same curriculum as those from other sectors, and in the case of GCSEs the same curriculum as school students. Such generic delivery of basic skills content may hinder motivation, participation, retention and completion by low-skilled workers. Although there are some impressive examples of contextualised basic skills instruction in England, they appear to be limited in scope rather than systematic practices. Pilots of contextualising basic skills have often focused on youth, and the benefits may well be larger for low-skilled workers with a clear vocational direction.

Contextualise the basic skills content within vocational qualifications

Tailoring basic skills content to learners' work contexts, and embedding it into vocational training can make it more relevant and attractive for workers.

Integrating basic skills training into technical skills training can help low-skilled workers progress to the next steps – either further education and training, or new tasks/jobs. Integrating basic skills provision into other forms of learning activity (i.e. contextualised and embedded approaches to provision) can make courses more attractive and effective (Windisch, 2015[1]). Learning materials linked to specific occupational areas can be expected to resonate more strongly with learners who are reluctant to engage directly in "mathematics", "English", "literacy" or "numeracy" learning. The literature confirms that such embedding is a very effective means of securing learning outcomes (Carpentieri, 2014[18]; Melrose, 2014[19]; Booth, 2017[20]).

Under a 'contextualised' approach, basic skills are acquired in the context of learning something else. Very often the context is the acquisition of an occupational skill, but basic skills can also be embedded in an academic programme (Casey et al., 2006[21]; Leach et al., 2010[22]; Lesgold and Welch-Ross, 2012[23]; National Centre of Literacy and Numeracy for Adults, 2015[24]; Ryan et al., 2012[25]; Salomon, 2009[26]). It has been argued that this approach has many advantages. First, it is more likely than other approaches to engage and retain low-skilled adult learners who have negative feelings about classroom numeracy and literacy (Vorhaus et al., 2011[27]; House of Commons, 2014[28]). Second, it can help retain adult learners, positively change their attitudes towards further education and training, improve their self-confidence and parenting and employability skills, and achieve literacy and numeracy and/or vocational qualifications (Benseman, Sutton and Lander, 2005[29]; Brooks et al., 1996[30]; Casey et al., 2006[21]; Carpentieri, 2007[31]; Coben et al., 2007[32]; Ofsted, 2011[33]; Ryan et al., 2012[25]; Vorhaus et al., 2011[27]). Third, basic skills linked to an occupational skill are more likely to be sustained through use in the occupation.

There are challenges to adopting this approach: managing the gap between learning outcomes and qualifications; organisational planning; sufficient resourcing to support the embedded teaching; assessing and diagnosing learners' needs and strengthening the quality of teachers and teamwork among the tutors (Windisch, 2015[1]). For all its merits, it is hard to deliver effective contextual learning. In particular, it often makes quite complex organisational demands for literacy and numeracy teachers to work together with vocational teachers (see policy option 4.2).

Publicly funded basic skills development for adults is formal and qualification-centric in England, quite narrowly defined in terms of qualifications, subjects, and the type of training (ESFA, 2019[34]). Although formal English and maths teaching and assessment is mandatory for low-skilled adults in apprenticeships, the content of these basic skills programmes appears to be often disconnected from vocational context. During the OECD review visits, stakeholders shared their views that the experience from the mandatory basic skills training within apprenticeships is not always positive and effective. This may have to do with the fact that basic skills are parallel rather than integrated into the apprenticeships – in this context, the relevance of learning basic skills is often unclear, especially for low-skilled workers and their employers.

Any adaptation and contextualisation of basic skills content is left up to awarding bodies, providers and teachers. Yet, they have limited incentives, and may find it difficult to adapt the content to vocational contexts. For example, Ofqual allows awarding organisations to permit providers of Functional Skills Qualifications in English and maths to adapt the context presented by questions or tasks in assessments, but only certain components (e.g. reading and/or writing) and only for Entry Level qualifications. Awarding bodies must document whether they will allow providers to adapt assessments, and if so the rationale for this, how any risks will be managed, and how they will guide, oversee and train providers to contextualise English and maths (Ofqual, 2019[35]).

Data are lacking on the extent to which contextualisation of basic skills is taking place, but there have been some highly beneficial examples for adult learners in England. The Learning and Work Institute (2017[36])

found that embedding English and maths was consistently perceived to be integral to effective practice across six case studies on contextualisation in apprenticeships and traineeships. Providers spoke of the importance of making English and maths relevant by connecting these subjects with the interests, intentions and aspirations of the trainee/apprentice. A study of young adults (aged 16-24) who had not achieved GCSE grade A*-C in maths and/or English at school, but had since re-enrolled or achieved grade A*-C, found that learners are more likely to engage and have positive attitudes to maths and English when they can relate these qualifications to real life situations, understand the personal relevance and the relevance to the qualification they are studying for (Robey, Jones and Emily, 2015[37]).

Yet contextualisation is difficult to implement, as it ultimately requires cultural change in the skills system. A pilot intervention in England trained English and maths teachers to contextualise GCSE content for disadvantaged 16- to 18-year-old students who were repeating GCSE English or maths. English and maths teachers received four face-to-face training days and developed action plans and contextualisation resources with support from trainers. The evaluation concluded that the intervention led to only limited increases in the use of contextualised learning in the classroom, making it difficult to assess impacts (Runge, Munro-Lott and Buzzeo, 2019[38]).

Furthermore, at some point contextualising formal basic skills programmes compromises standardisation. The same evaluation (Runge, Munro-Lott and Buzzeo, 2019[38]) revealed mixed experiences of students' ability to apply their contextualised knowledge to the non-contextualised GCSE exam papers. Some teachers also pointed out that they had limited time in each GCSE lesson to cover the syllabus and that their priority had to be to prepare students for the (non-contextualised) GCSE exam.

Effective contextualisation of basic skills training will be most effective if all relevant stakeholders are effectively engaged. Evidence shows that from conception through to planning, design, marketing, implementation, delivery and evaluation, managers, supervisors, workers, union representatives, providers and instructors must work together as a team to determine where the training needs are, what the goals of training should be, how training should be delivered and how the entire process and its results should be evaluated (Folinsbee, 2007[39]; Gray, 2006[40]; Townsend and Waterhouse, 2008[41]; Parker, 2007[42]). The various stakeholders have their own interests and objectives but it is only by recognising this and incorporating the diversity into the training agenda that strong support for and participation in the programme can be ensured. Giving everyone an equal voice fosters confidence and trust and strengthens the stakeholders' commitment to the programme and ownership of it, thereby promoting not only quality and relevance, but also sustainability (Folinsbee, 2007[39]; Gray, 2006[40]; Townsend and Waterhouse, 2008[41]; Parker, 2007[42]). Learner motivation can also be stimulated by involving them in the content and design of their own literacy and numeracy courses and learning material (BIS, 2011[43]). An analysis of existing good practices that help those with low or no qualifications to achieve a qualification at least one level higher concur that learners should be involved in the planning and arrangement of their learning process (Windisch, 2015[1]).

England continues to strengthen efforts for contextualising basic skills. Some colleges are trying to embed English and mathematics within technical and vocational study; as part of this effort, they have engaged English and mathematics teachers to train vocational teachers on how best to teach basic skills within vocational courses (Ofsted, 2018[44]).Through the Flexible Learning Funds, the government has supported some pilot projects that will adapt basic skills to professions. For example, the NA College Trust in North East England will develop online packages for Level 1/2 maths and English functional skills for engineering, manufacturing and service sector workers (Department for Education, 2019a[45]). In addition, there are other promising examples of contextualisation of basic skills for low-skilled workers in England such as the Army embedding basic skills into vocational training and tailoring basic skills programmes to occupational contexts (Box 4.1).

Box 4.1. Relevant domestic examples: Contextualised basic skills learning in England

Unionlearn programme for young offenders

Contextualised approaches to learning have proven quite effective for young offenders participating in education. For example, a Unionlearn programme at the Parva Young Offenders Institute contextualised the teaching of literacy, numeracy and information and communications technology (ICT) within the framework of a course in logistics, aimed at giving inmates the skills to be employed in a warehouse. Participants were taught ICT, literacy and numeracy in the context of how to drive a forklift truck and how to work in a warehouse, all embedded together. Unionlearn reported that participants were far more likely to learn because they could see the point of it, it was contextualised, and they knew it was going to help them get a job. Indeed, Unionlearn concluded that this approach is the most effective way to deal with massive literacy and numeracy problems in prisons and young offender institutes.

Army apprenticeships

In 2013, around 38% of trainees joining the Army were assessed with literacy skills below Level 1, and around 38.5% had numeracy skills below Level 1. The Army takes a comprehensive approach to English and maths learning, using the whole spectrum of specialist and informal teaching. In the Army's apprenticeship programmes, literacy and numeracy is embedded in the workplace. Learners practically apply what they are doing to their roles – infantry man, signaller, and gunner – and to real-life problems contextualised for their workplace. A range of other structures are in place to ensure the relevance and effectiveness of basic skills training - the Army has some specialists who target trainees who are struggling, soldiers who have recently acquired basic skills also support other soldiers, and more generalist teaching staff support these targeted approaches.

More than 10 000 Functional Skills English or maths awards were achieved through the Army apprenticeships route during 2012-13. Standalone provision for Level 1 and Level 2 has consistently delivered annual pass rates above 87% over the last four academic years. The Business, Innovation and Skills Committee of the House of Commons concluded that the Army's provision of literacy and numeracy is to be highly commended, and it has a good record of delivery. Although their military training might not always translate into other organisations, their approach to adult literacy and numeracy, embedded within functional skills, and contextualised to make it relevant to the learners' lives, has been shown to be extremely successful, with tangible benefits for Army personnel.

Source: House of Commons (2014[28]), *Adult Literacy and Numeracy, Fifth Report of Session 2014-15*, https://dera.ioe.ac.uk/21150/1/9780215075864.pdf.

In other countries, contextualisation of basic skills is undertaken in more systematic ways. For example, Norway and the United States both have successful examples of contextualising and tailoring basic skills instruction to learners' vocational contexts (Box 4.2). These two examples confirm for England not only that contextualised basic skills are easier to develop for workers, but that a co-operative ecosystem – bringing together instructors, providers and enterprises – is required to make contextualisation a reality.

Box 4.2. Relevant international examples: Contextualising basic skills to vocational contexts

Norway – SkillsPlus programme

As in England, Norway has many low-skilled adults in employment. It implemented the Norwegian Skills Plus Work programme which subsidises employers to provide their employees with job-related basic skills. This is a continuation of the Programme for Basic Competences in Working Life (BKA) introduced in 2006 (Kompetanse Norge, 2016[46]; Eurydice - European Commission, 2017[47]).

One of the key aspects of SkillsPlus is learning through work-related tasks and practices. The programme is aligned with the country's Framework for Basic Skills, and operates in co-operation with professional organisations. The programme focuses on basic skills such as reading, writing, numeracy and digital skills, and more recently oral communication, and it combines basic skills training and work practices. Enterprises co-operate with providers in order to define basic skill programmes that are tailored to the needs of the employees as well as those of employers. SMEs and industries that display a higher share of low-skilled workers are primarily encouraged to participate to the programme.

The Skillsplus programme also includes the establishment of a database to evaluate the effectiveness of the programme itself, as well as monitoring whether the desired target group is reached. It is considered an expensive but successful programme in reaching individuals who otherwise would not participate in learning activities.

United States – Integrated Basic Education and Skills Training (I-BEST) programme

Introduced by the state of Washington in 2007, I-BEST is designed to provide occupational training and basic skills in a structured career pathway to students who have basic skills levels too low to enter college. I-BEST occupational training courses are required to have both an occupational instructor and a basic skills instructor, with the latter present for at least 50% of class time. The two instructors provide contextualised basic skills instruction, especially in learning labs and support courses. The aim is to provide students with both basic skills in literacy and numeracy, and practical knowledge that would allow them to immediately enter the job market.

According to a recent evaluation report, the programme had large positive impacts on college course enrolment and increased enrolment in and completion of courses such as college-level algebra and English. The programme supports advancement to high-level college coursework, since these algebra and English courses serve as prerequisites for many other required courses leading to two-year associate degrees.

These two policies confirm for England not only that contextualised basic skills are easier to develop for workers, but that effective co-operation will be essential for making improvements in England. In the case of Norway, co-operation between employers and providers was essential to contextualise basic skills content, and in the United States, co-operation in the classroom between instructors was essential.

Source: Glosser et al. (2018[48]), *Washington State's Integrated Basic Education and Skills Training (I-BEST) Program in Three Colleges: Implementation and Early Impact Report*, https://www.acf.hhs.gov/sites/default/files/opre/i_best_implementation_and_early_impact_report_es_508.pdf; OECD (2020[49]), *Continuous Learning in Working Life in Finland*, https://doi.org/10.1787/2ffcffe6-en; Kompetanse Norge (2016[46]), SkillsPlus, https://www.kompetansenorge.no/English/Basic-skills/Competenceplus/.

Recommendation for contextualising the basic skills content within vocational qualifications:

- **The government and stakeholders should increase support for, and improve data on, contextualisation of basic skills content within vocational qualifications**: The government should work with representatives of awarding bodies, providers and teachers to understand and reduce barriers to contextualised basic skills training for employed adult learners. England should consider pilots to contextualise GCSEs, functional skills and/or stepping stones to specific sectors, qualifications or trades. Sector bodies, employers and learners should be consulted in the design of such content. The government should ensure public funding is available to support contextualised learning of basic skills and offer guidance and promote providers' engagement with employers and learners to better contextualise basic skills programmes. Ofqual and Ofsted should improve monitoring of the extent and impact of embedded and contextualised basic skills content in vocational qualifications, starting with adult apprenticeships in low-skilled sectors and occupations.

Policy option 4.2: Strengthening the capacity of further education teachers to deliver flexible and tailored basic skills

Well trained and supported teachers are critical for ensuring basic skills programmes are effective and relevant for low-skilled workers. Even for online English and maths courses in England, researchers found a strong correlation between students' predicted first-attempt exam score and the tutor who taught them (Hume et al., 2018[50]). Effectively teaching basic skills to adults is complex and time-consuming, often requiring formative assessment, e-learning, and contextualisation and embedding of basic skills content. Teachers typically need to build on learners' experience, facilitate reciprocal teaching between learners, and link exercises to learners' contexts to achieve the best results. Qualified teachers who regularly assess learning progress to adjust teaching and who have professional development opportunities have been shown to be important for learners' progress. Vocational teachers may need to work together with specialist basic skills teachers to get the best results.

England's adult education teaching workforce faces capacity and skills constraints to deliver flexible and tailored basic skills to low-skilled adults. Few teachers have acquired England's professional qualifications for basic skills in further education – English, maths and English for Speakers of Other languages. Opportunities and incentives for engaging in professional development and specialising in basic skills instruction are limited, especially for the many volunteer teachers involved in the sector. Low pay limits the expansion, professionalisation and specialisation of the adult education workforce. England has taken steps to professionalise the basic skills teaching workforce, but more is needed to ensure teachers can design and deliver flexible, tailored and effective basic skills training to low-skilled workers.

Strengthen initial training and professional development for further education and skills teachers

Skilling and supporting teachers to embed basic skills into vocational training, tailor basic skills programmes to occupational contexts and deliver more flexible learning can help make training more relevant, effective and attractive for low-skilled workers and employers.

Strong teachers are needed to assist learners who often have a long history of struggling in school, but low pay is a common barrier to attract qualified and experienced teachers (Besser et al., 2004[51]; Kruidenier, MacArthur and Wrigley, 2010[52]; EU High-Level Group of Experts on Literacy, 2012[53]). Wages for teaching basic skills to adults are not highly competitive in England. For example, the National Careers Service estimates that functional skills teachers (or skills for life teachers) who teach adults English and maths earn from GBP 19 000 for entrants to 27 000 for experienced teachers. Their roles include teaching, designing a tailored learning plan, carrying out skills assessment, preparing teaching materials, interacting with learners, and guiding and supporting learning support assistants and volunteers. To compare this, the average salary for a primary or secondary school teacher is estimated from GBP 24 000 to 40 500 and for

further education teacher of vocational subjects from GBP 24 000 to 80 000 (National Careers Service, n.d.[54]).

England currently experiences shortage of teachers, in particular well-qualified mathematics and English teachers. According to the College Staff Survey 2018, three-quarters (75%) of principals in further education (FE) colleges identified maths as the most difficult academic subject to recruit teachers (42% for English). Numeracy and literacy also held some of the highest vacancy rates in the sector (Thornton et al., 2018[55]). A key reasons for this is the high number of lower-attaining post-16 students[2] progressing to FE (Noyes, Dalby and Lavis, 2018[56]). Also, over half of ESOL providers (two-thirds of colleges) reported struggling to meet high levels of demand due to teacher shortages at pre-entry and entry levels, according to the Learning and Work Institute's report on "Mapping ESOL Provision in Greater London" (Stevenson, Kings and Sterland, 2017[57]).

Volunteer staff play a big role, partly in response to the low pay and limited job security for adult basic skills educators. This makes recruitment of professional, well-trained staff more difficult (EU High-Level Group of Experts on Literacy, 2012[53]; Kruidenier, MacArthur and Wrigley, 2010[52]; OECD, 2008[58]; UNESCO, 2014b[59]). While volunteers are often familiar with the life circumstances of course participants and try hard to help, they may lack the necessary pedagogical skills and require at least some training (Windisch, 2015[1]).

Professional training for the basic skills teaching workforce remains limited in many countries (Windisch, 2015[1]). According to the recent annual FE workforce data report (Education and Training Foundation, 2018[60]) and training needs analysis (Education and Training Foundation, 2018[61]), one of most frequent concerns among people working in the sector was skills in the teaching of mathematics and English and competence in the use of digital and other new technologies in teaching programmes. A substantial portion of people working in the sector reported that they did not receive all the training they wanted or needed, and some training they undertook was of little value to them.

Recognising this challenge, England has taken steps to professionalise the further education and skills teaching workforce.

The House of Commons Business, Innovation and Skills Committee recommended that post-graduate qualifications be reintroduced to reinforce the fact that adult learning is a specialist job and to ensure that the best teachers are helping adults to improve their English and maths (House of Commons, 2014[28]). This was the result of the inquiry into Adult Literacy and Numeracy, which concluded that there was a lack of support available to teachers of adult literacy and numeracy in England (House of Commons, 2014[28]). Teaching English and maths to adults who have not been able to succeed in the past is a difficult thing to do, and it needs to be recognised as a high professional career with post-graduate qualifications and support to ensure they really have the expertise to motivate them.

Moreover, considering the variety of entry and recruitment channels of FE teachers, provision of appropriate continued professional development (CPD) is essential. According to the 2018 Mathematics in Further Education Colleges (MiFEC) survey, FE Mathematics teachers require substantial training. Prior to teaching the subject in FE, only a quarter of respondents had direct contact with mathematics and almost half of the respondents worked in sectors other than teaching – thus a mandatory teaching qualification will not be a solution in a time of shortage. Most teachers of FE mathematics experience relatively little mathematics-specific CPD (e.g. 55% reported 5 hours or less for 2017/18) (Noyes, Dalby and Lavis, 2018[56]). Also, according to the College Staff Survey 2018, teachers of stand-alone numeracy / adult maths skills were more likely to be dissatisfied with the opportunities available for career development (39%) than other staff (33%) (Thornton et al., 2018[55]).

Recent initiatives under the Further Education (FE) Workforce Programme have sought to better prepare FE teachers of mathematics and English. With a view to upskilling the FE workforce in the teaching of maths and English, a GBP 30 million package was put in place for 2014/2015. It included bursaries of

GBP 9 000 for students in English teachers programmes, and of GBP 20 000 for those in maths teachers programmes in an effort to attract good graduates into teaching, and programmes to enhance the skills of existing maths and English teachers so they can teach GCSE. Support was also offered for the professional development of up to 2 000 teachers teaching maths to GCSE standard. Evaluations showed that the initiatives under the FE Workforce Programme helped to increase the number of maths and English teachers with the skills to deliver GCSEs and helped to up-skill existing teachers (Box 4.3).

More recent investments bode well for strengthening England's further education workforce overall, but their impact on basic skills teaching remains to be seen. In February 2020, the government announced a GBP 24 million package to help FE providers across the country recruit, retain and develop excellent teachers. The package includes GBP 11 million for bursaries and grants to attract talented people to train to teach in FE, in priority subject areas including English; a GBP 10 million boost to expand the Taking Teaching Further programme incentivising industry professionals to retrain as FE teachers, and GBP 3 million for high-quality mentor training programmes to support FE teachers to develop and progress (The Education and Training Foundation, 2020[62]).

The Education and Training Foundation (ETF), England's national workforce development body for the Further Education and Training sector, will implement many of these new measures. It also continues to support a range of activities to improve teaching, including of basic skills. The ETF has developed Professional Standards for Teachers and Trainers, and implemented over 200 collaborative projects on teaching, learning and assessment since 2015 under the banner of its Outstanding Teaching Learning and Assessment (OTLA). The ETF has also made case studies and resources developed by practitioners available on its Improving Teaching exhibition site (The Education and Training Foundation, 2020[63]). The ETF also offers a comprehensive range of courses to support effective teaching of maths and English for teachers of GCSE, Functional Skills, apprenticeships and study programmes. Each year around 4 000 practitioners complete these face to face, online and blended courses (The Education and Training Foundation, n.d.[64]).

Box 4.3. Relevant domestic examples: Capacity building for England's adult learning workforce

Further Education (FE) Workforce Programme

The joint BIS and Department for Education (DfE) Further Education (FE) Workforce Programme was established in April 2013 to address FE workforce challenges arising from policy changes including those relating to maths, English, and supporting learners with special educational needs and disabilities. Among its activities, the programme included bursaries for FE Initial Training Education (ranging from GBP 4 000 to GBP 25 000), a Maths Enhancement Programme (MEP) and English Enhancement Programme (EEP) training literacy and numeracy teachers to deliver GCSEs, and recruitment incentive grants for new maths teachers.

In terms of the maths and English workforce, the Programme aimed to train an additional 2 500 maths teachers and 2 600 English teachers with the skills to deliver GCSEs by the end of the 2015/16 academic year. According to the official evaluation report, the three programmes for Continued Professional Development exceeded their targets for learners and the bursaries appeared to have been successful in promoting enrolment in Initial Training Education (53% of the recipients surveyed reported that they would not have enrolled in such programme without the bursary). An evaluation of the MEP and EEP found that they helped to increase the number of maths and English teachers, and improved the quality of teaching according to participants.

Source: Zaidi, Howat and Rose (2018[65]), *FE Workforce Programme Evaluation: Research Report*, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/767260/Further_education_workforce_programme_evaluation.pdf.

Well embedded teaching requires a team of tutors and co-operation between them. In their research in England, Casey and colleagues (2006[21]) compared two types of embedded instruction: i) courses in which vocational tutors were required to deliver literacy training; and ii) courses in which vocational tutors delivered vocational training but specialist literacy tutors delivered literacy instruction. The study revealed that where a single teacher was asked to take dual responsibility for teaching vocational and basic skills, learners were less likely to succeed than learners taught by two tutors (Casey et al., 2006[21]). Similarly, research from Australia and New Zealand found that where tutors work as a team, for instance a numeracy specialist supporting the vocational teacher to plan and deliver sessions, learners were more likely to stay in training and complete vocational qualifications (Windisch, 2015[1]).

In order to strengthen initial training and professional development for further education and skills teachers, Austria has focused on validating and filling gaps in the skills of adult educators, while Norway has focused on ensuring and publicly funding high-quality training and development for basic skills teachers specifically (Box 4.4). These examples highlight for England the importance of publicly-subsidised training, professional development and qualifications specifically for basic skills teachers, and the importance of recognising and validating further education teachers' prior learning as a way to encourage participation in professional development.

Box 4.4. Relevant international examples: Equipping teachers for basic skills provision

Austria - Academy of Continuing Education (Weiterbildungsakademie, wba)

Launched in 2007, the Academy of Continuing Education (wba) acknowledges prior learning results and offers guidance and counselling to adult educators on the acquisition of missing skills. This supports the professionalisation of Austrian adult education, and encourages teachers to address gaps in their skills on the path to a widely recognised qualification.

Wba targets educational managers, teachers/trainers, guidance counsellors and librarians. Adult educators can submit evidence of competences and practical experience acquired in various ways and with different types of proof. This evidence is assessed on the basis of the wba-qualification profiles and then validated. Lack of competences can be made up by attending further courses or by submitting further evidence. Although wba does not offer further education programmes itself (it accredits suitable courses offered by various AE institutions), wba-graduates receive a recognised wba-certificate or wba-diploma. Wba is unique because it is supported by all ten major Austrian AE umbrella organisations.

Since the start of the initiative, 1 095 educators have registered for the certification process, and 635 wba certificates and 152 wba diplomas have been awarded. According to an evaluation carried out in 2010, the programme had been well received by the candidates who attest to its high quality, and was over-subscribed, raising questions about the sufficiency of public funding.

Norway – Skills Norway

Skills Norway, in co-operation with teacher training institutions, universities and university colleges, developed a formal training model for teachers of basic skills to adults. The training model involves a 30-credit programme spread over two semesters that focuses on teaching digital skills as part of basic skills. The goal is to qualify and certify teachers of basic digital skills to adults, so that they can enable adults to master the challenges of working and community life in an increasingly digitised world. Skills Norway also organises one-day seminars for the professional development of adult teachers (Kompetanse Norge, 2018[66]). Moreover, VOX (Norwegian Agency for Lifelong Learning) organises courses for teachers of basic skills and provides grants to those who engage in further education courses in this field.

These examples highlight for England the importance of publicly-subsidised training, professional development and qualifications for basic skills teachers, developed in co-operation with all key stakeholders. They also highlight the importance of recognising and validating basic skills' teachers prior learning, in order to fast-track the process of gaining formal qualifications, which in turns makes further training (and formal qualifications) more accessible and attractive for the FE workforce.

Source: Glosser et al. (2018[48]), *Washington State's Integrated Basic Education and Skills Training (I-BEST) Program in Three Colleges: Implementation and Early Impact Report,* https://www.acf.hhs.gov/sites/default/files/opre/i_best_implementation_and_early_impact_report_es_508.pdf; Weiterbildungsakademie Österreich (n.d.[67]), *Weiterbildungsakademie (wba) - zertifiziert und diplomiert Erwachsenenbildner/innen*, https://wba.or.at/de/english/about-us.php#; Prokopp and Luomi-Messerer (2010[68]), *European Inventory on Validation of Non-formal and Informal Learning Case Study: Recognition for Professionalisation in the Adult Learning Sector-Academy of Continuing Education (wba), Austria,* http://docplayer.net/23733811-By-monika-prokopp-and-karin-luomi-messerer.html; Kompetanse Norge (2016[46]), *SkillsPlus,* https://www.kompetansenorge.no/English/Basic-skills/Competenceplus/.

Recommendation for strengthening initial training and professional development for further education and skills teachers:

- **The government should ensure that the new package for strengthening the further education workforce also targets basic skills teaching specifically**. Drawing on the experience of the previous Further Education (FE) Workforce Programme, the government should ensure that the new multi-million pound package for strengthening the further education workforce also targets and improves attraction and retention of basic skills teachers, as well as their initial training and professional development. As part of this, the government and further education stakeholders should raise awareness of qualifications, continuous learning and incentives for basic skills teachers. England should consider developing higher level qualifications for teaching adults English and maths, similar to Norway's approach, to help improve quality and relevance in delivery of basic skills. It could seek to expand uptake of qualifications for teaching basic skills to adults through efficient and effective recognition of prior learning, as in Austria.

Policy option 4.3: Using and rewarding workers' basic skills more effectively in workplaces, to increase the benefits of training for workers and employers

Skills use at work contributes to basic skills formation particularly for adults with lower levels of qualifications (OECD, 2016[69]). Evidence from the OECD Survey of Adult Skills (PIAAC) shows that the contribution of work experience (i.e. on-the-job learning, learning by doing) to building basic skills is equivalent to a third of compulsory schooling's contribution (Jimeno et al., 2016[70]). In the United Kingdom, a worker (26 to 45 years old) with basic schooling and 15 years of experience scores 11 points higher in the PIAAC numeracy test than a similarly schooled worker with 5 years of working experience.[3] Such links between years of working experience and basic skills is stronger among low-educated individuals than among highly-educated ones. Earlier research also found the importance and effectiveness of workplace learning, as initial education raises skill but is subject to diminishing returns (Green, Ashton and Felstead, 2001[71]).[4]

Adults with lower levels of skills tend to work in less skill-intensive jobs, and therefore use basic skills at work less frequently compared with those with higher levels of skills proficiency who are mostly working in highly learning-oriented environments – and this cycle becomes entrenched in later life (Mallows and Litster, 2016[72]).[5] Also, workers who perform specific and technical tasks at work may see basic skills gradually erode over time if they do not or rarely use them. ICT skills appear to be particularly subject to obsolescence due to rapid changes in both hardware and software (OECD, 2019[73]). For those adults trapped in a low-skill job, a working environment that does not require the use of basic skills in practice is less likely to enable or motivate them to enhance their basic skills.

Increasing the use of basic skills in the workplace therefore requires considerable effort in terms of designing work practices to accommodate workers with low basic skills. It may involve reorganising work tasks and practices as well as redefining job descriptions and performance, increasing employee responsibility or obliging employers and supervisors to be more aware of basic skills. International literature highlights that workplace basic skills programmes were successful where managers from senior level through to supervisors supported the provision and created environments that allow the use of new skills (Windisch, 2015[1]).

Support employers of low-skilled adults to adopt high performance work practices, and provide career progression pathways

Many factors affect how well low-skilled workers' skills are used in workplaces, including the fact that they typically work in low-productivity sectors and occupations where higher levels of skills are not valued (see Chapter 1). However, one of the most important factors is the way workplaces are organised (OECD/ILO, 2017[74]). A variety of organisational and management practices shape how and why skills are used in the workplace, and are known to positively affect performance of employees and businesses. These are often referred to as high-performance workplace practices (HPWP). HPWP can include (OECD, 2016[75]):

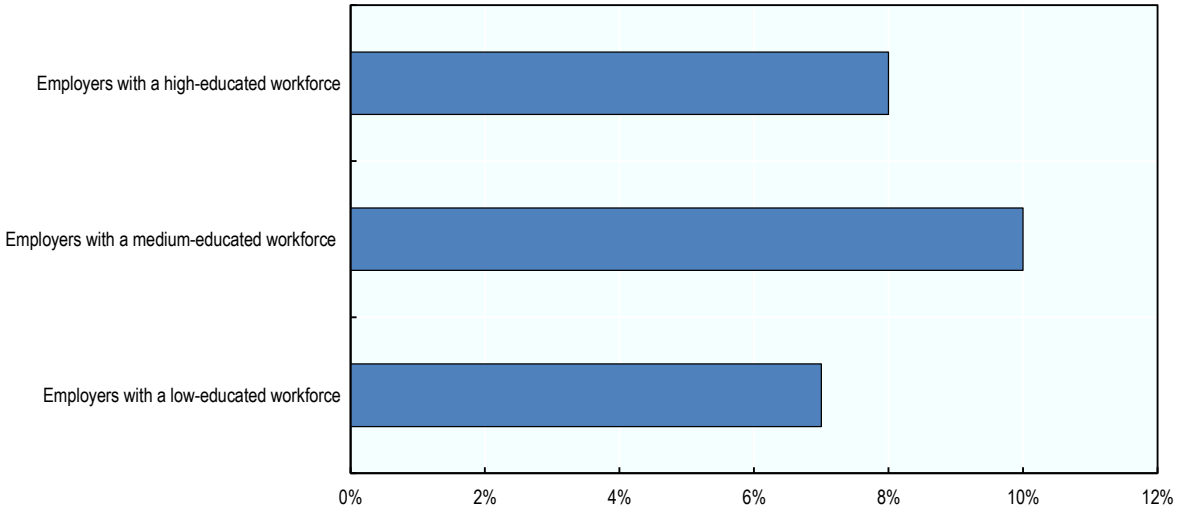
- *Flexibility and autonomy*: including flexibility in working time and tasks, involvement in setting tasks, planning activities and applying own ideas.
- *Teamwork and information sharing*: including receiving support from colleagues, working in a team, and sharing work-related information with colleagues.
- *Training and development*: including participation in continuing vocational training, and on-the-job training.
- *Benefits, career progression and performance management*: including bonuses, career advancement, performance appraisal, and competency profiles data.

For businesses, it is important to implement a bundle of HPWP, given that partial implementation of HPWP may not result in significant performance gains. Career planning and pathways for low-skilled workers are one important aspect of HPWP, which could help increase both skills use and training participation. Developing career progression routes for low-skilled workers can make training more relevant for them, and motivate them to upskill. Better using the existing and newly acquired skills of low-skilled workers may also help reduce retention and recruitment costs, as companies do not need to pay for job advertisements or organise interviews, and the company can skip much of the initial training that external recruits need (OECD, 2018[76]). In addition, the wage returns to informal learning (i.e. learning by doing, learning from others, keeping up to date with products and services) are higher for workers exposed to HPWP – high returns for workers can make training more relevant to them (Fialho, Quintini and Vandeweyer, 2019[77]).

Relatively few employers in England implement a large number of HPWP. For example, only 7% of employers with a low-educated workforce are high performing workplaces, according to the Employer Skills Survey (ESS) 2017 measure (implemented more than 14 of the 21 HPWP identified in the ESS) (Figure 4.6).

Figure 4.6. Employers with a low-educated workforce are less likely to have high-performance workplaces in England (UK)

Share (%) of establishments that are high-performance workplaces, by skill level of workplace



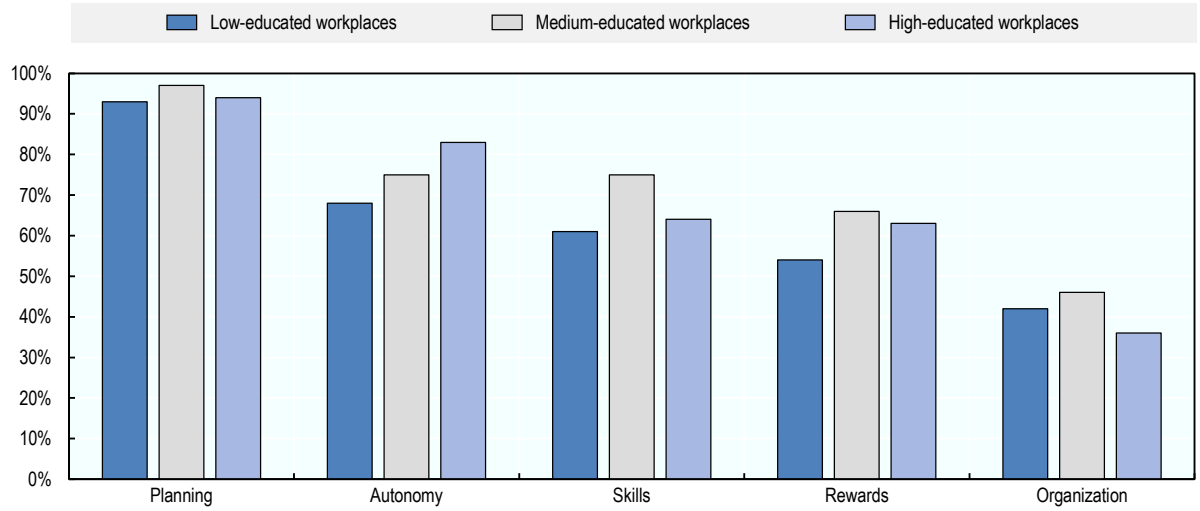
Note: Establishments of high-performance work practices are those reporting that they utilise more than 14 of the 21 high-performance work practices identified in the Employer Skills Survey. The 21 HPWP are: Awards performance related bonuses; Individual performance related pay; Flexible benefits; On or off job training; Training plan; Training budget; Annual performance review; Work shadowing/stretching/supervision; Formally assess performance after training; IIP; Holds ISO9000; Employee consultation / trade union; Creates teams to work on projects; Business plan; Task variety; Task discretion; Flexible working; Equal opportunity policy; Processes to identify high potential or talented individuals; Trade union consultation; Training needs assessment.
Source: Based on Winterbotham et al. (2018[5]), *Employer Skills Survey 2017 Research Report*, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/746493/ESS_2017_UK_Report_Controlled_v06.00.pdf.

StatLink https://doi.org/10.1787/888934220610

Although the vast majority of workplaces implement at least one HPWP in the five categories captured by the ESS 2017, employers with a low-educated workforce are less likely to implement some HPWP than employers with medium- and high-educated workforces (Figure 4.7).

Figure 4.7. Employers with a low-educated workforce are less likely to implement some high-performing work practices, England (UK)

Share (%) of establishments reporting that they utilise at least one of the high-performing work practices in each category identified in the Employer Skills Survey, by skill level of workplace



Note: "Planning" HPWPs include having a training plan, annual performance review, training budget, work shadowing, business plan, equal opportunities policy and/or training needs assessment; "Organisation" HPWPs include having an Investors in People (IIP) certification, ISO 9000 certification, trade union consultation, employee consultation, teams to work on projects, and/or a process to identify talented individuals; "Skills" HPWPs include having on or off the job training and/or formal performance review after training; "Rewards" include having a bonus scheme, performance related pay and/or flexible benefits; "Autonomy" include having task variety, task discretion and/or flexible working.
Source: Based on Winterbotham et al. (2018[5]), *Employer Skills Survey 2017 Research Report*, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/746493/ESS_2017_UK_Report_Controlled_v06.00.pdf.

StatLink https://doi.org/10.1787/888934220629

The lack of HPWP in England's workplaces may be contributing to a lack of career progression for low-skilled workers, which in turn makes upskilling less relevant and attractive.

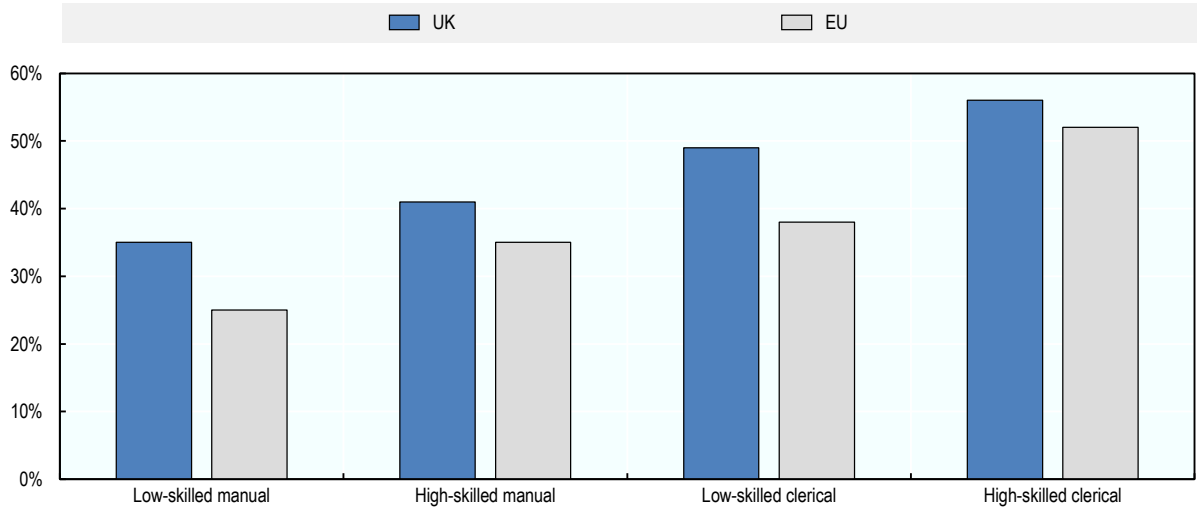
Low-skilled workers are usually low-paid and in low-skilled jobs (OECD, 2013[78]), and these jobs typically offer few prospects for career (or pay) progression. For example, according to a survey of 3 000 UK employees across 28 sectors, lower-paid workers feel that they are offered fewer opportunities for career development than highly paid workers (Matthews and Meyler, 2018[79]). The survey reveals that 72% of those earning below GBP 15 000, 51% of those earning between 30 000 and 39 000, and 38% of those earning over GBP 75 000 indicate that there is no support for career development with their current employer. Compared to workers in high-skilled jobs, few workers in low-skilled jobs in the United Kingdom agree that they have good prospects for career advancement (Figure 4.8). In low skilled manual jobs in the United Kingdom, only one-third of workers agree that they have good career prospects. However, positive perceptions about job prospects are consistently higher in the United Kingdom than across the EU on average.

Even when England's employers face hard-to-fill vacancies, they appear reluctant to invest in and utilise the skills of low-skilled workers. About 55 000 (9%) employers with a low-educated workforce in England report having at least one vacancy that is hard-to-fill. Of these employers, only 10% are prepared to offer training to less well qualified recruits, and only 14% redefine existing jobs in order to overcome difficulties

filling vacancies. Given the lack of opportunity for low-skilled workers to advance, it is not surprising that their motivation for learning is low.

Figure 4.8. Low-skilled workers report relatively less prospects for career advancement

Share (%) of workers who "agree" that they have good prospects for career advancement, by skill level of job, the United Kingdom and EU-28, 2015



Source: Based on Eurofound (2016), European Working Conditions Survey: 2015, https://www.eurofound.europa.eu/surveys/european-working-conditions-surveys/sixth-european-working-conditions-survey-2015.

StatLink https://doi.org/10.1787/888934220648

England is in many ways a leader in the OECD in researching and trialling policies to encourage HPWP and progression pathways.

The Department for Work and Pensions (DWP) has focused on the supply side - supporting and requiring low-skilled workers who receive benefits to increase their earnings, including through progression. DWP commissioned three proof-of-concept projects in 2014-16, covering one-to-one tailored support for parents and employers; motivational coaching for low-income, part-time workers; and job redesign to include part-time and flexible workers access to promotion to managerial roles (DWP, 2017[80]). DWP's In-work Progression randomised control trial aimed to test whether increased Work Coach support and applying conditionality drove behaviours that led to earnings progression. It found a small and positive statistically significant monetary progression impact one year after the trial for individuals receiving frequent or moderate support compared to individuals receiving only minimal support (Department for Work & Pensions, 2018[81]).

The Work and Pensions Committee is currently holding a follow-up inquiry to its 2016 inquiry on "in-work progression" for people claiming Universal Credit. The new inquiry looks at the progress the government is making, the readiness of Jobcentre Plus work coaches, and what more the government could do to support people to progress in work (UK Parliament, 2020[82]).

The demand side – how employers use and rewards skills through HPWP – is equally important for policy. The UK Commission for Employment and Skills (UKCES) (closed in 2017) was a key organisation in this area. It was a social partnership led by Commissioners from large and small employers, trade unions and the voluntary sector. Its aims included working with businesses to develop the best market solutions which leverage greater investment in skills. UKCES funded the UK Futures Programme (UKFP) ran from April

2014 to June 2016 and offered small scale investments to research, develop, pilot and/or scale innovative solutions to workforce development issues (Box 4.5). In particular, Productivity Challenge 3 (PC3) supported projects to improve pay and progression within the retail and hospitality sectors (Mackay et al., 2016[83]).

Several practices have potential for expanding the implementation of HPWP at workplaces and improving career progression pathways for low-skilled workers in England. These include designing new job specifications and clearly structured progression pathways for entry level staff, and diagnostic tools to highlight HPWP needs with coaching support for individual businesses (UKCES, 2016[84]). Furthermore, adults who upskill are more likely to experience job progression by switching employers rather than within their existing workplace. The international literature provides little evidence of 'proven' (i.e. robustly assessed) initiatives targeting progression, but localised and sector-focused initiatives appear to have the most potential, especially those that target entry into good quality employment opportunities (Sisson, Gree and Lee, 2016[85]).

Box 4.5. Relevant domestic examples: UK Futures Programme (UKFP)

UK Futures Programme (UKFP)

The UK Futures Programme (UKFP) ran between April 2014 and June 2016, and was funded by the UK Commission for Employment and Skills' (UKCES). The UKFP sought to tackle workforce development issues by offering small scale public co-investment to employers and industry to design and test their own solutions to emerging or long-standing skills and productivity challenges. The UKFP funded five Productivity Challenges, each of which was focused around a specific skills and workplace productivity challenge: in the offsite construction industry; leadership and management through supply chains and networked organisations; progression pathways in the retail and hospitality industries; skills for innovation management and commercialisation in the manufacturing sector; and leadership and entrepreneurship skills in small firms.

There were projects across all the Productivity Challenges that worked on developing high performance working practices within businesses, through focussing on multiskilling staff, creating new progression pathways and refining job design. Several projects on PC3 were particularly focused on these issues, helping businesses to understand how to support staff to develop their careers, and add value to the retail and hospitality sector. The projects accomplished this by designing new job specifications that were more suited to particular types of staff, as well as building clearly structured progression pathways for entry level staff, to assist them in adding more value to their companies. One particular project on PC2 also addressed high performance working practices, through development of a model and approach to high performance working which is now being offered as a complementary approach to workforce development with the intention of building a community of practitioners.

According to a 2016 evaluation report, the UKFP was successful in attracting new partners that the UKCES could not previously. It generally met the objectives of collaboration and co-creation, and met the objectives of innovation to some extent.

Source: UKCES (2016[84]), *Evaluation of the UK Futures Programme: Conclusions and Guidance,* https://dera.ioe.ac.uk/27339/1/Evaluation_of_UK_Futures_Programme_-_conclusions_and_guidance.pdf; Be the Business (2020[86]), *Make your business more productive,* https://www.bethebusiness.com/.

Flanders (Belgium) and Singapore have implemented public programmes to improve HPWP and career progression, especially for lower-skilled workers (Box 4.6). Although evaluation evidence is relative scarce in this domain, these international examples highlight an area in which England may help to create the conditions for basic skills investments being rewarded in enterprises, through various interventions ranging

from information and guidance, to financial support. Indeed, basic skills development and use are interrelated processes, which are best addressed comprehensively.

Box 4.6. Relevant international examples: Job progression initiatives for low-skilled workers

Flanders, Belgium - Career mobility programmes

Flanders' Project 2030 promotes career mobility opportunities for entry-level workers in the care sector. This initiative began in 2009 as a partnership between the association of services for family care and unions to improve the quality of jobs and mitigate skill shortages within the family care sector.

Training is provided on a modular basis to enable entry-level staff to progress within the sector to higher-level positions (e.g. care workers could become nursing assistants). Moreover, employers can enhance career mobility opportunities while also better linking remuneration systems to workplace tasks. For example, Marine Harvest Pieters, a large Belgian company in the food services sector, changed its remuneration scheme in a way to account for skills as well as experience, while recognising the importance of lifelong learning. Employers were offered a variety of courses to learn new skills and move from one competency cluster to another.

While causal evidence is lacking, companies that adopt these competency and career planning practices tend to display higher levels of innovativeness and higher revenues with respect to enterprises who do not.

Singapore - Enterprise Training Support scheme

Under Singapore's Enterprise Training Support (ETS) scheme, which was introduced in 2013, employers can apply for public subsidies for projects aimed at improving skills utilisation. The main aims of the ETS are to improve employees' productivity and skills levels and to attract and retain valued employees.

There are five components of the ETS, to which employers can apply: i) training grant, with the aims of formalising skills training within the business operations and of making training more easily accessible; ii) training capability grant, to allow organisations to build an in-house capability in terms of training delivery or infrastructure; iii) curriculum contextualisation and alignment grant, to support the contextualisation of the training offered; iv) HR development grants, to activate skills' utilisation through a well-developed HR; and v) compensation and benefits systems review grant, aimed at covering the expenses incurred when engaging with consultancy agencies with the aim of building a wage structure that supports career progression and skills retention.

Although evaluation evidence is relative scarce in this domain, these international examples highlight an area in which England may help to create the conditions for basic skills investments being rewarded in enterprises, through various interventions ranging from information and guidance, to financial support. Indeed, basic skills development and use are interrelated processes, which are best addressed comprehensively.

Source: OECD (2019[87]), *OECD Skills Strategy Flanders: Assessment and Recommendations*, https://dx.doi.org/10.1787/9789264309791-en; OECD/ILO (2017[88]), *Better Use of Skills in the Workplace: Why It Matters for Productivity and Local Jobs*, https://doi.org/10.1787/9789264281394-en; OECD (2016[69]), *OECD Employment Outlook 2016*, https://dx.doi.org/10.1787/empl_outlook-2016-en.

Recommendation for increasing high performance work practices and career progression opportunities:

- **The government and social partners should support employers of low-skilled adults to adopt high performance work practices and provide career progression pathways**. To complement the guidance and other services available to low-skilled workers receiving Universal Credit, the government and social partners should support employers of low-skilled workers to adopt HPWP and develop career progression pathways. This support could come in the form of information and guidance, toolkits, and/or subsidies for services such as HR consultancy, building on the experience of the UK Futures Programme (UKFP), Flanders (Belgium) and Singapore. It could be piloted for SMEs in sectors with high numbers of low-skilled adults, such as wholesale and retail trade, with strong involvement from sectoral bodies and associations.

Invest in the management and leadership capabilities of SMEs, to support HPWP and skills use

Strong leadership and management capabilities can drive organisational change to optimise the use of skills and the adoption of high-performing work practices (HPWP). Indeed, weak leadership and management have been identified as one of the main constraints on performance of businesses, especially for SMEs, across the United Kingdom. Weak leadership and management have been identified as one of the main constraints on business performance in England, especially for SMEs. Management training is relatively limited in England, and almost non-existent for small firms. England has some support mechanisms in place to develop management and leadership skills in businesses. Building on this evidence and ongoing activities, it will be important for England to ensure managers in SMEs in particular have greater support and incentives to participate in flexible and relevant management training.

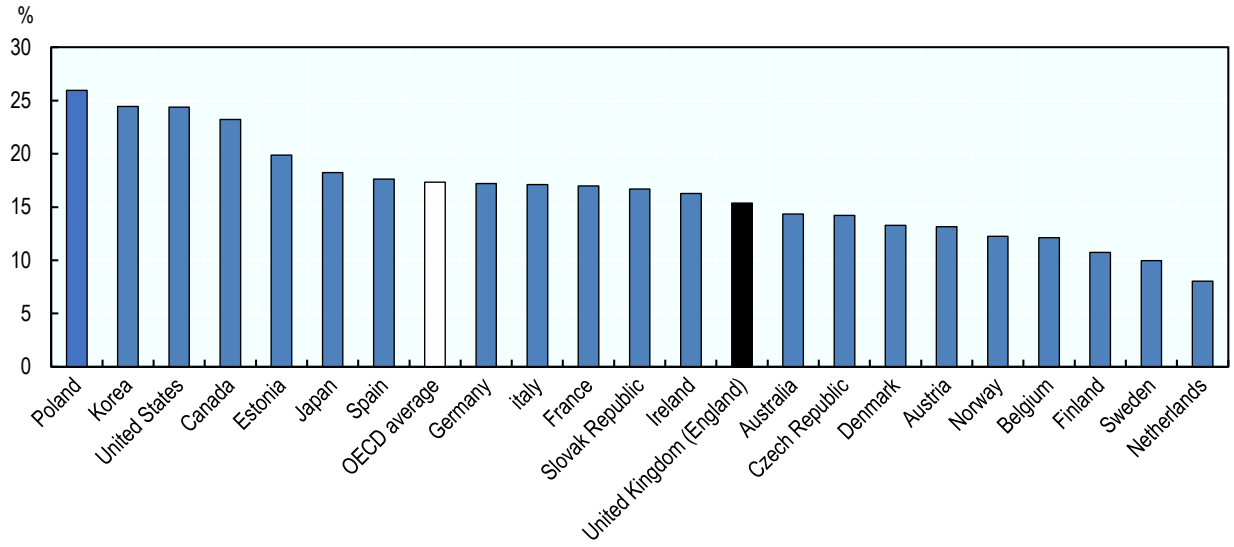
Strong and effective leadership and management have many benefits for businesses – they are associated with higher levels of employee engagement, willingness to invest effort in work, innovation in the workplace, a higher likeliness of adopting HPWP, and higher productivity (Marchese et al., 2019[89]; Bloom et al., 2019[90]; UKCES, 2014[91]). Studies suggest that management skills could account for a quarter of the productivity gap between the United Kingdom and the United States (Bloom, Sadun and Van Reenen, 2016[92]).

In the United Kingdom, weak leadership and management have been identified as one of the main constraints on performance of businesses, especially for SMEs (BIS, 2015[93]). About 15% of managers in England have low levels of literacy and/or numeracy skills, similar to the OECD average (Figure 4.9). Low-skilled managers in particular need to be motivated to raise their skill levels in flexible and relevant basic skills training. Many employers across the United Kingdom self-evaluate their leadership skills – motivating and influencing others and delegating work – to be 'good'. However, there is a long tail of employers who deem their leadership skills to be weaker (BIS, 2015[93]).

Despite these results, management training is relatively limited in England. While a relatively high share of managers receive training (Figure 4.10 – Panel A) little of this training is provided for management and leadership skills (Figure 4.10 – Panel B).

Figure 4.9. About 15% of managers in England (UK) have low basic skills

Share of low-skilled managers, 2012



Source: Authors' calculations based on OECD (2012[15]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

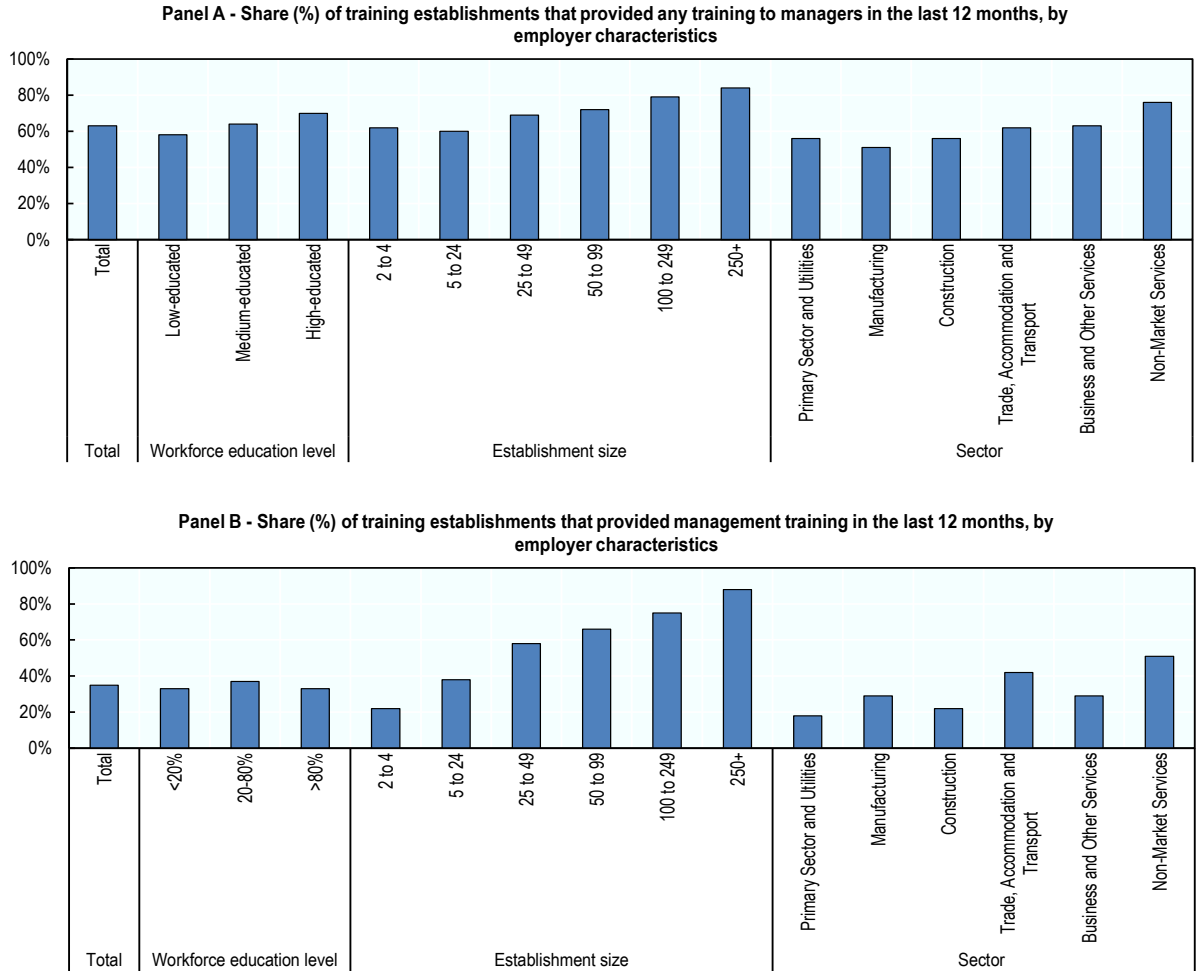
StatLink https://doi.org/10.1787/888934220667

England has taken several steps to support management and leadership skills in businesses. England's 2017 Industrial Strategy identifies lack of access to management skills as a challenge. The Business Basics Programme tests innovative ways of encouraging small and medium sized enterprises to adopt tried and tested technologies and management techniques. The 4-year programme runs from 2018 to 2022. It has a GBP 9.2 million budget, and grant funding is allocated to a range of projects through the Business Basics Fund. The Programme is delivered in partnership with Innovate UK and the Innovation Growth Lab at Nesta. The programme is part of a series of measures to improve firm level productivity, including the Business Productivity Review, Be the Business and Made Smarter (Department for Business, 2019[94]).

Under the UK Futures Programme (UKFP), the UKCES funded seven projects for improving management and leadership in supply chains and networked organisations (Box 4.7). An evaluation found that the projects appear to have been effective. Prime and intermediary business can use their influence to encourage supply chain businesses to engage in management and leadership development (UKCES, 2016[84]). Another initiative under UKFP sought to develop leadership and entrepreneurship skills in small firms through anchor institutions - organisations that have an important presence in the local community. An evaluation found that the vast majority of projects deemed their approach had been successful, even though there was significant variation between the approaches (UKCES, 2016[84]).

Building on this evidence and ongoing activities, it will be important for England to ensure managers in SMEs in particular have greater support and incentives to participate in flexible and relevant management training. In some cases this will require basic skills remediation. Doing so, can support the proliferation of more HPWP in England's firms.

Figure 4.10. Employer provision of management training is limited in England (UK), 2017



Source: Based on Winterbotham et al. (2018[5]), Employer Skills Survey 2017 Research Report, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/746493/ESS_2017_UK_Report_Controlled_v06.00.pdf.

StatLink https://doi.org/10.1787/888934220686

Box 4.7. Relevant domestic examples: Management and Leadership in Supply Chains and Networked Organisations, UK

One project funded by the UKCES under the UK Futures Programme (UKFP) sought to engage a sector in a country-wide research project. The research intended to identify a common understanding of the leadership and management challenges faced by the sector, and develop an industry recognised view of what good leadership and management 'looked like'.

The programme involved various approaches. First, it adopted tailored training sessions to encourage the end users in supply chain businesses to engage in more learning. Then, it engaged industries in discussions regarding possible managerial issues. The different projects adopted various strategies to gain the views of the industry, such as employers steering groups. Some projects also adopted

simulations and one-to-one support to show supply chain businesses what managerial practices were effective. In addition to this, several projects undertook an exercise to baseline the existing managerial capabilities either at an individual, business or sector level, a practice that contributed to provide intelligence useful for communicating to end users and tailoring solutions. Finally, the projects applied a smart targeting of engagement activities, on the basis that engaging with managers at the right level would translate into cascading improvement in practices at lower levels.

The approaches enacted under the programme in terms of encouraging better management practices appeared to have been partly successful. In fact, although over the lifetime of the programme the extent to which the projects had improved the capabilities of managers was limited, more impact was achieved through the most intensive approaches. However, these solutions had limited reach, as they were applied in only a small number of supply chain businesses.

Source: Thom and MacLeod (2016[95]), *Evaluation of UK Futures Programme*, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/504218/UKFP_PC2_Evaluation.pdf.

The Polish Agency for Enterprise Development has provided targeted support to raise managerial and leadership skills in SMEs, and achieved very high participation numbers (Box 4.8). This presents England with an alternative, more proactive approach to raising managers' skills. This in turn would help to foster HPWP, career progression and skills use in England's SMEs, potentially making training more rewarding for low-skilled workers.

Box 4.8. Relevant international example: Supporting skills development for managers in SMEs

Poland - Manager programmes by the Polish Agency for Enterprise Development (PARP)

PARP has a number of programmes targeting managers, which are generally aimed at providing them with the skills needed to improve their managerial practices and contribute to the success of their businesses.

For instance, the SME Manager Academy, launched in 2018, finances training and advisory support for managerial staff in SMEs in the area of business management, including human resources. The academy aims to: 1) diagnose the needs of SMEs and skills gaps of owners and managers; and 2) train managers of enterprises from the SME sector. Financial support covers up to 80% of the project, while the remaining 20% is covered by the SME. Then, PARP has also introduced the PARP Academy in 2006, which is an e-learning platform that offers 50 free-of-charge online training sessions tailored to the needs of SME sector. The sessions are in four thematic areas related to setting up and running a business (e.g. "managerial and personal skills"). Since 2006, over 180 000 participants have benefited from PARP Academy training. Moreover, PARP introduced the Innovation Manager Academy which is a programme aimed at increasing the skills and expertise of managers and their companies in the field of innovation.

Although in a better position than Poland in terms of managers' skills, England could adopt more proactive and targeted initiatives to address management skills gaps, which in turn would help to support HPWP, career progression and skills use in SMEs.

Source: OECD (2019[96]), *OECD Skills Strategy Poland: Assessment and Recommendations,* https://dx.doi.org/10.1787/b377fbcc-en.

Recommendation for supporting management and leadership capabilities of SMEs:

- **The government and social partners should promote and increase support for professional development for managers in SMEs in low-skilled sectors**. Government and social partners should seek to raise SMEs awareness of the importance and benefits of, and opportunities for basic skills training for low-skilled managers, as well as management training specifically (see Chapter 2). They could introduce sector level solutions with public contributions to fund such training, which will need to be accessible (see Chapters 3) and relevant (see Chapter 4) to managers. The support could focus on employers with the largest management skill challenges (micro and small sized firms) in sectors with many low-skilled adults (e.g. wholesale and retail, human health and social work activities).

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Notes

[1] As of 13 October 2020, the National Retraining Scheme is being integrated into the National Skills Fund. According to a recent communication, it will no longer continue as a separate programme but rather its work and learning will be rolled into the development of the National Skills Fund (UK Parliament, 2020[97]).

[2] Recent policy changes to the condition of funding require students without a GCSE Mathematics grade 4 (previously grade C) to continue their study of mathematics post-16 and for those with grade 3 (previously grade D) to re-sit the GCSE examination rather than taking an alternative mathematics qualification.

[3] The size of impacts are considerable, with one estimate suggesting that one year of work experience in a numerical occupation increases numeracy skills by between 0.7% and 1.8% of a standard deviation (Jimeno et al., 2016[70]).

[4] There are other factors that help explain the variation in economic returns to skills that an individual worker might expect, such as worker-firm matching or firm quality (e.g. in terms of firm-wage distribution or training provision).

[5] The relatively strong correspondence between engagement in literacy and numeracy practices and proficiency levels may be a consequence of a number of mechanisms (Mallows and Litster, 2016[72]):

- Low-skilled adults are likely to use their skills less simply because of their lower proficiency in literacy and numeracy.

- Lower skills prevent adults from accessing those jobs or situations in which they would have opportunities to use literacy and numeracy skills more often.
- Low-skilled adults self-select into jobs and situations that require less engagement in these practices, thus avoiding possible situations in which their skills could be found to be insufficient.
- Reduced opportunity to practise these skills prevents maintenance of existing and development of new skills, thus creating a vicious cycle of skills decline.

Annex A. Low-skilled workers and their learning patterns in England, United Kingdom

Who are England's low-skilled workers?

Low-skilled workers can be found in sectors across England, ranging from manufacturing and construction to retail and health care services. They are more present in small companies. A lack of basic skills can have a generational effect, as children born into families with low basic skills are at an additional disadvantage.

More than five million (one in five) working adults in England have low basic skills

The potential economic and social benefits of raising the skills of low-skilled workers are substantial for England, because so many workers lack basic skills.

According to the OECD Survey of Adult Skills, a product of the Programme for the International Assessment of Adult Competencies (PIAAC), more than five million working adults in England (one in five) have low literacy and/or numeracy skills. Most of England's low-skilled adults (almost three in five) are in work, a slightly higher share than the OECD average (Kuczera, Field and Windisch, 2016[1]). This assessment is in line with national estimations from the Skills for Life 2011 Survey, which identified figures slightly higher for the equivalent levels (see Table 1.1). 28% of adults are below UK Literacy Entry Level 3 and/or UK Numeracy Entry Level 2 (Department for Business, Innovation and Skills, 2012[2]). In terms of digital skills, over 9 million people (20%) in England and about 10% among the employed in the United Kingdom are without basic digital skills (Ipsos MORI, 2018[3]).

Weak numeracy represents a particularly important challenge in England. About 90% of England's low-skilled adults have low numeracy skills (only 10% are low skilled in literacy only), according to the OECD Survey of Adult Skills (PIAAC). According to workplace surveys in the hospitality and health sectors provided by National Numeracy, almost 90% of employees had below UK Level 2 (National Numeracy, n.d.[4]). Furthermore, according to the OECD/INFE International Survey of Adult Financial Literacy Competencies, the United Kingdom ranked 14th among 18 countries in terms of financial knowledge, attitudes and behaviour (e.g. the ability to apply numeracy skills in a financial context) (OECD, 2016[5]). An analysis by Pro Bono Economics suggests that 17 million adults – 49% of the working-age population of England – have the numeracy level of primary school children (Entry Level 3 and below), costing the UK economy a total of GBP 20 billion a year (1.3% of GDP) (Pro Bono Economics, 2014[6]).

Low basic skills in England are closely tied to adults' socio-economic backgrounds

In England, preventing and remediating low skills in adulthood will be a contribution not only to economic prosperity, but also to equity and social cohesion.

Adults' skill levels in England are closely tied to their socio-economic backgrounds, making basic skills development integral to England's goals for equity and inclusion. For example, the OECD Survey of Adult Skills (PIAAC) showed that in England adults who are foreign born or whose mother tongue is not English were 26 percentage points more likely to be low-skilled than adults who are native born or are native

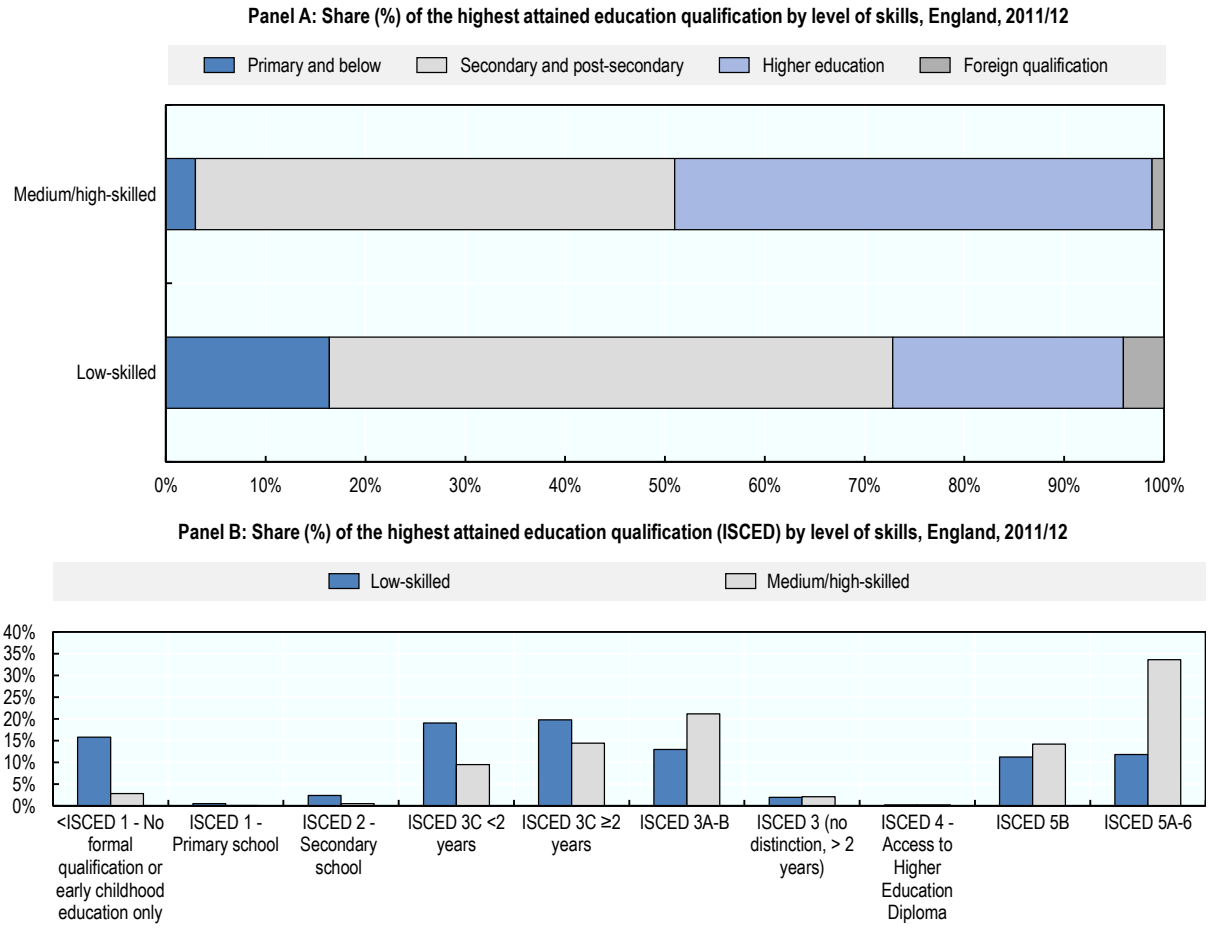
English speakers, even after adjusting for the effects of other factors like age, gender, education and parents' educational attainment (OECD, 2016[7]). Similarly, adults whose parents' did not attain upper secondary education were 23 percentage points more likely to be low-skilled than adults with at least one parent who attained tertiary education, even after adjusting for other factors (OECD, 2016[7]). These associations were stronger in England than in all, and all but one, other PIAAC countries respectively.

While outside the immediate scope of this project, improving the skills of students and young adults (especially those from disadvantaged backgrounds) will be critical if England is to reduce the prevalence of low skills among workers. Young adults in England (aged 16-24) had lower average literacy proficiency levels than young adults in most PIAAC countries. Furthermore, the socio-economic gradient of basic skills proficiency[1] for young adults (aged 16-24) in England was one of the steepest among OECD countries. That is, young adults born into households where neither parent attained at least upper-secondary education faced inherent disadvantages in basic skills performance – and consequently in accessing quality education and labour market opportunities – compared to households where at least one parent attained upper-secondary or above (OECD, 2017[8]).

Only a small share of low-skilled workers in England are actually low-educated

For England, identifying and supporting low-skilled workers is not as simple as targeting workers with low educational attainment. According to PIAAC, about 4 in 5 low-skilled workers in England have already attained a Level 1 qualification or above (for example, a foundation diploma; General Certificate of Secondary Education (GCSE) (grade 3-1/D-G); or Level 1 award, certificate, diploma, ESOL, essential skills, functional skills, national vocational qualification (NVQ); or above). Most low-skilled workers in England (54%) had a mid-level qualification, such as a diploma or national vocational qualifications at the ISCED 3 Level (qualification Level 1- 3). A relatively high share of low-skilled workers had no formal qualifications (15%), but over 10% have a tertiary degree (Figure A A.1). Furthermore, not all low-educated workers in England are low-skilled. About 40% of workers with no formal qualifications in England actually had medium/high levels of literacy/numeracy.

Figure A A.1. Most low-skilled workers in England (UK) have mid-level qualifications



Note: "ISCED 3C <2 years" includes Diploma (Foundation Level) or NVQ Level 1. "ISCED 3C ≥2 years" includes Diploma (Higher Level), NVQ Level 2 or Intermediate Apprenticeship. "ISCED 3A-B" includes Diploma (Advanced Level), NVQ Level 3 or Advanced Apprenticeships. ISCED 5B includes NVQ Level 4, NVQ Level 5, Higher National Certificate (HNC), Higher National Diploma (HND), Diploma of Higher Education, or Foundation Degree. "ISCED 5A-6" includes Bachelor's degree, Master's degree, Post-graduate diplomas and certificates, Doctorate.
The values for "ISCED 1 – Primary school" and for "ISCED 4 – Access to Higher Education Diploma" are not significantly different from zero for both skill levels. Among the other categories, the difference between low and medium/high skilled is significant, apart for "ISCED 3 (no distinction)" and for "ISCED 5B – NVQ Level 4, NVQ Level 5, Higher National Certificate (HNC), Higher National Diploma (HND), Diploma of Higher Education, or Foundation Degree".
Source: Authors' calculations based on OECD (2012[9]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

StatLink https://doi.org/10.1787/888934220705

Low-skilled workers are quite concentrated in smaller enterprises

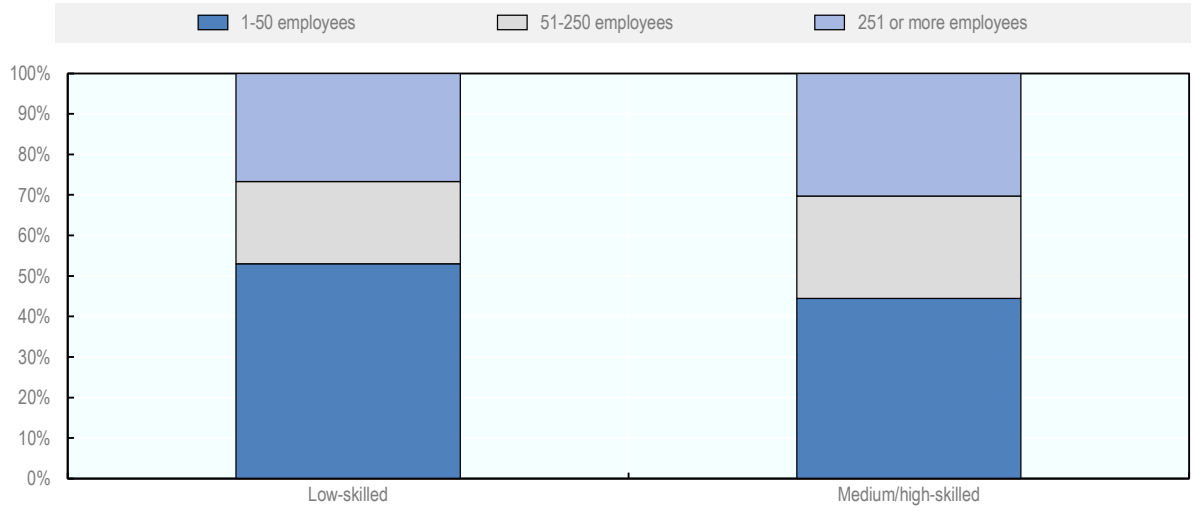
Identifying and supporting low-skilled workers in England will require effective outreach to and engagement of SMEs predominantly, but also implicate many large enterprises as well.

Approximately 3.6 million low-skilled workers worked in SMEs in England, according to PIAAC. About 53% of low-skilled workers worked in small enterprises (fewer than 50 employees), while about 75% worked in small and medium-sized enterprises (fewer than 250 employees) (Figure A A.2). In contrast, only 30% and 44% respectively of all employees work in these enterprises in England (ONS, 2019[10]).[2] However, the concentration of low-skilled workers in SMEs in England was low by international standards. England had

the lowest share of low-skilled workers in SMEs in the OECD, as in other OECD countries SMEs employed from 79% to 93% of low-skilled workers.

Figure A A.2. Low-skilled workers are more common in small companies

Share (%) of workers by level of basic skills and firm size, England, 2011/12



Note: The difference by skill level for the first two groups (1-50 employees and 51-250 employees) are significant, while it is not significant for the third one (251+ employees).
Source: Authors' calculations based on OECD (2012[9]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

StatLink https://doi.org/10.1787/888934220724

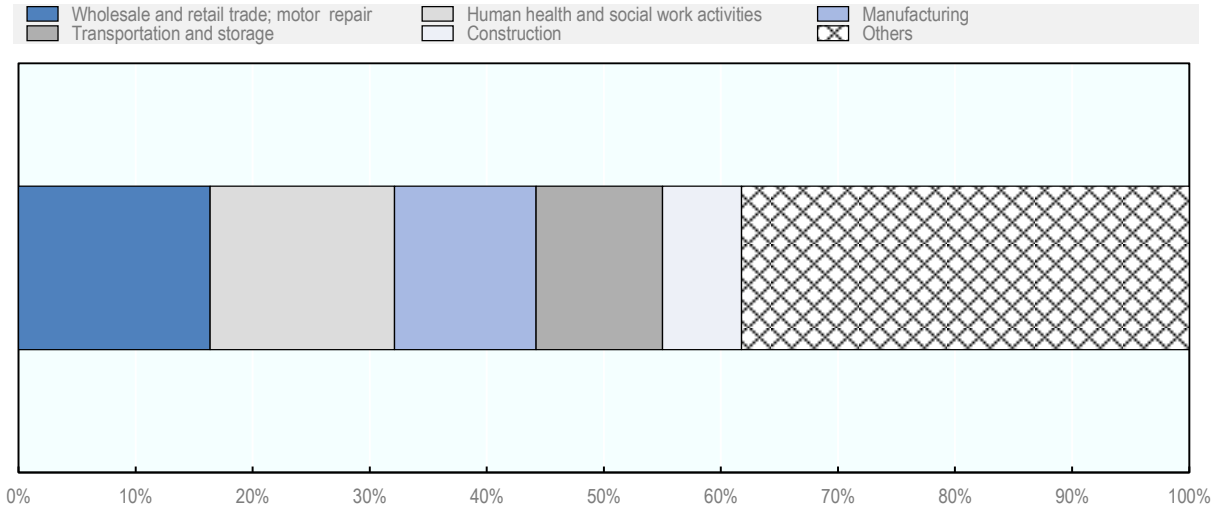
Low-skilled workers are also concentrated in certain sectors and occupations

Identifying and supporting basic skills development in England will require targeted outreach to and engagement of workers, employers and trade unions in the specific sectors and occupations in which low-skilled workers are highly concentrated. Ultimately, however, all economic sectors will be implicated in raising basic skills.

England's low-skilled workers worked across all economic sectors, but were relatively concentrated in a few of them. Over half of England's low-skilled workers work in just four sectors - wholesale and retail trade (16.4% of all low-skilled workers), human health and social work activities (15.8%), manufacturing (12.1%), and transportation and storage (10.8%) (Figure A A.3). However, certain smaller sectors had particularly high shares of low-skilled workers. For example, 37% of workers in the transportation and storage sector were low-skilled. The share of workers who were low-skilled also exceeded 30% in the water supply and waste management; accommodation and food services; and agriculture, forestry and fishing sectors (Figure A A.4).

Figure A A.3. About half of England's (UK) low-skilled workers work in just four economic sectors

Share (%) of all low-skilled workers by economic sector (ages 19-65), 2011/12

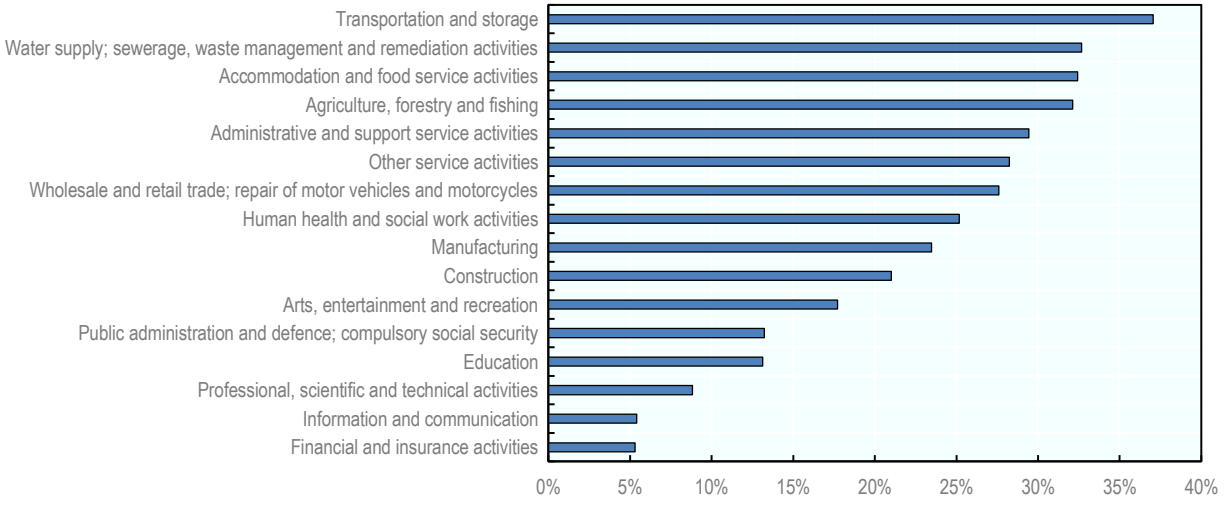


Note: Others include Accommodation and food service activities; Administrative and support service activities; Education; Other service activities; Public administration and defence; compulsory social security; Professional, scientific and technical activities; Arts, entertainment and recreation; Water supply; sewerage, waste management and remediation activities; Agriculture, forestry and fishing; Information and communication; Financial and insurance activities.
Source: Authors' calculations based on OECD (2012[9]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

StatLink https://doi.org/10.1787/888934220743

Figure A A.4. Transportation and a few other sectors have high shares of low-skilled workers

Share (%) of all workers in each economic sector who are low-skilled (ages 19-65), 2011/12, England



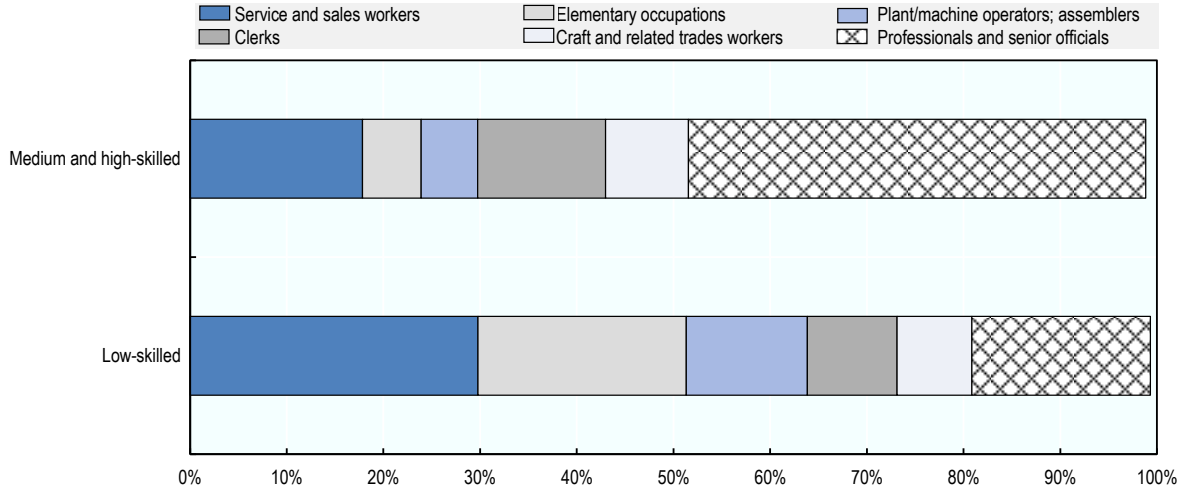
Source: Authors' calculations based on OECD (2012[9]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

StatLink https://doi.org/10.1787/888934220762

More than half of England's low-skilled workers worked in just two occupation groups – service and sales; and elementary occupations (such as cleaners) (Figure A A.5). Plant and machine operators, assemblers, clerk and craft and related trades workers were also common jobs, adding up to another 30%.

Figure A A.5. Half of England's (UK) low-skilled workers work in just two occupation groups

Share (%) of all workers in each occupation group, by workers' skill levels (ages 19-65), 2011/12



Note: The two bars do not add up to 100% as the categories of "Armed forces" and of "Skilled agricultural and fishery workers" were excluded as they were not significantly different from 0. The difference for each occupational group across the two skill levels is significant, except "Craft and related trades workers".
Source: Authors' calculations based on OECD (2012[9]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

StatLink https://doi.org/10.1787/888934220781

Low-skilled workers and employers are not highly engaged in basic skills development

Across OECD countries, low-skilled workers generally participate less in adult education and training courses that fully or partially target basic skills and this is also the case in England. Low-skilled workers participate less both in formal and informal learning programmes and participation in basic skills programmes has been declining.

About half of low-skilled workers in England do not participate in education or training

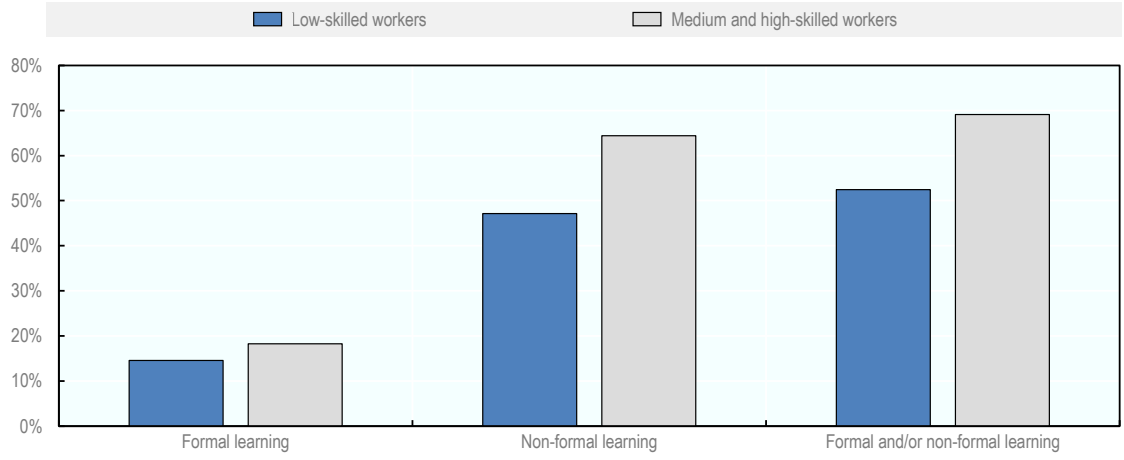
Both internationally comparable and national data on low-skilled workers' participation in basic skills development in England are limited. As much as possible this study has sought to focus its analysis on participation in learning: a) that explicitly targets basic skills; b) by working adults; c) with low-levels of basic skills; and d) in England. Data are often available that satisfy two, or sometimes three of these criteria, but not all of them.

Yet the OECD Survey of Adult Skills (PIAAC) suggests that only about half of England's low-skilled workers participated in formal and/or non-formal education and training in 2011-12. Adult participation in basic skills courses has drastically declined in England in the last five years, in line with broader declines in adult learning in the country. Despite the fact that most employers of low-educated workers in England offer training, it appears that relatively little of this training targets basic skills (Booth, 2017[11]).

Three forms of learning – formal, non-formal and informal[3] – contribute to skills development in different ways and have different learning objectives. Self-guided practice outside of formal learning environments is also an important driver of improvements in literacy (Grotlüschen et al., 2016[12]; Carpentieri, 2014[13]; Reder, 2015[14]). Analysis based on the OECD Survey of Adult Skills (PIAAC) shows significant, positive relationships between participation in informal learning and both earnings and workplace productivity (Fialho, Quintini and Vandeweyer, 2019[15]). As in other OECD countries, low-skilled workers in England participate less in both formal and non-formal learning than higher-skilled workers (Figure A A.6). According to the OECD Survey of Adult Skills (PIAAC), while almost 70% of medium and high-skilled workers participated in any form of learning in 12 months preceding the survey, only about half of low-skilled workers participated (2011/12). The gap is wider in non-formal learning than in formal learning.

Figure A A.6. England's (UK) low-skilled workers participate less in learning than higher-skilled workers

Share of adults (ages 19-65) who participated in formal or non-formal learning in 12 months preceding the survey, 2011/12



Note: The difference between low and medium/high-skilled is not significant for the category of "Formal learning", while it is in the other two cases.
Source: Authors' calculations based on OECD (2012[9]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

StatLink https://doi.org/10.1787/888934220800

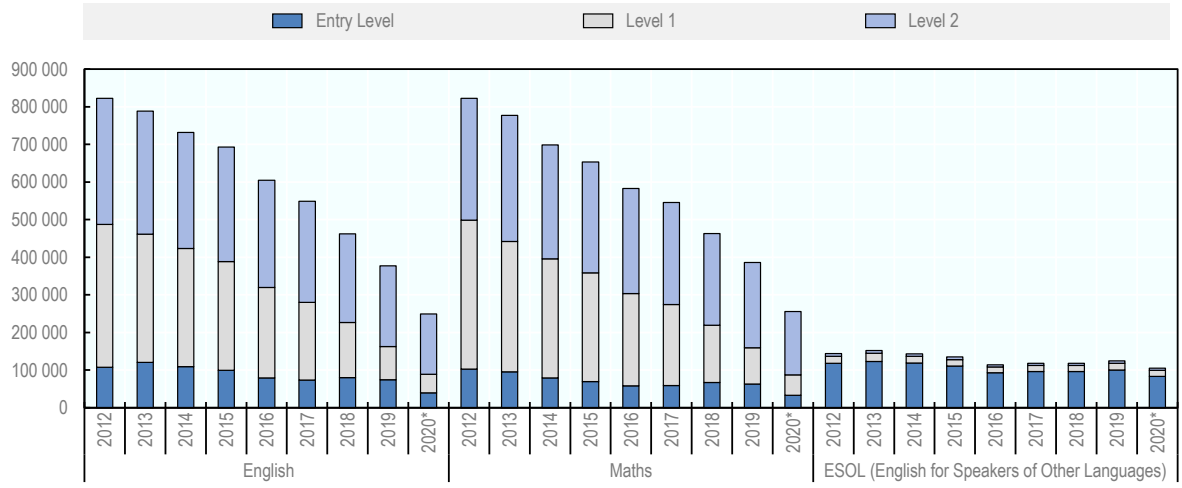
On the other hand, a high share of workers of all skill levels (not just low-skilled) participate in informal learning. According to Adult Education Survey 2016 (Department for Education, 2018[16]), 69% of full-time employed adults in England participated in informal learning in the last 12 months, while 57% and 15% respectively participated in non-formal and formal learning.

Participation in basic skills programmes is declining, in line with broader training trends

Adults' participation in basic skills education in England has declined drastically: by half between 2012 and 2019, from 1.8 million to 0.9 million (Figure A A.7). The largest fall is in the UK Level 1 English and mathematics, about a 75% decrease. This was in a context of significantly declining participation in government-funded education and training programmes overall during the past decade, falling from 4 million adult learners in 2005 to about 2.1 million in 2018 (Belfield, Farquharson and Sibieta, 2018[17]).[4]

Figure A A.7. Participation in basic skills courses has drastically declined in England (UK)

Participation volumes of adults (19+) in English and maths by the UK's basic skills levels (2012-20)



Note: English and mathematics include GCSEs, Functional Skills, Adult Basic Skills Certificates including ESOL Certificates, Qualifications, and Credit Framework Certificates and Awards in English and mathematics. See Box 1.3 for more details. Data for 2020 refer the period from August 2019 to January 2020.

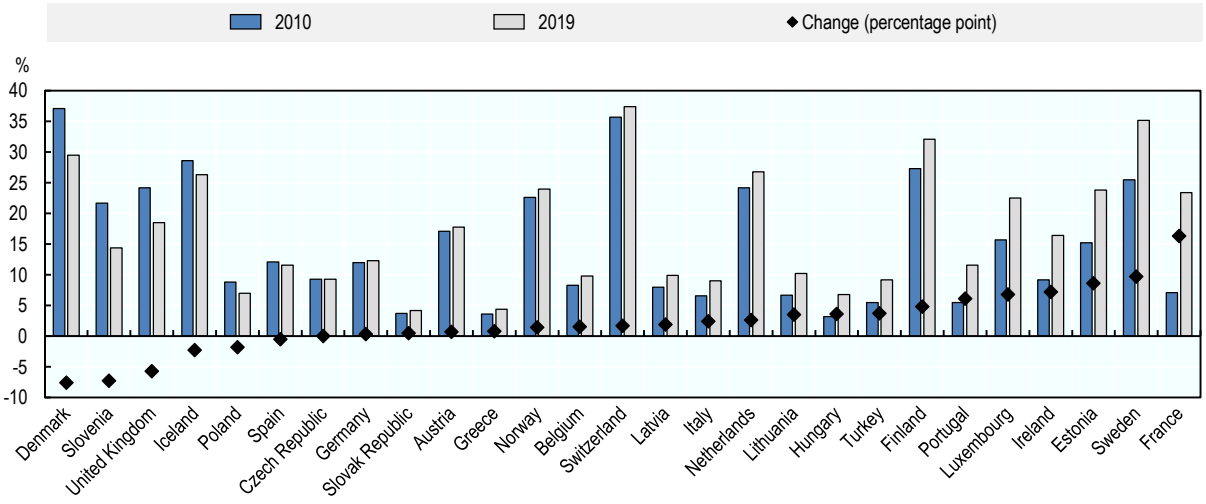
Source: Based on Department for Education (2020[18]), Further Education and Skills, England: March 2020, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/875231/FE_and_Skills_commentary_March_2020.pdf

StatLink https://doi.org/10.1787/888934220819

Overall, workers' participation in adult learning has declined by a greater amount in the United Kingdom than in any other OECD country over the last decade, except Denmark and Slovenia (Figure A A.8). According to Eurostat data based on labour force surveys, the participation rate of adult learning among working adults in the United Kingdom declined by about 6 percentage points between 2010 and 2019, while the rate in many European Union countries remained at a similar level or increased.

Figure A A.8. The United Kingdom saw one of the largest falls in adult learning among working adults

Participation rate (%) in education and training by working adults



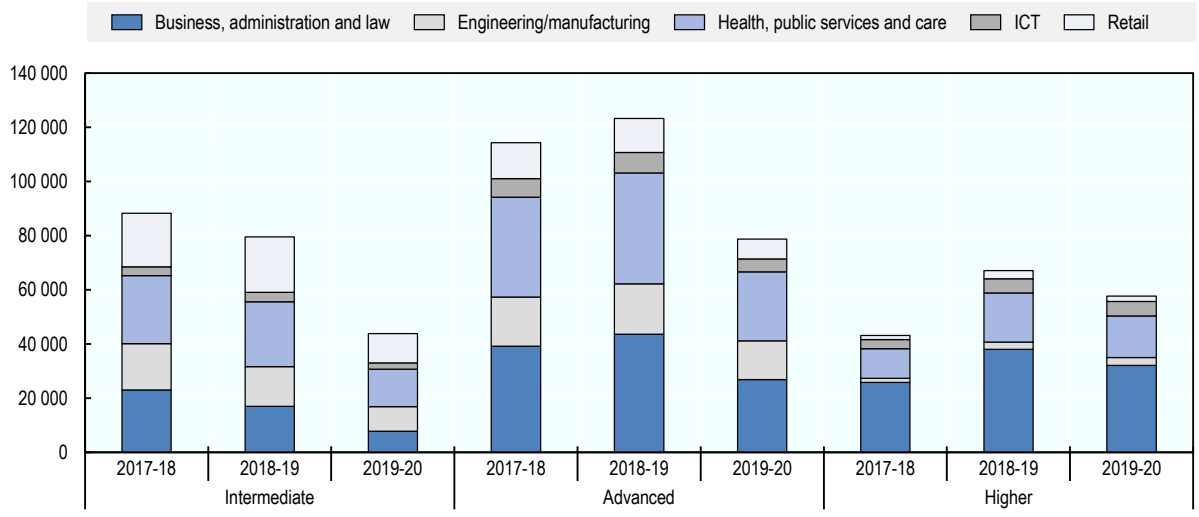
Note: This graph includes employed persons (18-64 years old) who participated in formal and non-formal education and training in last 4 weeks.
Source: Eurostat (2020[19]), Participation rate in education and training (last 4 weeks) by type, sex, age and labour status [trng_lfs_11] based on labour force surveys, http://appsso.eurostat.ec.europa.eu/nui/show.do?wai=true&dataset=trng_lfs_11

StatLink https://doi.org/10.1787/888934220838

The most common type of training for low-educated workers in England is job-related, often in the workplace (Henseke et al., 2018[20]). The potential for apprenticeships to raise the skills of low-skilled workers is not being realised. England's apprenticeship sector has expanded rapidly in recent decades, due in large part to growth in adult apprenticeships. Today, around 62% of England's apprentices are incumbent workers (the others are new, typically younger, recruits)[5] (Thornton et al., 2018[21]). Apprenticeships are concentrated in many of the economic sectors with high numbers of low-skilled adults – wholesale and retail, health and manufacturing. However, the number of low-skilled adults starting apprenticeships has declined drastically more recently. Starts in the lowest level apprenticeships ("intermediate", which are equivalent to GCSE) have roughly halved in these sectors over the last two years. In contrast, starts in higher apprenticeships – most suitable for higher-skilled workers – have increased (Figure A A.9).

Figure A A.9. The number of adults starting low-level apprenticeships has declined in England (UK)

Apprenticeship starts by level, five sectors with most apprenticeship starts, any adult aged 19+, 2017-18 to 2019-20



Note: Intermediate level apprenticeships are Level 2, and correspond to GCSE level.
Source: Department for Education (2020[22]), *Apprenticeships and traineeships data*, https://www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships.

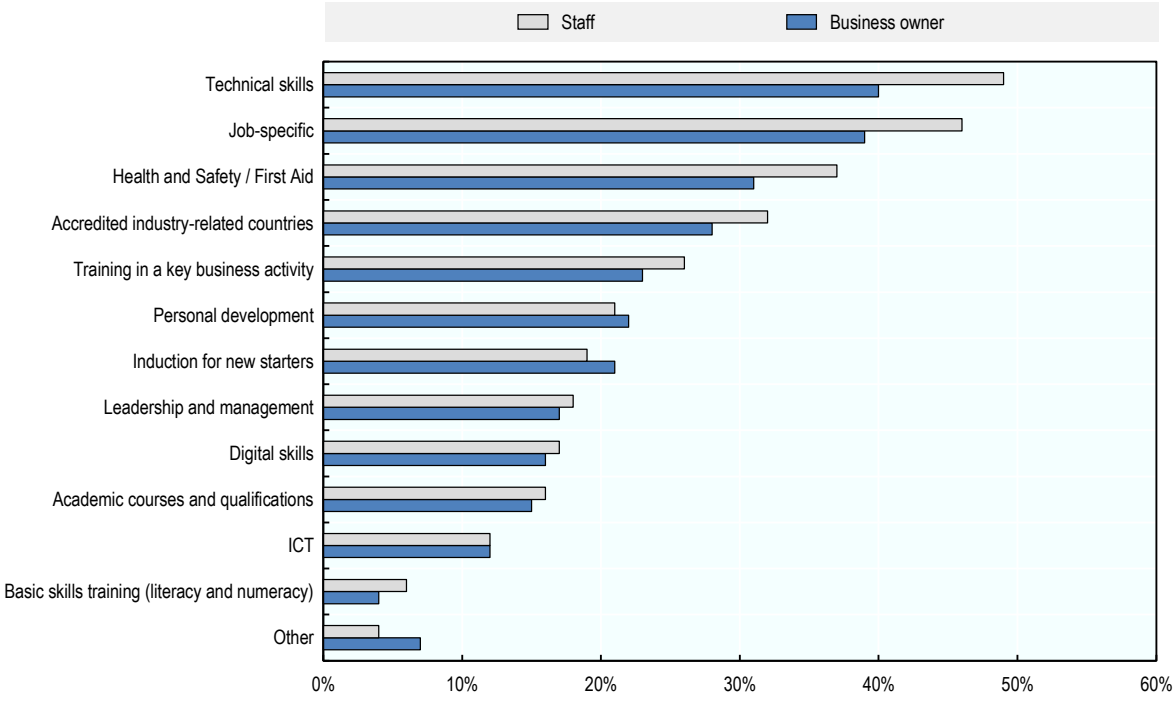
StatLink https://doi.org/10.1787/888934220857

England's employers are not highly engaged in developing the basic skills of workers

While most employers of low-skilled workers in England offer training, by and large this training does not target basic skills. Employers are the largest investors in adult learning in England (Gloster et al., 2016[23]). However, employers tend to focus more on firm- or occupational-specific technical skills training rather than in general, basic skills training. Data on employer support for basic skills development are scarce, but surveys undertaken by the Behavioural Insights Team and the Federation of Small Business provide insight in this regard. Only about 15% of UK employers provide any form of training in literacy or numeracy (Booth, 2017[11]) and only 4-6% of small business owners and staff had undertaken basic skills training compared to almost half of all owners who took training for technical and job-specific skills (Figure A A.10).

Figure A A.10. Basic skills training is the least common type of training provided by small firms in England (UK)

Type of training undertaken in the last 12 months, by small business owners and staff, provided by business, 2017



Source: Federation of Small Businesses (2017[24]), FSB skills and training survey, https://www.fsb.org.uk/resources-page/skills-and-training-report-pdf.html

StatLink https://doi.org/10.1787/888934220876

Why is participation and engagement of low-skilled workers and their employers in basic skills so low?

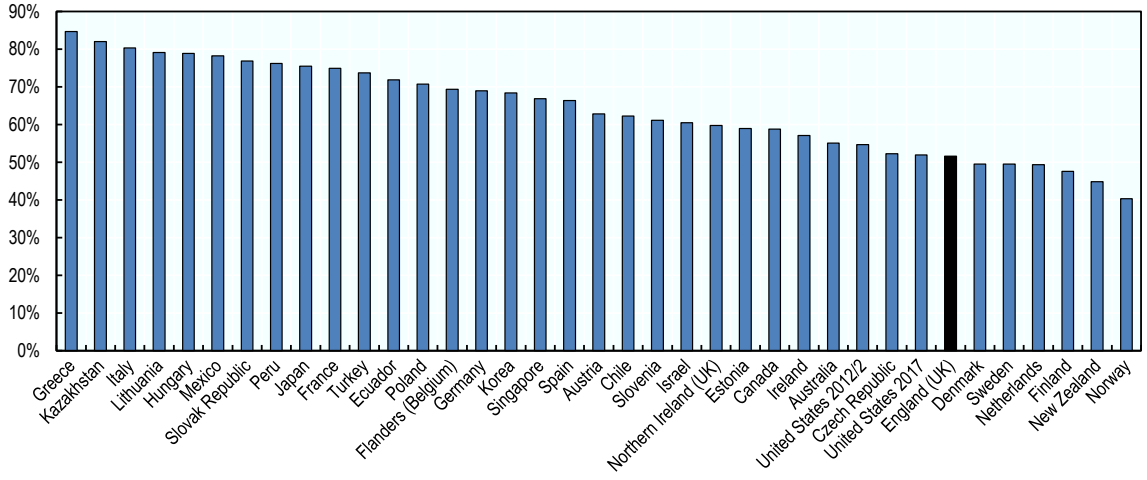
A range of factors likely hinder low-skilled workers (and their employers) in England from engaging in basic skills development. Underlying these are low levels of motivation and willingness – most low-skilled workers and employers report that they have no need for training. The structure of England's labour market and economy also dampens to some extent workers' and employers' demand for basic skills.

Low-skilled workers and their employers lack motivation for or face barriers to learning

Many low-skilled workers lack motivation to participate in any learning activity. Half of low-skilled workers in England neither wanted to nor did participate in education and training in 2011 (Figure A A.11). Among those low-skilled workers who are motivated, one-third of them face barriers that prevent them from participating in education and training (Figure A A.12). While these results are not as dire as in many other OECD countries, the barriers to participation are nonetheless a major challenge for raising the skills of low-skilled adults in England.

Figure A A.11. About half of England's (UK) low-skilled workers neither wanted to participate in learning, nor participated

Share of low-skilled workers who did not want to participate in learning and did not participate (19-65-year-olds), 2011/12

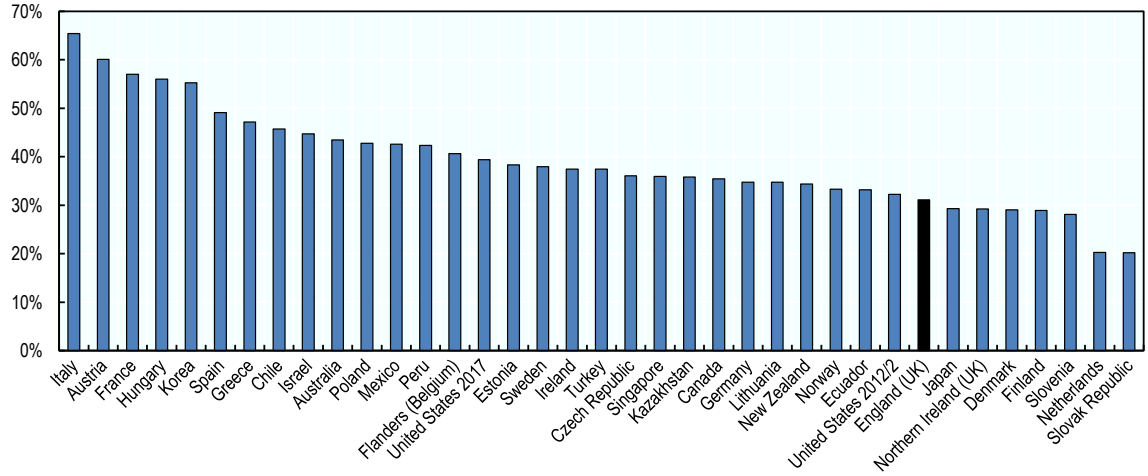


Note: This graph uses the share of individuals responding 'no' to two PIAAC survey questions "In the last 12 months, were there learning activities you wanted to participate in but did not? Include both learning activities that lead to formal qualifications and other organised learning activities" and "Participated in formal or non-formal adult education and training in 12 months preceding survey." The sample includes employed individuals and excludes youths aged 16-24 in initial cycle of studies.
Source: Authors' calculations based on OECD (2012[9]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

StatLink https://doi.org/10.1787/888934220895

Figure A A.12. A third of low-skilled workers in England (UK) wanted to participate in learning but did not participate

Share of low-skilled workers who wanted to participate in learning and did not participate (19-65-year-olds), 2011/12



Note: This graph uses the share of individuals responding 'yes' to the PIAAC survey question "In the last 12 months, were there learning activities you wanted to participate in but did not? Include both learning activities that lead to formal qualifications and other organised learning activities" but 'no' to the question "Participated in formal or non-formal adult education and training in 12 months preceding survey." The sample includes employed individuals and excludes youths aged 16-24 in initial cycle of studies.
Source: Authors' calculations based on OECD (2012[9]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

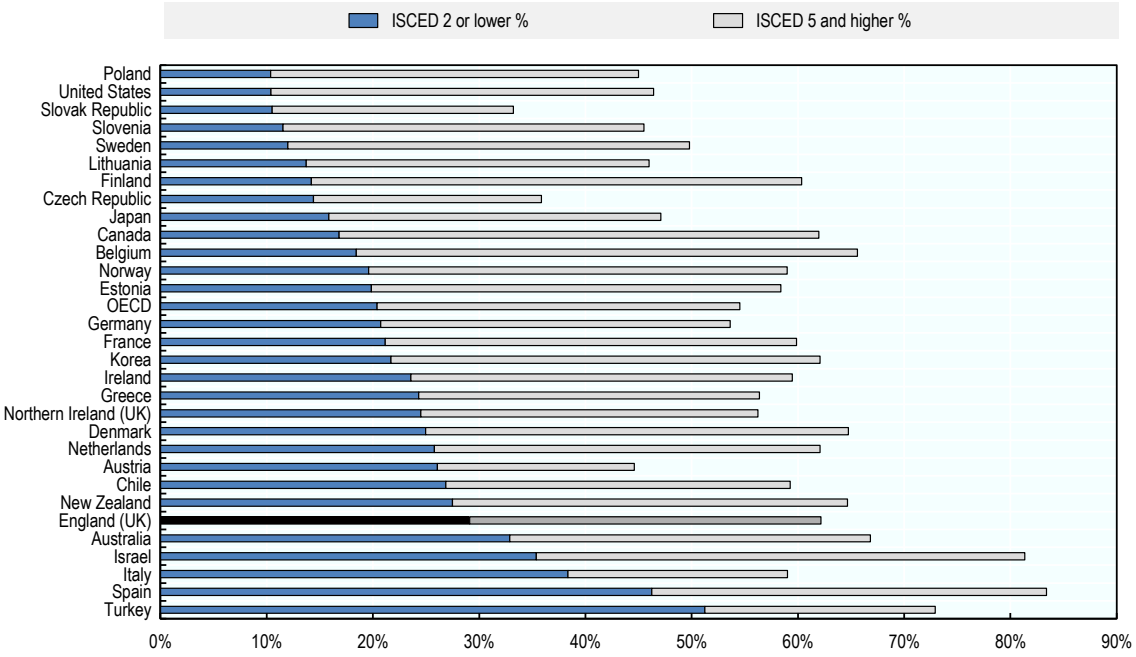
StatLink https://doi.org/10.1787/888934220914

The high number of low-skilled jobs in England dampens demand for upskilling

A major structural factor dampening the demand for basic skills development in England is the prevalence of low-skilled jobs. According to the OECD Survey of Adult Skills (PIAAC), 29% of jobs in England in 2011/12 required only lower-secondary education or less, which was very high by international standards (Figure A A.13). Large companies and service sectors employ relatively more low-skilled workers, also when comparing with the EU average (EIB, 2018[25]). This skills structure is due, in part, to the fact that many UK employers continue to seek competitive advantage through low-value added strategies using a predominantly low-skilled, low-wage workforce. These employers may perceive that the costs and risks of investing in training to improve employees' basic skills exceed the benefits (Payne and Keep, 2011[26]). Even for businesses that could potentially benefit from upskilling their employees, the benefits are not immediately apparent insofar as they compare to the time and resource costs that would need to be invested.

Figure A A.13. Jobs requiring only low levels of skills are relatively common in England (UK)

Percentage of workers in jobs requiring lower-secondary education (ISCED-2) or less and in jobs requiring tertiary education (ISCED-5 or higher), 2011/12



Note: Required education is the qualification the worker deems necessary to be hired for his or her job today.
Source: Authors' calculations based on OECD (2012[9]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

StatLink https://doi.org/10.1787/888934220933

Non-standard forms of work may mean lower access to training for low-skilled workers

Across the OECD there are concerns over people in non-standard forms of work gaining little access to training (OECD, 2019[27]; OECD, 2019[28]). These people often face challenges such as lack of training leave, inflexible working hours and unpredictable hours or shift work – all of which can make it difficult to schedule time to prepare for or complete adult learning (OECD, 2019[29]). As new forms of work become more common – including temporary employment and zero-hour contracts – employers may have less incentive to provide training. In 2011 in England, about one in four low-skilled workers did not have an indefinite contract, above the rate for highly-skilled workers (Figure A A.14).

Figure A A.14. Low-skilled workers are more likely to be in non-standard forms of work

Share (%) of all low-skilled workers by form of work (versus medium/high-skilled workers), England, 2011/12

Note: The differences between low-skilled and medium/high skilled workers are statistically significant only for the share of workers on indefinite contracts, and the share of workers on temporary employment agency contracts.
Source: Authors' calculations based on OECD (2012[9]), Survey of Adult Skills (PIAAC) (2012), https://www.oecd.org/skills/piaac/

StatLink https://doi.org/10.1787/888934220952

More recently in the United Kingdom, nearly 3% of people in employment said that they were on a zero-hour contract between 2016 and 2018 (ONS, 2019[30]). About 30% of these worked in elementary (i.e. low-skilled) occupations and about 14% want a new or additional job (ONS, 2019[30]). Workers on zero-hour contracts may not be incentivised to learn if they do not expect it to lead to more stable employment. Likewise, their employers may not be incentivised to provide training because the worker can be easily replaced.

Annex B. Methodology

The OECD Building Skills for All project used a questionnaire built for this project supported by the input and insights from a diverse group of stakeholders through bilateral interviews and further education college site visits.

1. The questionnaire

The OECD received responses from the Department for Education to the OECD questionnaire including questions as below:

1. How does the government define weak adult basic skills?
2. What tools are used to diagnose the basic skills levels of adults?
3. Which government policies – with what levels of funding - address the problem of weak adult basic skills?
4. How does government segment the population of adults with weak basic skills?
5. What government policy – with what levels of funding - focuses specifically on the question of adults in work with weak basic skills?
6. How has policy changed over the last 10 years?
7. What is the role of non-governmental organisations in enhancing the skills of adult workers – in general terms and in work?
8. What influence does government have over non-governmental organisations working in the field?
9. What research has been commissioned by government to build understanding of effective responses to the problem of weak adult basic skills? Please describe relevant research projects which are either ongoing or have been completed over the last 10 years.
10. What research has been most influential on policy development over the last 10 years?
11. What incentives exist for employers to engage in policy interventions aimed at enhancing the basic skills of workers?
12. What policy interventions have been undertaken over the last 10 years to encourage or enable employers to engage in policy interventions aimed at enhancing the basic skills of workers?
13. What policy interventions have been undertaken over the last 10 years to encourage or enable employers to change the character of work to enhance or sustain the development of basic skills?
14. What is a reasonable self-assessment of government action to enhance and sustain the development of basic skills for adults in general – and in work, in particular – over the last 10 years?
15. Please provide summary statistics for: i) Learners in different adult basic skills programmes. ii) Characteristics of learners in basic skills programmes (in terms of age/gender, educational background, migration status, employment status).

2. OECD missions

List of stakeholder interviews and site visits during the first visit (22-25 May 2018)

Association of Colleges
Behavioural Insights Team
Department for Education (Basic Skills Policy team, Further Education Analysis Division, Adult Education Budget Policy Funding team, Functional Skills Policy team, Devolution team, Career Learning team)
Department for Work and Pensions
Derby College site visit
Education and Skills Funding Agency
Good Things Foundation
Greater London Authority
Holex
Learning and Work Institute
Sheffield city council (Community and family learning)
Unionlearn facilitated visit to Bakers and Allied Food Workers Union (BFAWU) workplace learning centre in Sheffield
Workers Educational Association

List of stakeholder interviews and site visits during the second visit (4-7 December 2018)

Department for Digital, Culture, Media and Sport
Department for Education (Community learning team, Further Education Workforce team)
Education and Training Foundation
Federation of Small Businesses
KPMG
National Numeracy
Office of Qualifications and Examinations Regulation
Researchers and professors from Centre for Vocational Education Research, Edgehill University, University College London and the King's College London
Unison
Westminster Adult Education Service site visit

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Notes

[1] The socio-economic gradient refers to the impact of socio-economic status on basic skills proficiency. The slope is based on the trend line connecting mean scores of literacy and numeracy for each level of parents' educational attainment (neither parent attained upper secondary, at least one parent attained upper-secondary, and at least one parent attained tertiary).

[2] This is 2018 data (published in 2019), but to be more precise, the PIAAC data on company size should be compared with 2011 data.

[3] Formal learning: learning through a programme of instruction in an educational institution, adult training centre or in the workplace which is generally recognised in a qualification or certificate. Non-formal learning: learning through a programme or training course that is not usually evaluated and does not lead to certification, for example: courses through open and distance education; organised sessions for on-the-job training or training by supervisors or co-workers; seminars, workshops or private lessons. Informal learning: learning, typically unstructured, resulting from daily work-related, family or leisure activities, for example: learning by doing a task, learning from colleagues and supervisors or the need to learn new things to keep up with one's occupation.

[4] Labour Force Surveys show that the share of the UK population aged 25 to 64 participating in formal and non-formal education and training in the last 4 weeks has decreased from 16.3% in 2012 to 14.6% in 2018 (Eurostat trng_lfse_01). While participation in formal education in the past 12 months has decreased from 14.8% in 2011 to 11.9% in 2016, participation in non-formal education has increased from 24.3% to 47.5%, according to Adult Education Surveys (Eurostat trng_aes_100).

[5] In 2019/20, under 19 years old account for 32.3% (40 700), 19 to 24-year-olds account for 29.3% (36 800), and those aged 25 and over account for 38.4%% (48 300). Those aged 25 and over have consistently had the highest share of starts each year over the period 2014/15 to 2018/19.

OECD Skills Studies

Raising the Basic Skills of Workers in England, United Kingdom

This report provides examples and recommendations to help overcome obstacles to engage low-skilled workers and their employers in skills development. England has implemented impressive measures aimed at helping workers and employers to upskill. Nonetheless, there remains room for improvement. More can be done to identify workers with low basic skills, raise awareness of why improving those skills is important, increase the accessibility to relevant courses, ensure these courses are flexible enough to accommodate adult learners who are already employed, and finally make the provision relevant to career aspirations.

This report urges England to establish and promote a vision for raising the skills of low-skilled workers, identify their needs more systematically, and provide targeted guidance and information to them and their employers. It highlights that accessible and flexible adult learning opportunities in the workplace, home, community and by other means such as online and distance learning can better meet the varied needs of low-skilled workers. It also makes the case for the use of contextualised learning approaches, which create connections between basic skills and vocational context, and a more effective use of basic skills in workplaces to maintain, develop and realise the benefits of prior skills investments.

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