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Revolutionary Forces

Shaping the Post-16 White Paper

July 2020

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NCFE

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2020s, March 2020, Editors Michael Lemin and Julia Wright

Past NCFE and Campaign for Learning Discussion Papers

- COVID-19 and Post-16 Education: Planning for a Different September, April 2020,
Contributors Susan Pember and Mark Corney

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Introduction

'The world will not return to 'normal' after COVID-19; much of the global economy is likely to change significantly. The UK will need to be agile in adapting to and shaping this new world if the Government is to improve living standards across the nation as it recovers from COVID-19.'

Our Plan to Rebuild: The Government's COVID-19 Recovery Strategy

11th May 2020

We are promised a white paper in the area of post-16 education. The scope remains unclear.

A comprehensive white paper would cover 16-18 education and training, and post-18 education - including adult further education and higher education in line with the Augar Review. Apprenticeships and adult and community learning would also be included.

Alternatively, the white paper may focus on post-16 further education, skills and apprenticeships.

When commissioning this pamphlet, we assumed a broad rather than narrow remit for the white paper.

Our rationale for the pamphlet was straightforward. We wanted to identify the forces - some would say revolutionary - by which the post-16 education system will be shaped and the revolutionary forces to which the post-16 education system will need to respond.

We asked each contributor to consider these forces and set out the key issues for post-16 policy makers taking forward the white paper.

This pamphlet will inform our follow-up publication due in September, which will look

specifically at what reforms should be included in the post-16 white paper.

Revolutionary Forces

Revolutionary forces were at work well before the Covid-19 pandemic hit our nation.

The UK is due to leave the European Union on 31st December 2020. Brexit will reshape the way in which the UK trades throughout the world in goods, services, agriculture and fishing. We are also committed to reducing CO2 emissions by 57% by 2030 and hit net-zero emissions by 2050. By themselves, the structure of the UK economy will change significantly.

Leaving the European Union on the 31st December 2020 will also usher in a new skills-based immigration system which significantly limits the supply of low-skilled workers entering the country. The UK will need to train and retrain the resident workforce.

Increasing automation throughout the 2020s threatens many jobs but presents opportunities for new jobs to be created in roles which do not currently exist. Once again, the need for a retraining revolution is apparent.

Our flexible labour market and the national living wage

generated high levels of employment and falling numbers of workers on low pay. But, at the same time, a greater proportion of workers were in flexi-jobs, where working hours are not guaranteed and pay is also low. Naturally, low paid adults prioritise earnings from extra hours and extra shifts over participating in learning even though acquiring higher qualifications can be the road out of low pay.

These forces have helped create an uncertain world before the Covid-19 pandemic. But there are also four certainties. There is a demographic upswing in the number of 18-24 year olds throughout the 2020s, peaking at 2030. The 2020s will be the decade of longer working lives as the state pension age increases to 67 by 2028. The UK population will continue to age throughout the 2020s, with growing demands for more public spending on adult social care. And the nation has faced a mental health crisis affecting different groups in the labour market and society in different ways, including students and the education workforce in the post-16 sector.

Covid-19

Covid-19 is yet another revolutionary force at work, and a particularly devastating

one. The impact of economic lockdown has seen a surge in business bankruptcies and job losses. The fear is that mass unemployment is on its way and high levels of unemployment, especially amongst 16-24 year olds, will persist throughout the early 2020s. We have asked our contributors to consider how the Covid-19 pandemic will impact on the revolutionary forces already in motion. Their insights will be of immense value to post-16 policy makers.

Immediate Action, Longer-Term Reform

Throughout the pamphlet, contributors call upon the government to take immediate action to enable the post-16 education, skills and employment sector to respond to economic recession and mass unemployment, and implement long-term reforms to improve the post-16 education and skills system for economic and social renewal.

Of course, an immediate crisis can cause a government to bring in long-term structural reforms earlier than planned or introduce a small-scale intervention to support an immediate response which can be rolled-out subsequently as part of large-scale reform.

Economic Statement and the Autumn Budget

The Chancellor is due to make an Economic Statement in

early July. Economic activity will be boosted by the easing of social distancing. The Chancellor might deliver a limited package of fiscal measures to support growth and maintain employment but wait until the Autumn for a full-scale budget. Even so, an extensive package of support for 16-24 year-olds in full-time education, apprenticeships and jobs is expected to be announced, ready to be rolled-out from September.

Comprehensive Spending Review and the Post-16 White Paper

At some stage, the Government will need to announce a fiscal framework for taxation and public spending which at the least ensures the national debt does not remain for too long above 100% of GDP. We were expecting the Comprehensive Spending Review in the autumn but this might have to be put back until the spring or autumn of 2021. The UK economy is unlikely to have reached the level of activity achieved in Q4 2019 by Q4 2021.

The comprehensive spending review – whenever it is held – will provide the backdrop to resources made available to any spending commitments in the post-16 white paper.

The Pamphlet

The Campaign for Learning and NCFE would like to thank the contributors to the Revolutionary Forces pamphlet: David Laws (Executive Chair, Education Policy Institute); Paul Novak (Deputy General Secretary, TUC); Professor Ewart Keep (University of Oxford); Duncan Brown (Chief Economist, Emsi); Kathleen Henehan (Research and Policy Analyst, Resolution Foundation); Andy Durman (Managing Director, Emsi); Stephen Evans (Chief Executive, Learning and Work Institute); Julian Gravatt (Deputy Chief Executive, Association of Colleges); Lucy Thorpe (Head of Policy, Mental Health Foundation), and Susan Pember (Director of Policy, HOLEX).

We invite everyone to read their articles and the issues they raise for the post-16 white paper. A summary of key messages has been prepared at the end of the pamphlet by Michael Lemin, Senior Policy Specialist at NCFE.

Julia Wright, Campaign for Learning and David Gallagher, NCFE

Covid-19: Mending the Economy, Repairing the Public Finances

David Laws, Education Policy Institute

An Unprecedented Shock

The COVID shock to economic growth and the public finances is unprecedented in the modern era. To find anything with a similar economic impact, it is necessary to go back beyond the days when reliable economic data were being collected. Quite simply, the economies of the UK and most developed nations “fell off a cliff” in the spring of this year. As tax revenues disappeared and governments rushed to support their economies with extra spending, public borrowing ballooned. A decade of hard work to reduce Britain’s budget deficit appeared to be unwound within a matter of weeks.

Just as the impact of the current economic crisis is unprecedented, its cause is too. For once, a nosedive in activity has not been caused by economic developments, but by calculated government actions to shut down businesses and society in the face of a worldwide pandemic. As the economic shock has been government-determined, governments have also stepped forward with unprecedented economic

support – cutting taxes, boosting spending, and nationalising a large part of the private sector payroll.

The Correct Short-Term Response

Borrowing and debt have soared, but governments and central banks have rightly taken a relaxed approach to this – they have no alternative, if they wish to provide any sort of underpinning of their economies. The judgement that Finance Ministers are making is that we have suffered a one-off shutdown of the economy, which has made us permanently poorer. That will be paid for not by short-term austerity, but by adding to the stock of debt, and paying the bill over a long period – perhaps over the next 50 or 100 years.

Usually, when borrowing rockets and debt expands, economists would worry about “sustainability”. The extra government borrowing increases debt service costs, which expand as a share of the national spending budget. That causes borrowing to rise even higher, or it squeezes out other spending on services such as health, education or social security.

But on this occasion, the economic collapse is so enormous that interest rates are low – often zero, or even negative. So, governments can borrow vast sums of money without it having an obvious short term impact on the affordability of other areas of public spending.

Interest rates seem likely to remain at these all-time, history-making, lows – not least because central banks are “printing money” and buying up government debt. For once, soaring government debt isn’t causing the type of “fiscal crisis” experienced by countries such as Greece, Italy and Argentina.

Economies Remain Weak

But, if we assume the worst of the economic crisis is behind us, what happens next? Well, perhaps not much for some time. Economies are still extremely weak, and critical economic support is in some cases being withdrawn over the months ahead – this is no time for higher taxes or more public sector austerity. Already, withdrawal of support schemes could lead to a lagged rise in unemployment, as firms decide that they can no longer afford to pay the

wage costs of employees previously met by “furlough” schemes.

There could also be one or more further waves of the pandemic. In short, Finance Ministers and Prime Ministers will be highly nervous about increasing taxes and cutting public spending until they know that their countries have survived the plunge in activity, and are back onto more solid economic ground.

It could therefore easily be a year or more before some governments can think of raising taxes or cutting public spending. In the UK, the current crisis follows a decade of tough spending control – which means that any “easy” savings have already been banked.

Policy Withdrawals and Policy Replacements

So, over the next year we are likely to see the withdrawal of some government financial support, but its replacement by certain other measures. They could be selected cuts in tax, and more investment in infrastructure. There might also need to be more support for employment and retraining schemes, and welfare budgets may be under some upward pressure.

An Ageing Population

If we assume (hope?) that in eighteen months or so, the UK and world economy are on a clear path to recovery, what comes next? Well, at that time Finance ministers will need to consider what actions are necessary to bring public borrowing back under control. In the UK, this may be even more pressing than in some countries because of the expected ageing of the UK population over the next few decades. This will reduce the share of the population in employment, and push up spending on pensions, health care and social care.

The following issues will particularly need to be considered: whether the uprating of the state pension is made less generous than the “triple lock”; whether the state pension age needs to rise again; whether employee national insurance contributions should be extended to include people of pension age who are in work; and whether further charges will need to be levied to cover social care costs.

Taxation

On taxation, governments will consider whether further revenues need raising from the more affluent, who are likely to come through the Covid crisis relatively better off than

those on low incomes. Will pension tax reliefs become less generous? Should national insurance rates be raised for higher earners? Other means of raising tax revenues will also surely be considered – should be self-employed pay more, and is it time for a new swathe of “green” taxes?

Public Spending

On wider public spending, it seems unlikely that there will be a public appetite for big cuts to “priority” areas of spending, but rates of growth of spending will be less than they would have been in the absence of the Covid crisis. Welfare spending could continue to be squeezed, and there may be more pay restraint in the public sector.

Issues for Post-16 policy makers

In this context, two critical issues stand-out for post-16 policy makers. First, how does post-16 further education spending avoid losing out to schools and higher education in another round of budget tightening? And second, how can the post-16 further education sector help government to avoid a large rise in unemployment amongst 16-24 year olds, as employer reduce recruitment in the period ahead?

The Covid-19 Inheritance: Building a Fairer and Greener Britain

Paul Nowak, TUC

A Better Recovery

The TUC’s vision of a better recovery takes as its premise that the coronavirus pandemic and the measures taken to tackle it have exposed serious flaws in how the UK economy works. So what needs to change? The TUC report – [A Better Recovery](#) – stresses that we should start by urgently addressing the appalling level of inequality at the heart of our economy and labour market.

We need to tackle the legacy of the longest pay squeeze in centuries and the position of certain groups disproportionately stuck in insecure jobs on low pay, including Black and minority ethnic workers. And we need to turn around the damaging effects of austerity by investing in and rebuilding our public services and repairing our social security net so that everyone has enough to live on.

A National Recovery Council

Unions have played a key role in mitigating the worst impacts of the pandemic, including working closely with government on the rollout of the job retention scheme that saved millions of jobs and

fighting for strong rules on safe workplaces. Now unions need to have a say in the recovery and that is why the TUC is calling for a National Recovery Council consisting of unions, government and businesses to create a greener and fairer economy.

This must involve a National Plan to stimulate demand, achieve net zero carbon emissions and a just transition for workers across the economy. As part of this, we must rebuild our industrial capacity and tackle regional inequalities that reflect failed deindustrialisation, including through a recovery programme that delivers thousands of new jobs and reduces carbon emissions. And the National Recovery Council must have a remit for skills so workers are trained for the new jobs created.

According to a recent OECD report the UK lacks the national social partnership arrangements that underpin high-quality skill systems in many other countries. To achieve these two objectives we need a skills system that is fit for purpose and has the buy-in of employers, unions and other key stakeholders .

Immediate Action, Long-Term Reform

The immediate priority for policy makers must be to boost jobs and skills now to combat the fallout from Covid-19. However, we must simultaneously plan for how we rebuild our economy and society over the longer-term, including by putting quality jobs and skills at the heart of this vision. If we can get that right, in tandem with longer-term skills reforms, there is the potential to drive forward a better economic recovery and build a fairer and greener Britain.

Building on the Review of Post-18 Education

The review led by Philip Augar has retained a high profile since it reported over a year ago and there has continued to be warm words from government about its “thoughtful recommendations”. There is much talk of an impending FE and skills white paper that will bring about significant reforms, drawing on the review’s recommendations. However, Covid-19 has transformed the urgency and scale of government action required on a number of fronts

- including skills - to combat the economic storm facing us.

While we find ourselves in a very different world to the one when the Augar Review reported, many of the challenges facing us back then remain relevant. Massive under-investment in workforce skills has left us with a legacy of poor productivity and entrenched barriers for those wanting to improve their job prospects. Government spending on adult education and skills fell by 47% in the last decade, the volume of employer-led training is down by a staggering 60% since the end of the 1990s, and employer investment in adult training per employee in the UK is half the EU average.

The post-school options for too many of our young people are limited in comparison to many other nations that support high-quality technical education and apprenticeship systems. Almost 40% of our 25-year-olds do not progress beyond a level 2 qualification (i.e. GCSE or vocational equivalent) and very few pursue and achieve higher level technical qualifications (4% compared to 20% in Germany).

Issues for Post-16 policy makers

Combating the economic fallout of the pandemic

The TUC is calling on the government to prioritise the following measures:

- A job guarantee at a real living wage or the union negotiated rate for the job for those who have faced a period of unemployment, targeted initially on young people. The training element of this programme should be flexible and include the option for kickstarting an apprenticeship.
- A new right to retrain for everybody, backed up by funding and personal lifelong learning accounts. This should involve bringing forward the £600m promised investment in a national skills fund, and accelerating the work of the national retraining partnership, to ensure there is a gateway to new skills for everyone.
- An 'education and training guarantee' for all school leavers and other young people aged 25 and under who wish to take this up. This guarantee would include an apprenticeship, a place at college or university, and other education and training options. In support of this the apprenticeship levy should be flexed to allow employers to use their funds

to provide pre-apprenticeship training programmes where appropriate.

Structural reforms to the skills system

Many of the recommendations of the post-18 review also need to be taken forward if we are to sustain a viable economic recovery, including: Providing a fully funded entitlement for all adults to achieve a Level 3 qualification level and boosting take-up of courses leading to higher level technical qualifications.

- Increasing financial support for adult FE and HE students through maintenance grants and bursaries.
- Making investment in the FE estate and workforce a priority.
- Reforming poor-quality and low paid apprenticeships and widening access for under-represented groups to the best apprenticeships.

In addition, the TUC is calling for measures to strengthen enforcement of employment and training rights of apprentices, boost wage levels, improve equality of access, and guarantee a minimum progression to a level 3 apprenticeship for all our young people.

Covid-19 and Brexit: The Impact on Industry, Jobs and Skills

Ewart Keep, Oxford University

Structural Impact

At a structural level, Covid-19 will simply exacerbate pre-existing weaknesses in our economy, namely too great a reliance on a low wage, low productivity, low road model in too many sectors and a poor record of investment in plant, equipment, R&D and skills.

Experience from earlier recessions suggests that a 'slash and burn' approach to dealing with hard times is prevalent as a management strategy. Coupled with this, there is also the risk that in uncertain times many employers will try to increase their use of contingent labour – labour by the hour – and as a result the gig economy, with all the problems this brings, not least for young people trying to achieve a secure footing in the labour market, will grow.

Some have argued that Brexit might drive the re-shoring of work, as firms seek to simplify and shorten their supply chains in order to reduce border controls and tariffs. At present there is no way of knowing the potential scale of this development, and it is also possible that where UK operations are foreign-owned,

the multinational company may decide that the best way to proceed is to relocate the entire production process to a non-UK base.

There is also speculation that the experience of remote working during the lockdown will drive far greater digitalisation of the economy and the delivery of goods and services. This is plausible, but we need to remember that UK organisations' long-term record on investment in plant and equipment is lamentably weak, and that many firms will be cash starved and unable or unwilling to make new investments in digital technologies (or indeed anything else).

Employment Impact

Indications suggest we are heading for a youth unemployment crisis on a scale unseen since the early 1980s. As the academic year ends, school, college and university leavers are going to emerge into a labour market where new hires will be a rarity. Where will the worst problems be located? Sectors which employ a high proportion of younger workers are those that have been and will continue to be hardest

hit by Covid – retail, leisure, hospitality, catering and tourism.

In terms of groups of young people, some clear losers can already be identified – BAME people, those with disabilities, those with learning difficulties, those with mental health problems, lower achievers and those living in areas of the country where the local economy is still struggling with the cumulative structural impacts of earlier recessions. The recession will not be over quickly.

Education and Skills

Although the scale of youth unemployment may rival the early 1980s, the challenges will be very different. The advent of mass higher education means that a significant proportion of education leavers will be graduates with 16 years (or more) of full-time education and an honours degree already under their belt. In normal times, the vast majority would get a job. Their problems are not primarily to do with a lack of skills or qualifications. Many will be in need of more work experience.

Graduate unemployment and under-employment will put graduate earnings under

renewed pressure, particularly for those who have to trade down in the labour market to get a job. This, in turn, will reduce repayments to the Student Loan Company and hence increase the RAB charge that government pays to meet the gap between money loaned out and repayments. The funding of higher education – based on fee and maintenance loans for full-time and part-time students – as well as a small element of adult re-skilling also funded through fee-loans will become even more problematic.

New Jobs and Employer Skills

A key medium-term impact of Covid-19 and Brexit will be increasing reluctance by employers to offer secure employment and investment in skills. In terms of adult skills, employer investment in education and training, and also the number of hours per year per employee of training that is being provided, have both been falling, the latter by 60% between 1997 and 2017. Skills is an area of where employer investment tends to decline in a recession and there is no reason to think that the coming downturn will be any different.

Issues for Post-16 policy makers

If economic uncertainty and weak private investment are the backdrop to the white

paper, policy makers should consider the following actions.

An integrated all-age careers, advice, guidance and labour market transitions support service (covering DfE, DWP, JobCentre Plus, LEPs and other actors) will be required, not just to deal with the immediate unemployment crisis, but to facilitate a more dynamic and inclusive labour market.

A strategy for securing, supporting and allocating work experience across school, college and university students needs to be developed and delivered. We know that work experience is critical to helping young people get a 'foot in the door' for job opportunities. Fragmented 'asks' from an uncoordinated multitude of different providers delivering schemes funded by DfE on the one hand and DWP on the other will overwhelm employers unless we systematise and coordinate supply and demand.

The Augar Review proposals remain pending. Action is urgently required to develop a high-quality sub-degree route, as exists in many other developed countries.

The policy vacuum around adult skills and lifelong learning finally needs to be filled. The Augar Review's proposals concerning new funding for adult learning should be addressed. New provision in

the form of bite-sized, credit-bearing courses from which whole qualifications can be built up over time are urgently needed.

Economic development and business improvement 'sector recovery plans' will be required for key industries. They should be backed by a whole government support strategy.

And in the longer term, a clear set of employer rights, roles and responsibilities with regard to education and training (for new entrants and adult workers) needs to be established and agreed. We should be moving from employers as semi-detached customers to partners and co-producers within an education and training system.

Declining Sectors and Growing Sectors Post Covid-19

Duncan Brown, Emsi

Waiting for economic data to emerge over the past few weeks has been rather like anticipating a root canal – you know it's going to be unpleasant, but just how painful remains to be seen until the day arrives. Now that we have begun to get figures for the lockdown period, we can start to see the enormity of the problem.

Before Covid-19

Before anyone had heard of Covid-19, the labour market was buoyant with unemployment at the lowest since 1975 and there were more people in employment than ever before (32.2 million). Britain's top three employing industries going into the crisis were wholesale and retail trade (4.8 million jobs); human health and social work activities (4.2 million); and professional, scientific and technical activities (2.8 million).

Contraction in All Sectors and Areas

Upon contact with Covid-19, that tight labour market unravelled in short order. According to the [Office for National Statistics](#), GDP fell by 20.4% in April alone. Unsurprisingly, with pubs,

restaurants and hotels shuttered in the lockdown, accommodation and food service activities were hit hardest: a 40.9% fall in GDP on the basis of the last three months. There were also seven other sectors which saw double-digit contractions ranging across manufacturing, construction and a range of services, whilst only public administration has grown, and even then only just 0.2%.

Our own job postings data (see Figure 1) shows employer demand falling by double-digit percentages across all industries bar three, with accommodation and food service activities hit particularly hard (44% decline), and wholesale and retail trade not far behind (40%). We are already seeing escalating job losses, with the Claimant Count rising by 1.56 million in two months, while another 8.7 million employees are furloughed with government support.

Surviving after Furlough

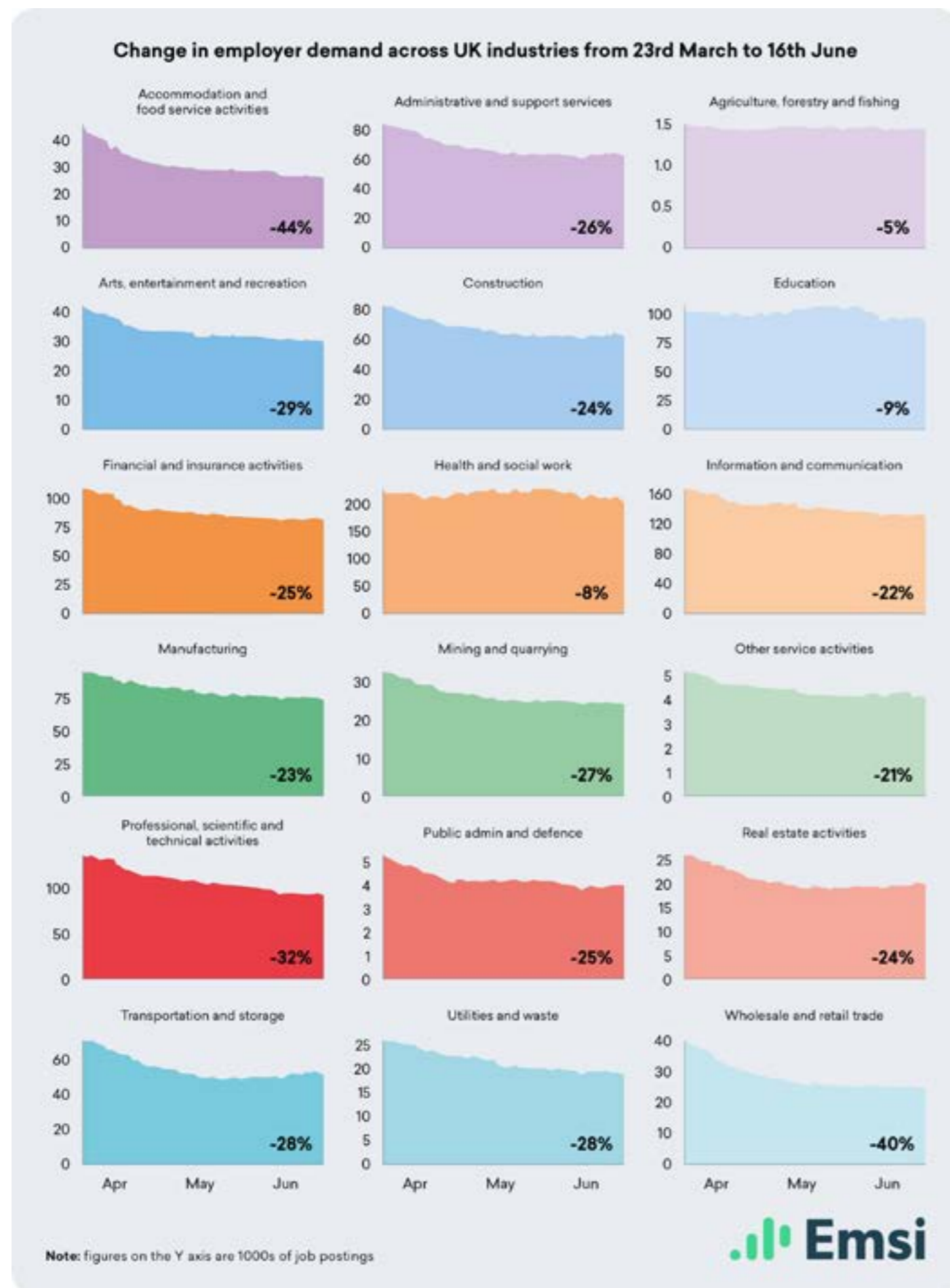
Furlough has been successful in mitigating immediate job loss, but there remains significant uncertainty in just how many will return to work, and how many have only

seen job loss delayed. While furlough and other supports will have helped, many of our smaller and medium-sized businesses will be unlikely to survive, especially in those sectors facing the largest contractions, and especially where lockdown conditions remain in force for longer.

Three-fifths of businesses with 100 or fewer employees have furloughed at least some of their staff – and for the 241,000 wholesale and retail trade small and medium-sized businesses, the 176,000 in construction or the 135,000 in accommodation and food service activities, all facing double-digit declines in GDP, survival is by no means a given. According to a [YouGov survey](#), when asked whether they expect to lay off workers after furlough comes to an end, 48% of small businesses (up to 50 employees), and 65% of medium (50-249 employees) replied that they would.

Although size can help manage risks, large businesses (250 or more employees) face the same challenges: 48% of large businesses in YouGov's survey expected to lay off some of their workforce after furlough. While there are only around 10,000 large

Figure 1



businesses, they employ more than half of the UK's workforce.

Issues for Post-16 policy makers

The data we have so far has given us a few initial clues as to how this crisis might unfold, though it's still early days. Businesses of all sizes are likely to lay people off, but with medium ones expecting to be hardest hit. Emsi suggests that post-16 policy makers consider three areas for action.

First, amidst such fluidity, there is a need to understand how the situation is unfolding, and particularly at regional and local level. The surge in unemployment is likely to continue, but different industries and different places will experience it differently, and recovery will come in equally different forms.

Already, the initial Claimant Count increases were led by

tourist areas such as Devon and Cornwall, but May has seen a wider spread, with some of the biggest rises in the South East, particularly Surrey and Hampshire. Effective response depends on understanding the factors behind these differences in pace and scale.

Second, thinking in terms of skills and their different applications becomes central. While much of the economy is negatively disrupted, other parts – key worker functions – are positively disrupted, with new demands emerging. Workers laid off from contracting sectors may be able to adapt their existing skills quickly to meet the increased demands for key workers. In our research into the impacts of the shutdown of restaurants, pubs and cafes, we highlighted certain areas of the country – mainly tourist areas – which have a disproportionate number of people employed in these

sectors (Emsi, 2020).

In such areas, colleges will need to be aware of the skills of those being laid off, how they relate to occupations in other sectors, and which roles are seeing increased demand. This understanding can then be used to introduce modules and short courses aimed at retraining people, so they can get back into work as soon as possible.

Third, the sector will need to co-ordinate closely with local employers and LEPs. This is not a time for colleges to try to go it alone, or to be left guessing which sectors are falling and rising. Colleges, employers and LEPs will need to work in partnership, with localised employment and skills data being central to discussions around effective response and recovery plans.

Low Pay, Flexi-Jobs and Skills-Based Immigration

Kathleen Henehan, Resolution Foundation

Before Covid-19 and Brexit

Two Big Successes

The time period that began after the financial crisis and ran until the onset of the coronavirus was, in part, characterised by two big successes in the UK labour market. The first was a continued rise in employment. The second was a continued fall in the proportion of people classed as low paid.

Rising Employment

As of December 2019, workforce participation among

18-69-year-olds reached a record high of 76.6%, with employment rising among most demographics, including those who had historically been furthest from the labour market. All in all, the number of people in work in the UK rose from 29 million in 2008 to 32 million by 2019.

Fewer Classed as Low Paid

The share of 16+ employees that were low paid - defined as being paid less than two-thirds the UK's median hourly rate) - fell gradually below 23% during the mid-2000s, as the UK's minimum wage took hold, and fell sharply after the National Living Wage came

into force in 2016. By 2019, the share of employees in low pay had fallen to a record low 15%.

But not all forms of employment were equal

And yet, the past decade was not without challenges. While most of the employment growth between 2008 and 2018 came in the form of full-time employees (+1.2 million), the number of self-employed workers grew by nearly 1 million, the number on zero hours contracts grew by nearly 0.7 million, and together, the number of agency workers and people on temporary contracts grew by nearly 0.4m.

contracts said they were temporary because they could not find a permanent role; just over 10% of part-time workers said they wanted to work on a full-time basis and 10% of those who were self-employed said they became self-employed because they were unable to find other work.

Many on low pay wanted more security and more paid work

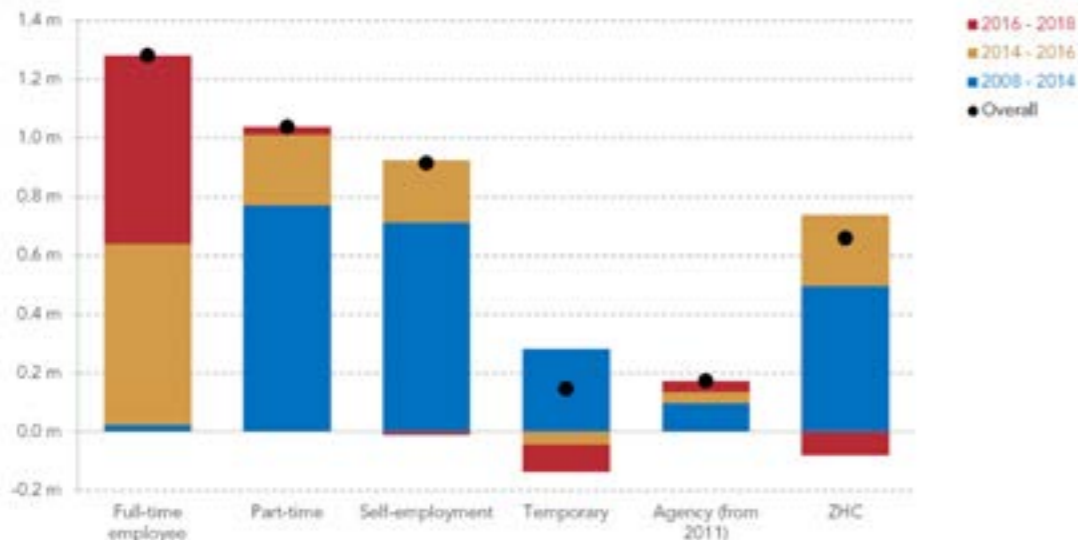
Even among employees, underemployment (wanting to work more hours than currently allocated) is unsurprisingly correlated with pay. As of 2019, only 3% of employees in the top

pay decile reported being underemployed, as compared to 6% of employees in the middle decile and 15% of those in the bottom. The implication is that lower-paid workers (unsurprisingly) struggle to make ends meet, and thereby would like to work more hours in order to bring home more income.

Low Pay Coincides with Atypical Employment

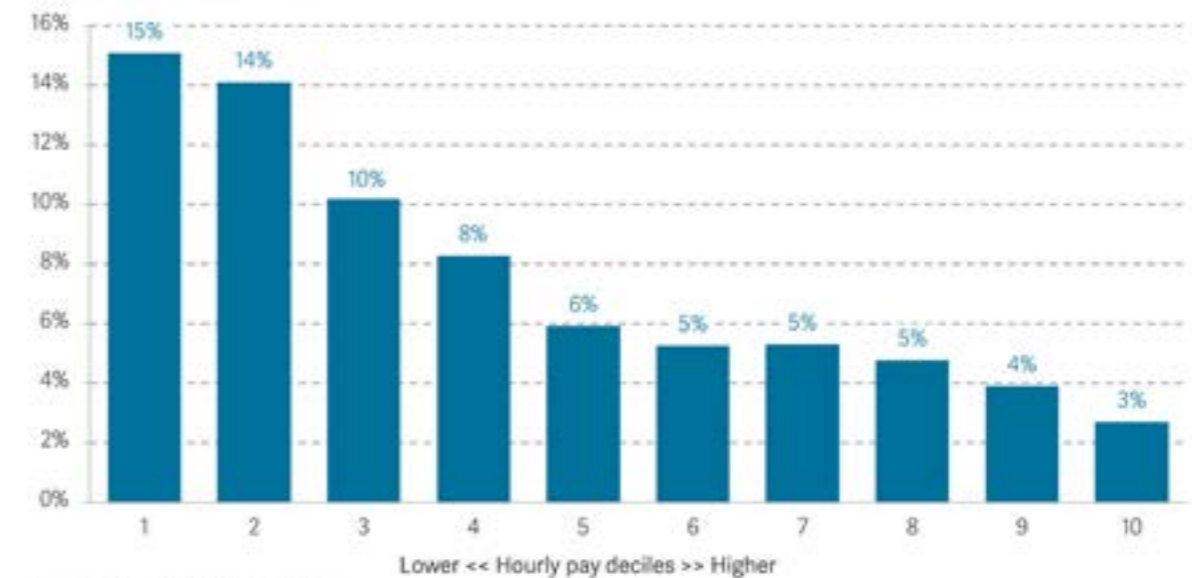
And in fact, low-pay among employees is more prevalent in those labour intensive sectors that also tend to feature higher rates of atypical work. While overall, 15% of employees in Great Britain were paid two-thirds or more

Change in employment by contract type: UK



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Employees who would prefer to work more hours at current rate of pay, by hourly pay decile: UK, 2019



Source: RF analysis of ONS, Labour Force Survey

below the minimum wage in 2019, more than half (52%) of those working in hotels and restaurants were low-paid. So were nearly one-third (30%) in agriculture, more than one-in-four (28%) employees in wholesale and retail, and 26% of those in arts and recreation.

Progressing from Low paid Employment to Low paid Employment

Or, to put it another way, while median hourly pay for employees age 16+ was £13.21 during 2019, it was only £8.17 in hotels and restaurants, £9.76 in agriculture, £9.96 in wholesale and retail, and £10.17 in arts and entertainment. The chances of a person moving out of low pay are slim and, in fact, previous Resolution Foundation research shows

that workers who do leave low-paying sectors like retail and hospitality are highly likely to shift into another low paid role.

The Era of Covid-19 and Brexit

Skills-Based Immigration

Before the economic effects of the coronavirus came into play, many were concerned that the UK Government's proposed post-Brexit migration regime would result in a fall in the number of workers willing, and able, to take on these low paid and often atypical roles. These concerns were particularly strong when it came to sectors including construction (13% of workers born outside the UK, wholesale and retail (15%),

health and social work (17%) and hotels and restaurants (26%).

Too Few Migrant Workers?

Since the coronavirus took effect, and an economic crisis has taken hold, some of the concerns around labour allocation that predominated earlier this year feel a world away. Low paid, labour intensive sectors like retail and hospitality have been shut down, with few expecting them to rebound to pre-coronavirus levels of trading for a long time yet. Compared to March of this year, the number of vacancies posted during April and May were down by over 90% in hospitality and in arts and recreation; they were also down by roughly 70% in retail.

Mass Unemployment

In other words, concerns about whether there would be enough British nationals to replace migrant labour in these sectors have been replaced by the extent to which these sectors will shed jobs once the Job Retention Scheme comes to an end this autumn. Already, huge swathes of the labour force appear at risk – with those who have the lowest levels of education so far having been most affected.

Taking a sectoral approach shows that more than 1.6 million jobs in wholesale and retail have been furloughed, in addition to roughly 1.5 million in hotels and restaurants. Given concerns about many firms' survival, it's widely expected that, absent any substantial new intervention, we'll see unemployment – particularly in these highly affected sectors – spike once the furlough scheme draws to a close.

Issues for Post-16 policy makers

Given the expected rise in unemployment, and the general malaise that's predicted to strike many sectors characterised by low-pay, policy should now turn to how best it can support that inevitably large group of soon-to-be unemployed.

Employment Measures

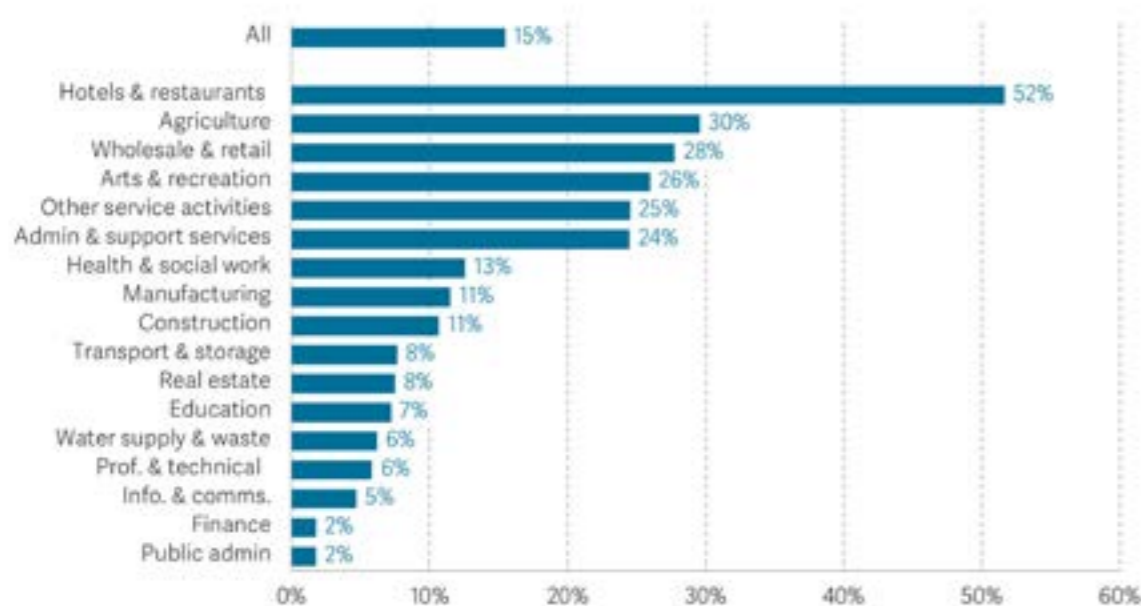
Of course, there needs to be heavy-lifting on the employment side. Policies to encourage employment (including raising the threshold at which employers pay NICs for new hires) are necessary. So too are policies that help create better paying, more secured roles for yesterday's low paid workers to train and transition into. That could mean sector-specific incentives for job creation, a huge ramping up in job matching capabilities, and of course an intensive effort to help adults train up for these roles.

Skills Measures

And yet, these same workers are more likely than most to struggle to support themselves while studying. Having come from low paid and often insecure roles, they will have little savings to draw back on. Those that do find some form of work will – as they would have been before the virus – be more likely to prioritise earning enough money to sustain both themselves and their family rather than spend their time studying and away from earning.

To that end, Government should consider options to allow adults to be able to support their living costs while studying, even if they do so outside of full-time education. Alongside this, we need better evidence on the types of education and training that are most effective in helping lower-qualified adults to transition into stable, better-paid careers – breaking the cycle of moving from one low paid role to another.

Proportion of employees earning below two-thirds of median hourly pay: GB, 2019



Source: RF analysis of ONS Annual Survey of Hours and Earnings

Automation, Covid-19 and the Future of Jobs

Andy Durman, Emsi

Myth Busting

The growing economic crisis is bringing a number of existing labour market challenges into very sharp focus. One of the biggest is automation (the fourth industrial revolution), which has been lurking in the public consciousness for some time, but which may well take on an even deeper significance, given the seismic shifts going on in the labour market and employment practices at this time.

Before we can address what this might mean, we must first engage in a little bit of myth-busting. The media often presents us with dystopian stories about robots either taking all our jobs, or enabling us to live the life of Riley by serving our every whim. The truth, however, is probably somewhat more mundane. According to Rian Whitton in *Automation Anxiety in an Age of Stagnation*, automation can be defined as: “the process of applying technology and organisation to do more with less, with robotics being its most identifiable manifestation.”

Beyond the Fear

In other words, it isn't all about

robots taking our jobs. Rather, it is about the harnessing of technology to make workers and businesses more productive, which by definition has the potential to create both employment risks, and employment opportunities, as new sectors emerge and businesses take advantage of new efficiencies.

This is borne out historically, with each of the previous industrial revolutions making some jobs obsolete, creating others, but with overall productivity and employment tending to increase. The recent digital revolution has been no different, albeit with productivity in this country remaining somewhat sluggish, as automation and employment have grown.

Shifting the Skills Set

One of the things automation has done, however, is to create a shift in employment skills demand from physical to analytical and interpersonal skills (See Figure 1). As our recent *AutoNation Report* found, the use of physical skills, such as Installation and Equipment maintenance, have all declined significantly from 2006-2019, whilst interpersonal skills such

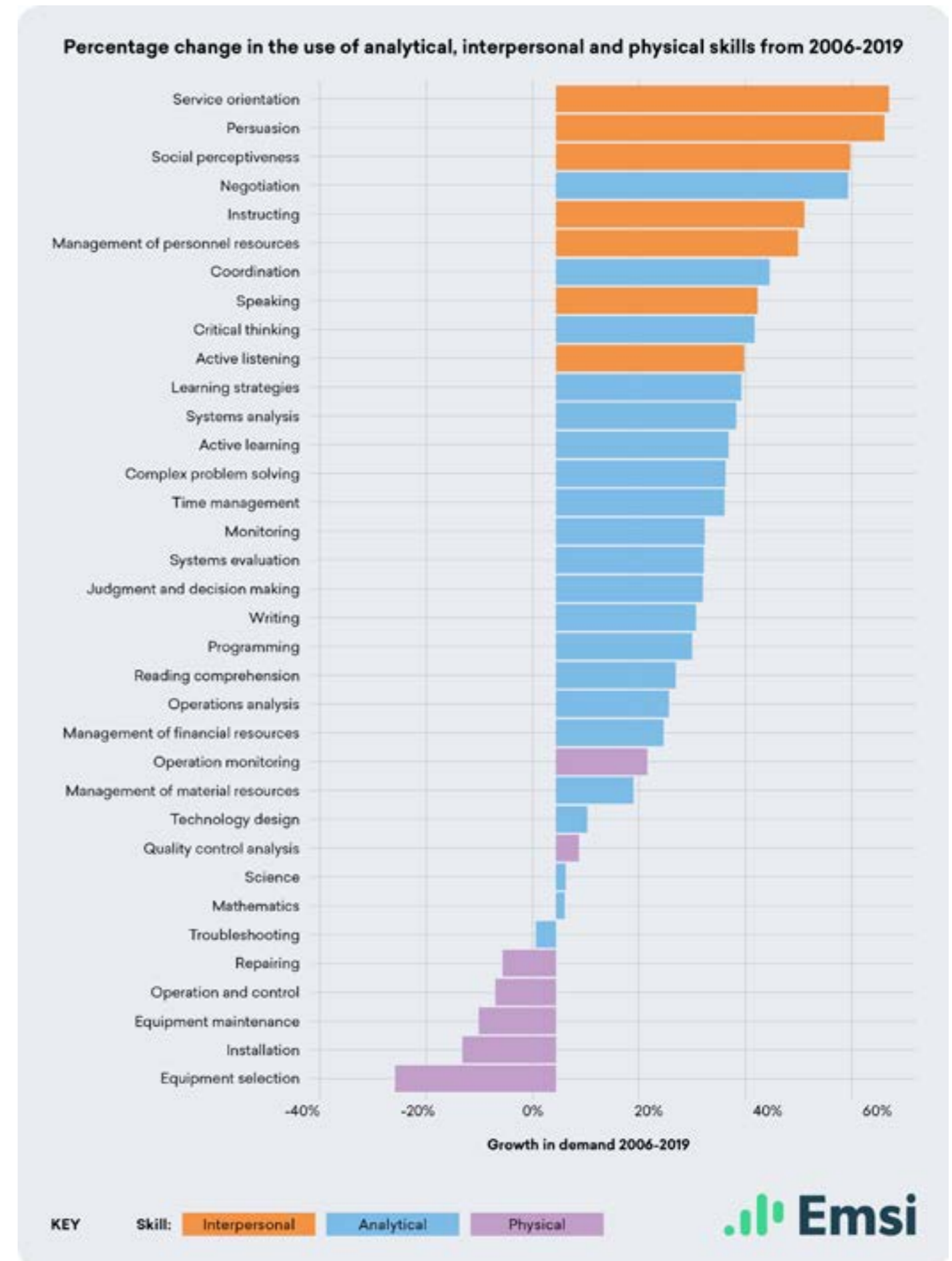
as Persuasion have grown (Emsi, 2019). Furthermore, of those occupations with the highest share of tasks that are potentially automatable, most are found at the lower end of the skills spectrum. For instance, whilst just 7% of tasks in Professional occupations are considered to have high exposure to automation, for Elementary occupations this figure is 69%.

Impact

Although we need to stress that high task share exposure to automation does not necessarily equal lost jobs – it could simply mean that those tasks can be automated, changing the shape of the job role to make workers more productive – the big concern at this time is that it is precisely those jobs with the highest share of disappearing physical skills and potentially automatable tasks where we are seeing the biggest job losses.

In the period January to May, for instance, the biggest increase in those claiming Jobseeker's allowance was for those who had been employed in Elementary occupations. A major concern must be whether these

Figure 1



people will have jobs to return to, partly because many companies that employed them will cease trading, but also because many of the changes in working practices that are currently being implemented may mean that such businesses decide to invest in automation, rather than risk further disruption to their business by re-employing people under new and changing workplace conditions.

Automation therefore has the potential to lead to long-term unemployment, such as we last saw back in the mid-80s, especially among those with lower skills. Yet it could also lead to the creation of an array of new jobs to harness the power of that automation, just as happened during previous industrial revolutions.

Issues for Post-16 policy makers

Although automation was already playing a huge part in changing the labour market, the current crisis is likely to exacerbate this. Jobs that existed before the crisis may not exist after it. However, as well as putting many out of

work, it should also create new opportunities. There are three issues in particular that FE and HE providers should be looking at carefully in dealing with this challenge.

Firstly, gaining a good understanding of which occupations have the most exposure to automation is essential. If education and training providers are continuing to teach skills that are soon likely to become automated, they will be failing to give learners the best opportunity of holding down sustainable careers. The flip side of this is that by better understanding which types of skills have grown in prevalence in recent years – particularly analytical and interpersonal – they can ensure these skills are included in what is being taught, and so improve the long-term employment prospects of their learners.

Secondly, identifying emerging skills is going to prove crucial. If the combination of crisis and automation are changing the way employers work, education and training providers will need to be far more aware of what these

changes actually mean in terms of hard and soft skills, especially at the local level. Only by identifying emerging skills, and including them in courses and modules, will providers be able to give people the skills they need to succeed in a rapidly changing labour market.

Thirdly, the changes being wrought by both automation and the crisis mean there will need to be a far greater emphasis on lifelong learning. Automation doesn't so much destroy jobs – although it can do that – as change the nature of them. In order to successfully navigate their way through the complexities of changing jobs and a changing jobs market, people will therefore need access to upskilling and retraining throughout their working lives, and the FE sector needs to be well placed to provide that, especially to those at the lower end of the skills spectrum who have lost their jobs.

Looming Mass Unemployment

Stephen Evans, Learning and Work Institute

The Impact So Far

The coronavirus pandemic and associated public health responses have had a profound economic impact. Learning and Work Institute analysis found that 5-10 million jobs were in the most at risk sectors and occupations as the lockdown was introduced in late March.

Following the lockdown, new Universal Credit claims spiked to seven times their pre-crisis levels, with more than two million new claims in the ten weeks to the end of May. As a result, the number of people claiming unemployment-related benefits doubled in two months, the largest annual increase on records dating back to 1922.

There are now signs that the labour market has levelled off, with the number of job vacancies showing some small rises (but still well below pre-crisis levels) and new Universal Credit claims reducing (though still 20% above pre-crisis levels).

However, we have moved overnight from almost full employment to the highest claimant unemployment since the early 90s. The impacts have been unevenly felt, with

young people, women and the lowest paid most likely to work in a lockdown sector. In the early stages of the crisis, claimant unemployment has risen fastest in parts of the country where unemployment was highest to start with. Far from levelling up, we risk splitting further apart.

More Trouble Ahead

There are huge uncertainties ahead.

First, we don't know whether demand for reopened shops and restaurants will return: a combination of ongoing social distancing and concerns about safety may limit the bounce back in demand.

Second, we don't know if there'll be a second peak of the virus, which could lead to further lockdowns or people staying away from reopened shops and restaurants.

Third, we don't know what will happen as the Coronavirus Job Retention Scheme is withdrawn. It is feasible that a significant minority of the eight million plus furloughed workers will not have jobs to return to. This would create a second spike in unemployment. Young people face a double whammy

of disrupted education and reduced employment opportunities.

Fourth, we don't know when or if a vaccine or effective treatments will arrive. We need to manage a transitional phase while we wait for that, and plan a new and better normal for when it arrives. That includes managing longer-term, pre-crisis trends like technological change and longer working lives.

All of this means there is huge uncertainty, and a very real risk of unemployment rates last seen following the Great Depression of the 1930s and one in five young people not in education, employment or training.

Our Emergency Exit report showed that, even if the economy recovers quickly, employment takes time to recover. In the past three recessions it has taken 3-7 years for employment rates to recover to their pre-recession levels. Faced with such a prospect, it is better to risk overreacting to prevent it. Underreacting would mean a deeper and longer recession that does permanent damage to our economy and to people's livelihoods.

Implications for Post-16 policymakers

The pace and scale of change in the current crisis is unprecedented. Our response needs to match this with its ambition.

A Plan for Jobs

We argued for an urgent and ambitious plan for jobs with three core elements.

First, job creation.

We need direct investment to create jobs, whether in infrastructure, green measures like retrofitting and boiler scrappage schemes, or incentives for employers like hiring subsidies. We should ringfence some of the jobs created for apprenticeships and to be filled by the long-term unemployed. And try to join up employment support with the training and skills needed to do these jobs.

We've done this before: I remember in a previous job commissioning a training and employment scheme for retrofitting, which businesses were required to work with to access public funding for retrofitting. It was set up by then-Mayor of London Boris Johnson.

Second, employment and education support.

Some people – job switchers – will need only light touch support (such as signposting to available vacancies) to find new work. But the increase in unemployment means we need to at least double the number of Jobcentre Plus Work Coaches to 20,000 and bring in the recruitment industry to support.

Other people – career changers – will need more in-depth support and help to retrain. This requires skills and employment support to work together, with short, flexible, employer-focused provision linked with employment support targeted on specific and upcoming vacancies. There are plenty of previous schemes (such as the Ambition programmes of the mid 2000s) and international experience (such as WorkAdvance in the US) to draw on. This would be a good time to increase investment in learning and widen access, perhaps through a Lifelong Learning Entitlement.

Even with this help, some people won't be able to find work. We should provide more intensive help the longer someone's been out of work, underpinned by a Job Guarantee (see below).

Third, a Youth Guarantee.

We should guarantee all 16-24 year olds the offer of a job,

apprenticeship or education place to avoid the damage that time out of work when young can have on career prospects.

More young people generally stay in education during recessions, partly in response to reduced job opportunities. This is sensible and a chance to tackle some of our underlying skills challenges. In particular, the proportion of young people with good basic skills and qualified to level 3 is lower in England than elsewhere. We should encourage more young people, particularly 16-18 year olds, to stay in education, with a £500 million investment in new education places plus extra financial support, whether through a new training allowance or Universal Credit.

For young people looking for work, we could temporarily allow employers to use part of their levy to cover wage costs for newly-hired young apprentices, with an apprentice grant allowing SMEs to do the same. All of this should be underpinned by a government-funded Job Guarantee for young people who struggle to find work. Building on the successful Future Jobs Fund, this would create six month jobs with training with employment support to find a job at the end of this.

Additional Reforms

Alongside an ambitious plan for jobs, post-16 policy makers should:

- prepare for more young people to stay in education, and encourage those who would benefit most to do so;

- join-up education and employment support with local initiatives that will create jobs;

- focus on increasing apprenticeship opportunities for young people;

- make sure those who were out-of-work before the crisis don't get left behind, and

- intervene early to support furloughed workers who may lose their jobs to improve their skills.

The Demographic Upswing: More 16-24 Year Olds

Julian Gravatt, Association of Colleges

Growing and growing until 2030

It has never been harder to predict but some things are clear. There will be more 16-24 year olds in England in the 2020s and their expectations and needs will change the education and training system.

The facts are fairly straightforward. The English birth rate hit another low point in 2001 and rose for the next 15 years. Like a classic radio wave pattern, the population veers from peak to trough as each generation grows up. If "Peak 20" is the high point for the number of 16 to 24 year olds, then we hit it in 1984, in 2010 and we'll get there again around 2030.

Falling Numbers from 2010

The falling population shaped post-16 education in the 2010s. From Peak 20 in 2010, the fall in the number of 16-to-18-year-olds combined with a squeeze on funding rates to deliver public spending savings for the Treasury. DfE cut spending on 16-18 education from £7.7 billion to £6.7 billion – a real-terms cut of more than 20%.

Unemployment also fell.

This allowed the Department for Work and Pensions to wind training schemes down to a skeleton service with a budget of £200 million budget. Meanwhile, although apprenticeships grow in political prominence, most of the new apprentices were over 25 – ranging from mid-career middle managers to care and retail staff enrolled on level 2 programmes.

Increasing Numbers from 2020

Having survived the trough of the last ten years, many education leaders were looking forward to an upturn in fortune. Demography is normally destiny in education so that, sometimes, all that institutions need to do is stand still and wait for their catchment areas to grow naturally. Colleges and universities could watch as the Department for Education scrambled supply school places to meet the basic need and think "our turn is next".

DfE stops its projections of pupil numbers at age 16 but calculations AoC did last summer suggested growth of 11% in sixth form numbers over just four years. Even if nothing else changed, this

would require almost £1 billion extra in DfE's budget for demography. Some universities grew in the 2010s on growing EU student numbers and a rising entry rate. The initial entry rate of under-21-year-olds in higher education rose from 40% to 50%. Many institutions borrowed for growth on the assumption that if they built it, the students would continue to come

A Different 2020

As it is turning out, our 2020 visions were probably wrong. The pandemic has hit the sector like a Black Swan. Economic activity crashed in the shutdown and unemployment looks poised to soar. Entire sectors like hospitality and travel have been devastated and, while there may be a bounce back in the second half of 2020, they may be a big shift to new business models. Self-service technology in retail and elsewhere might replace human contact in the interests of safety but could also hit job numbers. In these circumstances, normal rules may not quite apply.

In previous recessions, higher unemployment has correlated

with higher demand for post 16 education and training. This time around, young adults may defer before making a firm choice or find that what they want to do can't be done. Students may try to defer their 2020 offers or see if they can re-sit their centre assessed summer grades. University residences may not fully reopen. Public transport may be more limited. Alternative options may also fall off. There is already a lot of interest in apprenticeships at age 18 but early signs from AoC surveys of colleges are that the places won't be there. Colleges report that the number of new starts could fall by 50% or more. Predictions about AY 2020-21 are the stuff of budget nightmares but the underlying trends will remain.

Peak 20 in 2030 means a rising tide of 16-to-24-year-olds throughout the 2020s. The falling post-16 population provided Treasury with a demographic dividend in the 2010s so the next ten years should in theory see a payback. The fact that demand may be sluggish in the next 12 months does not mean that it will stay that way. The staying-on rate at 16 may rise. If there are no apprenticeships or jobs for school leavers, then participation in full-time

education will rise above 91%. The drop off at ages 17, 18 and 19 may diminish. More people in their early twenties will be considering education and training alternatives to non-existent jobs.

Other assumptions will need to be re-thought. The Review of Post 18 education made suggestions about higher education living costs on the assumption that half of students worked alongside their studies. If there are fewer hospitality jobs, this may no longer be possible. And we may have to consider maintenance support for 19-24 year olds seeking a first full Level 3 in a high unemployment world. Better to provide the money so that young adults can learn or retrain than let them fester at home for lack of maintenance.

Issues for Post-16 policy makers

The pandemic has exposed many things about UK government policy making but in the field of post-16 education, there has been a lack of planning. We have known about rising demographic demand for a decade but very little has been done in preparation. If DfE has made any preparations they

have been so secret to be almost invisible.

Given the great disruption visited onto society and the economy in 2020, perhaps there is a silver lining. If government had funded new post-16 centres in urban transport hubs, then perhaps these would now stand vacant this September. However, be that as it may, it's the planning not the plan itself that matters.

The process of thinking about, forecasting and discussing future demand should be one of the threads that joins up those providing education and training with the demand generated by economic and social need. We've known for years that there are big mismatches between supply and demand but lack a mechanism for resolving these.

A plan – and some planning – would be a good first step to be ready for the next "Peak 20".

Mental Health: An Alert to the Post-16 Education World

Lucy Thorpe, Mental Health Foundation

We all have mental health, just as we have physical health. This will sometimes be good, sometimes poor; sometimes better, sometimes worse. Understanding this, and that there are well-known risks to our mental health, and evidenced ways to protect and support it, is important for governments and institutions with an interest in supporting human beings to thrive.

Research shows that people's likelihood of developing mental health problems is not distributed equally. It is affected by the social, economic and familial context in which we are born, grow up, study, work and live. Known risk factors for poor mental health, in childhood and adulthood, include: violence and abuse, the stigma and discrimination that can be linked to living with a characteristic protected under the Equality Act 2010, poor housing, unemployment, poverty, debt, and having a long-term physical health condition ([Mental Health Foundation, 2020](#); [Mental Health Policy Group 2019](#)).

Prevalence of mental health problems and distress

Mental health problems are

one of the largest causes of disability ([NHS England, 2016](#)) and sickness absence ([Stevenson-Farmer Review, 2017](#)) in the UK. Before the pandemic, population mental health was already in a critical state, affecting one in five mothers during pregnancy or in their baby's first year ([Centre for Mental Health & LSE, 2019](#)), one in eight children and young people aged 5-19 ([NHS Digital, 2018](#)), and one in six adults ([McManus S et al, 2016](#)).

The most recent prevalence study ([McManus, S et al, 2016](#)) found that women (19%) are more likely than men (12%) to meet the criteria for common mental disorders (CMD) such as anxiety and depression, and more women than men also reported severe CMD symptoms – 10% compared to 6% of men. Since 2007, there have been increases in CMD symptoms in late mid-life men and women (aged 55 to 64). Most mental health problems were more common in people living alone, in poor physical health, and not employed.

Only one in three adults aged 16-74 with such conditions were accessing mental health treatment. They were most likely to be female, White British and in mid-life. People

with particularly low treatment rates included Black/Black British people, and those most likely to have unmet treatment requests were young, and people living in low-income households. About half of people with CMD and an unmet treatment request were not receiving any other type of treatment when surveyed.

Self-harm increased across all age groups between 2000 and 2014, but increased most among young women aged 16-24, who also had high rates of CMD and positive screening for post-traumatic stress disorder (PTSD) and bipolar disorder.

The latest suicide statistics (2018) showed a significant increase in suicide in the UK for the first time since 2013, for both men and women. Suicide rates among young men aged 20-24 increased by 30%, and the suicide rate for young females is now at its highest rate on record ([Samaritans, 2019](#)). Research has identified bereavement, abuse, neglect, self-harm, mental or physical ill health, and experiencing academic pressures as just some of the common risk factors for suicide among young people ([National Confidential Inquiry](#)

[into Suicide and Homicide, 2017](#)).

The impact of the Covid-19 pandemic on mental health

We know that economic recessions pose a risk to mental health and are linked to higher rates of suicide ([Oyesanya M et al, 2015](#)). The Institute for Fiscal Studies has cited estimates that if the economic effects of the virus are similar to the downturn following the 2008 financial crisis, about half a million more people will experience a mental health difficulty over the next year ([IFS, April 2020](#)); further waves of Covid-19 will increase this number, and the mental health effects will last even longer.

According to the IFS, mental health in the UK during the pandemic has worsened by 8.1% on average, and by much more for young adults and for women ([IFS, 10 June 2020](#)). It has also found that the worst economic outcomes are for those experiencing severe shocks but without mechanisms to mitigate them, such as single parents, those in the lowest education groups and ethnic minorities ([IFS, 4 June 2020](#)).

The Foundation's '[Coronavirus: Mental Health in the Pandemic study](#)' is finding that single parents, unemployed people, young adults, people with long-term disabling health conditions, and people with

pre-existing mental health conditions have been more likely to report mental distress than the population as a whole.

Educational Attainment and Mental Health

Lower educational achievement, such as lower literacy levels, are also associated with mental health problems in adulthood ([Parsons & Bynner, 2008](#)). Similarly, dropping out of education has been associated with substance misuse, mood disorders and suicidal ideation ([Esch, P et al, 2014](#)). In this context, the World Health Organisation (WHO) has identified several risk factors for mental health including: failure to provide an appropriate environment to support attendance and learning; inadequate or inappropriate provision of education to assist those needing additional support, and academic failure ([WHO, 2005](#)).

A key point of educational vulnerability is transitions, from one place of learning to another, which some students find difficult to cope with. Adoption UK's [Better Futures report](#) found that a third of adopted young people who started a college course within one year of leaving school were unable to complete it. A similar proportion were not in education, employment or training (NEET) at some point

between the ages of 16 and 24 – three times the national average.

More than half of those surveyed (all aged 16-plus), said they lacked confidence about their academic ability while at college. More than half of them found the college environment overwhelming, even threatening; while there, the majority had neither a mentor or key worker, nor access to counselling or wellbeing services.

Children and young people with learning disabilities are more than four times more likely to have a mental health problem, and frequently experience difficulties with transitions in their care and their education ([Children and Young People's Mental Health Coalition, 2019](#)).

Issues for Post-16 policy makers

Education providers need to understand that good mental health contributes to better educational outcomes.

Poor mental health can affect students' ability to learn, and treatment is not the only answer. We also need a strong focus on prevention: tackling the causes of poor mental health and responding to problems much sooner, before they become disabling and severe. While learning can be very positive for mental well-being and later employment, it

can also worsen mental health problems, and sometimes cause them. The education system should maximise students' wellbeing and resilience and minimise risks. The DfE should review how the current post-16 system supports or undermines wellbeing for all children and young people, including those with learning disabilities and autism (e.g. considering how children are tested), and make changes where indicated.

Every student in school, further and higher education should receive appropriate mental health literacy lessons at each stage of their education and have access to early support through their education provider.

All providers should adopt a 'whole school/college/university' approach to mental health, including mental health training for staff, something many lack ([Mental Health Foundation, 2018](#); [Education and Training Foundation, 2018](#)). The Open University has developed a [micro-credential for education professionals on embedding mental health in the curriculum and designing appropriate learning activities that are conducive to students' mental health](#).

The DfE should develop guidance for post-16 education providers on providing trauma-informed approaches to support young people returning to education settings post-pandemic who may have been bereaved

or had other very difficult experiences during the lockdown. This is important for both their mental health and their learning.

We urgently need to build a workforce that reflects the diversity of people who use services, and action to create a psychologically-informed NHS workforce able to provide people with whole-person care. Action is needed to consider how new roles can bring people with relevant skills into the sector, especially peer support workers, employment specialists, and care navigators. [The Interim NHS People Plan](#) was published in June 2019. The final plan is expected in autumn 2020.

Lockdown: Boredom or Freedom?

Susan Pember, Hoxex

Studying at Home

Over the last 14 weeks our young people and adult learners have been confined to their homes with a hope that they could study online. This has generated a whole spectrum of reactions from heightening existing anxieties to removing worries as staying home feels safe.

Some students have spent the time fruitfully and enjoyed the freedom to work at their own pace, others have found sitting in front of their computer has made them bored and listless, there are others who have just not engaged in any form of learning but, whichever category they fall into, they have all missed the community atmosphere of learning.

The students who got bored and didn't fully engage with online learning (if they ever got started) may have reacted in that way regardless of what was on offer. But, did delivery styles, the degree of engagement with teachers and friends and their need to feel they still belonged to something have a part to play in this?

There was much talk in the early weeks of lockdown

about schools, colleges and adult education centres providing online tuition. On TV we saw students sitting down for Zoom/ Teams classes, participating and integrating with their peers and teachers, doing PE and having large assemblies online. However, it appears that some sectors were able to move their provision online quicker and more effectively than others.

Universities moved first (some almost overnight), with colleges and some schools embracing new interactive digital delivery methods within weeks but many schools have not been able to make the full use of the available technology.

Low Active Engagement

For many students, the experience has not been interactive at all, it has been about material sent to them such as pre-recorded video and work sheets. On reflection, this might have been adequate for a lesson or two, but not for every subject and every day of the lockdown. This lack of active engagement has meant that many students have had no exchange of views

with anyone outside their immediate household for more than 12 weeks and, for some, no communication about their learning.

Recent research shows that millions of young people have not been involved in any academic work at all during this time and, when asked why this is the case, they give a variety of reasons ranging from "I couldn't do it by myself, I needed the teacher to explain" and "just doing work sheets is boring" to "I was sad because I wasn't in contact with my friends" and "my friends aren't working so why should I", or "there is no space to work at home" and "I have to share the laptop with 4 other family members".

Some adult students said "my priority is my children, so they come first with use of the laptop" and "I found it difficult without a teacher" or "I was furloughed/ made redundant so I'm not sure if this course is still right for me".

The common thread running through these responses from both young people and adults is the importance of the role of the teacher and it will be interesting to see in any future research whether engagement

(or lack of it) with teachers has made the difference between students staying active online or not.

Catch-up Study

Come this September we will have a mix of students, some who didn't do anything during lockdown, some who did a little at the beginning and then gave up, and some who worked continuously for several hours each day. Schools and colleges will have a near impossible job of setting out their offer to meet the needs of these different categories of student. Government has recognised this issue and announced catchup funding for schools. However, we also need to consider those students who worked hard throughout lockdown and ensure they don't feel let down if they have to repeat work they have already done.

Although government has recognised that students may have missed out on content, we should also be concerned about the other skills they may have lost. Almost all of these students will not have been in formal learning for 9 months and, as well as picking up on

subject content they have lost, the new curriculum will have to support their wider recovery. Many students will need to learn to engage with learning again and regain confidence and concentration skills and providers will need to re-establish their normal routines.

Both teachers and students will have work through a whole range mental health and wellbeing issues, especially dealing with anxieties about returning to formal education. Some young people will have the added stress of re-establishing friendship groups, made worse by relationships having continued through social media for some individuals whilst others may have been left out and this may reinforce feelings of isolation. For adults, there will be concerns about staying safe and making time for learning and, those who may have lost their jobs, might feel their energy has to go into finding a job, not improving their skills.

Issues for Post-16 policy makers

We need to learn lessons from the past 12 weeks and be prepared for an uncertain

future, not forgetting the possibility of a further lockdown.

We have to work on the physical infrastructure for learning from home, for example, ensuring every student (starting with those facing external examinations) has the appropriate digital devices and internet connection.

We must develop new interactive content and delivery which supports creativity, fosters collaboration between learners and the construction allows for feedback and reinforcement of learning.

Finally, we must now train and retrain teachers in interactive online delivery and, most importantly, develop students so they have the mental strength and reliance to make the most of this new online interactive learning experience.

Key Messages for the Post-16 White Paper

The white paper must ensure that the post-16 education and skills system across the board is sufficiently flexible to meet the revolutionary changes bearing down on the nation throughout the 2020s.

1.The Changing Structure of the UK Economy

Forces are operating which will change the structure of the UK economy. Some sectors and businesses will decline whilst other sectors and businesses will grow.

Changing patterns of trade will emerge in the aftermath of Brexit, impacting on goods, services, agriculture and fisheries. A green industrial policy will create new sectors, new businesses and new jobs. The risk of further waves of Covid-19 or transmission of new viruses will put pressure to shorten global supply chains. Just-in-time delivery could be replaced by re-shored jobs and local manufacture. Health security post Covid-19 will require domestic manufacture. Conversely, Covid-19 could increase the pace of automation in manufactured and semi-manufactured goods to reduce the possibility of transmission within the workforce.

And yet, however these forces play out, the basic task of the post-16 education and skills system is to produce skilled workers to meet the need of domestic industries, home-grown due to government policy, or re-shored ones due to corporate decision making.

2.Lower Demand for Unskilled Labour

Increasing automation was predicted to lead to job losses in sectors dominated by elementary occupations and low paid jobs. Covid-19 has, in the short-term, at least done the job automation was predicted to do. Some of jobs lost because of the pandemic might never fully return. Mass redundancies can be expected once the Job Retention Scheme ceases at the end of October 2020.

3.No Over Supply of Unskilled Labour

Prior to the start of the pandemic, a chief concern was a lack of migrant workers from the European Union available to take low paid atypical jobs when the UK introduces a skills-based immigration system on the 1st January 2021.

Demand for 'unskilled' labour – resident and overseas - has

fallen off a cliff. Low paid, labour intensive sectors, such as retail and hospitality, have been shut down. Even relaxation in social distancing making re-opening in such sectors a challenge.

A key response to the falling supply of low-skilled migrant workers in the context of a skills-based immigration system was to train the resident workforce. The post-16 white paper will need to add fresh impetus to training the resident workforce even, if the driver is no longer immigration policy.

4.Managing Youth Unemployment when there are more 16-24 Year olds

The depth of the recession and likely slow recovery of the UK economy will result in a sharp rise in youth unemployment, which will turn into long-term unemployment if preventative action is not taken urgently.

Some of the sting can be taken out of the looming crisis by announcing measures to shield 16-17 year olds and 18-24 year olds from joblessness as part of the Economic Statement in July, to be implemented in September. But the problem will not go away, especially when the cohort of 16-24 year olds is

expected to grow. After the firefighting, the government needs to use the post-16 white paper to outline a long-term plan to not only reduce youth unemployment, but increase the skills and qualifications of young people.

5. An Earlier and Different Adult Training and Retraining Revolution

The need for an adult training and retraining revolution is needed earlier than the government presupposed at the time of the general election in December 2019. No longer a slow burn arising from the gradual effects of automation or a sharp shock from limited migration of low skilled EU workers, the driver for an earlier but different training and retraining revolution comes from looming mass unemployment and longer working lives as the state pension age increases to 67 by 2028. The post-16 white paper must map out a long-term road map for adult training and retraining during the 2020s.

6. Atypical Employment, Low Pay and More 'Gig' Jobs

Prior to the pandemic, employment was at an all-time high, and fewer employees were low paid due to the introduction of the national minimum wage and the national living wage. But since the financial crash in 2008, there has been a

steady increase in atypical employment such as part-time workers, zero hour contract workers, agency workers, temporary staff and the self-employed.

Critically, atypical employment is more prominent in labour intensive sectors which are often lower-paid such as hotels and restaurants, health and social work, wholesale and retail, transport, storage and communications, and arts and entertainment.

Some of the atypical employment in these sectors might never return. But there is a risk that atypical employment might spread. In these uncertain times, employers with employment opportunities will increase the use of contingent labour – work by the hour – and zero or low hour contracts, agency staff and self-employed workers. Automation could also lead to just-in-time labour requirements by employers.

A further rise in gig jobs driven by the Covid-19 induced recession and automation could have serious implications for the demand, funding and delivery of post-16 education and skills, to which the white paper must be alert.

7. Lower Employer Investment in Training

Employer investment in training has been falling since

the 2008 financial crash. Another ratchet downwards could occur if regular employment fails to recover and gig jobs rise in the post Covid-19 era.

8. Reviewing the Apprenticeship Levy in England

In the short-term, the apprenticeship levy will raise lower amounts of revenue. Additionally, the number of employers paying the levy will fall as private sector firms in particular cease trading or no longer have pay-bills above £3m. The amount of levy paid will fall in the longer term if employers outsource jobs away from employees and the make-up of employers paying the levy will shift towards large public sector organisations. The post-16 white paper must address whether the apprenticeship levy in England can meet the apprenticeship needs of private sector employers in the years ahead.

9. Lower Adult Participation in Skills

Many workers in gig-jobs are also in low paid work. Such people want more security and more paid work. Lower-paid workers struggle to make ends meet. They want to work more hours in order to bring home more income. Low paid workers are also highly likely to shift into another low paid role.

Acquiring skills is a route out of low paid insecure jobs but the reality is that low paid workers must put earning before learning by waiting for that extra shift or increase in over time to make ends meet. Rather than adult skills being a pathway out of low pay, low pay prevents participation in skills.

Free education will not be enough. The white paper will need to set out a system of maintenance support for employed low paid workers to participate in part-time adult further education to relieve the necessity from taking the extra shift and overtime.

10. Combined Efforts of Colleges and Universities

Matching people to the jobs as they are created and devising relevant short and long training and retraining to optimise employment levels is an obvious task for providers in the post-16 education sector. But it would be a mistake to limit the role to the further education sector and FE colleges. The HE sector and universities have a role too. Up-skilling and re-skilling is required at all levels delivered by all types of regulated providers. We need to harness the expertise of universities, FE colleges and independent training providers to develop and deliver short and long training and retraining courses linked to the needs of the labour market.

11. A Mental Health Crisis

The country was facing a mental health crisis before the pandemic. The mental health of young adults with no jobs and older adults facing unemployment and squeezed household incomes will be particularly at risk from mental health issues. Home working for sustained periods can create a sense of detachment. Online learning at home, although a necessity, can similarly cause a sense of isolation, and a feeling of detachment from not physically attending their education setting. A second wave could mean a second lock down.

The post-16 white paper should describe how the mental health needs of all students in all settings can be met and set out the training and retraining opportunities to increase the supply of peer support workers, employment specialists and care navigators. The post-16 white paper should be informed by the final People Plan to be published by Health Education England in autumn 2020.

12. Making Learning from Home More Sustainable

We must plan on the basis that learning from home becomes a necessity and part of the new normal. The post-16 white paper should set out how every student has appropriate

access to digital services and internet connections, and the post-16 education and skills workforce is trained to deliver on-line content. And it should explain the support to be given to students so they have the mental strength and reliance to make the most of this new online interactive learning experience.

13. Further Education: Helpful but not Squeezed

Further education can be helpful to the government, in meeting the short-term challenges caused by the pandemic, and longer-term recovery in growth and employment. But to do so, the FE sector must not be squeezed at a time a certain amount of fiscal consolidation by funding for schools and universities. The white paper will provide the government an opportunity to demonstrate that FE is safe in its hands.

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