

## Goodbye IfATE . . . Hello Skills England

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The Labour government is abolishing the Institute of Apprenticeships and Technical Education (IfATE) - rather it will be subsumed into a new body, Skills England. Created in 2017 to revamp the UK's ailing apprenticeship system, the Institute's remit was widened to include responsibility for the new T-level qualifications, designed to be delivered as full-time courses in colleges of further education, but then extended to school sixth forms.

But in terms of increasing opportunities for young people not continuing on the academic route, the IfATE has hardly been a success. Apprenticeship starts have continued to fall. Around 500,000 per year in 2014/15, the number fell to under 350,000 by 2022/3. Provisional figures for April to August 2024 (the period when most apprenticeships are likely to begin) indicate a further decline. Equally disappointing is that it's still existing employees rather than young people transitioning into the workforce who have continued to make up a large majority of new apprentices - latest data showing only 1 in 4 enrolments by under 19-year-olds.

Nevertheless, since the creation of IfATE, over 600 apprenticeship standards (probably far too many, given the increasingly generic nature of modern work?) for various occupations have been established and 'off the job' training for one day a week has now also become mandatory - though this often isn't taking place in FE colleges.

But, more significantly, an 'employer levy' has become the main way through which apprenticeship funding is provided. Even if in other parts of Europe large employers are expected to both provide and also to fund apprenticeships, the imposition of the levy has resulted in continued criticism from UK employer representatives, who've claimed amongst other things that it's bureaucratic and inflexible. A more serious issue is that large amounts of levy have not been used, written off, or effectively returned to government.

Approaching 40 per cent of apprenticeship starts are at level 4 or above. On the face of it this is a good thing, with around 1 in 6 at degree level or above. But only a fraction of these have been started by school or college leavers. Instead, facing a compulsory training levy, a growing number of large employers have used the funding for existing management trainees on MBAs - with cash strapped universities, particularly those lower down the pecking order, falling over themselves to align Masters course specifications with level 7 apprenticeship requirements. In 2020 there were over 6500 MBAs funded this way. It's reported that spending on level 7 apprenticeships alone rose from £11 million in 2017/18 to £216 million in 2021/22.

Responding to the continued fall in employer willingness to spend money on training their workforce, Labour went into the election committed to broadening the way in which a new Growth and Skills levy could be used, specifying that 50 per cent could be for non-apprenticeship training - though this barely generated any media interest. Since the election, sources have also revealed that the new government wants to prevent money being used at level 7 and to commit itself to funding more intermediate level training and for shorter, more intensive programmes.

While the IfATE had an extensive staffing structure - including a 15-strong senior management and numerous more specialist committees, Skills England has not yet been properly set up - being only a shadow structure within the DfE (IfATE was classified as a public but 'arms's length' organisation). Also, given Labour's self-imposed fiscal restrictions it's unlikely to be given generous (if any?) funding. Despite being not yet operational, Skills England has published an initial report which, like other publications that came before it, cites skills mismatches and skill shortages as a major reason for the poor productivity in the UK economy.

Arguably, rather than a skills problem, the UK has a jobs problem - even though many (at least what are considered to be) 'middle' jobs are disappearing, there are not enough high skills positions being created for those young people qualified to do them. The reason for the low number of apprenticeship starts below level 4 is because employers don't really need them - or rather aren't prepared to put time and effort into training people for roles that are relatively unskilled and can be learnt fairly quickly. This is a major reason why spending on level 2 apprenticeships dropped by a third, from £622 million to £421 million, during the same period when spending on Advanced level apprenticeships increased.

With not enough high paid and high skilled jobs for people who want them, it's more the case that thousands of young people are remaining 'overqualified' rather than 'under-skilled'. There is little consistent evidence that employers are unhappy about the large numbers of 'oven-ready' graduates' ability to learn 'on the job' skills, or, as increasingly is the case, to be able to slot in to working remotely.

A skills strategy needs to be part of a wider and well planned 'industrial strategy' which creates the employment opportunities in the first place. This is how things worked in successful post-war 'Fordist'/manufacturing-based economies like West Germany. But this is how it would need to work as part of a

'post-industrial' Green New Deal. There is always plenty of enthusiasm on the left about the opportunities and importance of new types of green jobs, but there's an absence of discussion about how these will be created and delivered, and for who. The focus needs to be as much about economics as it is on education and skills.

Cuts scheduled for the end of 2024 were suspended immediately Labour came into office, and Bridget Phillipson has now ordered a stay of execution until at least 2027 for some of the most popular qualifications (only those with minimal take-up will be axed). The respite will be welcome, with many sixth forms without the resources to offer Ts able to continue BTEC programmes as alternatives to, or in combination with, A-levels.

Meanwhile, T-levels will trundle on, with the Government accepting that a shortage of employer

openings means that parts of the mandatory work placement can be done 'online' - up to 50 per cent for digital courses. Alarming, considering the current outcry about shortages of building labour, the T-level pathway in 'On-site Construction', started in 2020, will be scrapped, due to low numbers of students completing (barely a hundred) this past summer.

With future opportunities for post-16 year-olds increasingly limited and with the future of vocational qualifications likely to be dependent on the more general National Curriculum Review rather than Skills England, it's important that practitioners across school sixth forms and colleges reignite the debate about learning and the curriculum, using their trade unions/ professional organisations to exert pressure.

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