



Skills for Learning Professionals

A SECTOR SKILLS AGREEMENT FOR THE LIFELONG LEARNING SECTOR

STAGE 1 – SKILLS NEEDS ASSESSMENT (SNA)

WALES

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skills
FOR BUSINESS

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EXECUTIVE SUMMARY

This executive summary, along with the full report and associated annexes, represent the main outputs of an extensive programme of both primary and secondary research undertaken between May and November 2006. The research forms the first and foundation stage of the Sector Skills Agreement (SSA) process for the lifelong learning sector – the skills needs assessment. It was undertaken by independent consultants SQW, in collaboration with Lifelong Learning UK, the Sector Skills Council (SSC) for the lifelong learning sector.

Lifelong Learning UK (LLUK) is the SSC representing five key constituencies, which together make up the lifelong learning sector:

- community learning and development (CLD)
- further education (FE)
- higher education (HE)
- libraries, archives and information services (LAIS)
- work based learning (WBL).

The lifelong learning sector occupies a unique position within the ‘Skills for Business’ network. Its employers provide services which meet the workforce development needs of other employment sectors, and it is an employment sector in its own right, with its own workforce development needs.

The Sector Skills Agreement process was developed by the ‘Skills for Business’ network in order to ensure that businesses are equipped to meet the realities of the modern working environment and that the workforce is able to offer the right skills in the right places at the right time. The SSA comprises five key stages, with the fifth resulting in a final agreement of how the SSC and employers will work together with key partners to secure the necessary supply of appropriate training for the future.

In addition, because of LUK’s key role in supporting employers delivering lifelong learning and because of the extent to which the skills needed by the lifelong learning workforce will be shaped by the workforce development needs identified within other employment sectors, Lifelong Learning UK will undertake an additional stage. This will comprise an **‘Impact Review’** of the SSAs produced by other SSCs, the purpose of which is to consider the effects and demands that the SSAs will place on the lifelong learning sector, both now and in the future.

Methodology

The research undertaken for Stage 1 of the Sector Skills Agreement adopted a mixture of quantitative and qualitative methods, drawing on a range of existing secondary data sources and primary data collection. This included:

- a comprehensive review of relevant existing literature
- the identification and analysis of existing standard (including the Labour Force Survey (LFS)) and various sector-specific secondary data sources
- the design, collection and analysis of a range of new primary data:
 - 22 key stakeholder consultation interviews (of which eight were from Wales)
 - a large survey of sector providers/employers with 689 analysed responses (of which 106 were from Wales)
 - seven future scenarios workshops (of which two had representatives from Wales).

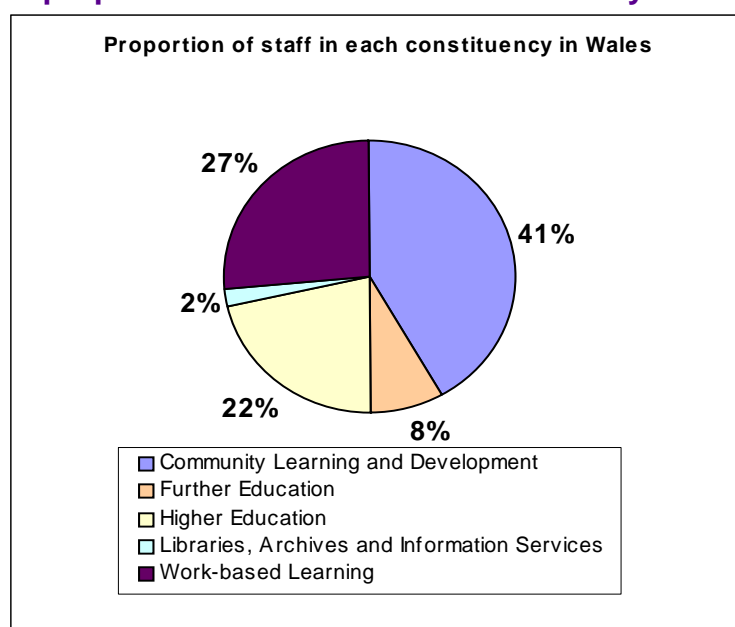
The initial stages of this research identified some inherent weaknesses and challenges in the evidence base relating to the lifelong learning sector (UK wide, as well as for Wales) based on the existing secondary data sources. This has raised several key issues and challenges for the research undertaken for this report. These issues are detailed in the full UK report, but are summarised under the following headings:

- Gaps in constituency coverage
- Discrepancies between different sources
- Issues concerning a definition of 'skills' and the relationship between 'skills' and 'qualifications'

The profile of the lifelong learning sector

Various existing secondary data sources have contributed to the development of an estimate of the total workforce within the lifelong learning sector in Wales, which is at least **109,000 employees**. The pie chart below shows the proportions of the constituencies.

Figure ES 1: The proportion of staff in each constituency in Wales



The data and workforce estimates from the LFS suggest that HE and FE are the largest constituencies in terms of their workforce, with LAIS being the smallest. Stakeholder estimates identify CLD and WBL as large constituencies as well.

Examination of the characteristics of the existing workforce, based on a range of existing secondary data sources, reveals that:

- The majority of the lifelong learning workforce in Wales is **female** (approx 53%), but female employment is limited in the more senior or professional employment categories.
- 54% of the workforce is **aged between 35–54 years**. 31% of the workforce is aged under 35. Wales has the youngest lifelong learning workforce of the home countries.
- The workforce is predominantly employed within **professional** roles (57%), which is higher than for other sectors or the economy as a whole.

- **Full-time, permanent employment** is the norm – particularly within the HE and WBL constituencies and for staff at less senior or professional levels.

These findings suggest particular challenges for the lifelong learning sector in Wales. For example, the greater prevalence of female employment amongst younger, non-professional and part-time staff suggests enduring gender barriers to skills development and career progression, which need to be addressed. Similarly, older workers, who make up much of the sector and have not benefited from recent reforms to the compulsory education system, are likely to have different skills needs and qualifications than their younger colleagues, and this also has implications for future ‘succession planning’ and renewing the workforce (particularly the professional workforce) within the sector.

Drivers of the demand for skills

Welsh Assembly Government and UK Government policy plays a considerable role in influencing the future development and the demand for skills within the lifelong learning workforce. Strengthening economic prosperity, productivity and social justice are key themes within government policy across the UK, to which the development of skills within the population as a whole is expected to contribute. In response, Public Sector Agreements (PSA) and target indicators have been established in Wales, which set out clear targets for improving the educational training and attainment of young people and improving adult skills levels. In essence, these targets could be considered as the delivery targets for the sector, which in turn contribute to influencing the demands placed on the lifelong learning sector and its workforce.

However, the lifelong learning sector is situated within the public sector generally and therefore the way in which the sector responds and develops is also significantly influenced by other **policy development**. In Wales there are a range of policies that will guide and drive the sector. These have been grouped under four themes;

1. Developing the workforce for Wales, including;

Improve workforce development; supply new entrants to the labour market with the skills needed for employment: work with employers and employees to improve skills; and help more people into sustained employment. Skills and innovation are seen as crucial to reinforcing Wales’ economy. Workforce learning is to be developed and standards driven up and there is to be a focus on correcting adult basic skills deficiencies. Skills policy development is also placed in the context of increasing employment and supporting business growth.

2. Increasing participation and achievement of young people, including;

Stressing the importance of young people being involved in the design of services, which will ensure effective participation in the economy of Wales and effective learning. Recent policy in Wales is centred around a number of entitlements for young people. Development of new work based learning pathways for 14-19 year olds is highlighted, aiming to increase numbers of young people with NVQ 2 and 3 qualifications and reduce the number of 16-18 year olds not in employment education or training. There is also the Welsh Baccalaureate Qualification.

3. System reform and quality improvement for the lifelong learning workforce, including;

Rising to the challenge of competition from HE institutions, clustering institutions, improving management and innovative teaching. Capacity building of staff is seen as key, especially

non teachers who contribute to learning in the sector. Quality improvement targets have been set for FE, WBL and apprenticeship programmes and there is a significant action plan to develop museums, archives and libraries in Wales.

4. Bilingual Wales;

Most, if not all, of the policy drivers for Skills stress the importance of setting all strategic and delivery plans in the context of Wales as a bilingual country. This has significant implications for the development of an effective lifelong learning sector.

Closely related to policy development, **expenditure on lifelong learning** is also acknowledged as a significant driver of change within the sector. An analysis of public expenditure and investment in education services for Wales indicates that the sector should receive a healthy and stable flow of funding in the near future, which, all other things being equal, is likely to sustain and possibly increase employment levels across the sector. However, all constituencies within the sector will not experience this equally. Moreover, the composition of this funding is likely to change and move towards attracting increased investment by employers and learners. In order to respond to this, the lifelong learning sector will require staff with the skills to secure and sustain funding from an increasingly diverse range of sources and to offer provision that responds in both content and style of delivery to the needs of increasingly demanding paying customers, be they participants or their employers.

Demographic change is an issue with implications for the potential numbers of participants in lifelong learning services and their specific demands and needs. The population of Wales is projected to increase by 12% by the year 2054. Within this growth Wales, like nearly all European nations, is witnessing an ageing of its population. This suggests that there may be a drop in younger learners whilst the demand from older learners continues to increase. This is already apparent within the **trends in participation in lifelong learning**. The growth in HE participation in recent years has been driven by mature students, and increases in participation at postgraduate level, although undergraduate students continue to make up the majority of the population. It is clear that older users of lifelong learning services may have different needs, preferences and behaviours compared to the more traditional younger users of services, with whom lifelong learning staff may be more familiar. This change is likely to require an updating of lifelong learning staff skills and approaches to service delivery.

The increasingly **global economy** will place an increased premium on skills within the workforce as a whole. It is expected that new industries, occupations and working practices will require new skills and knowledge, whilst demand for replacement skills will be stronger in some labour markets than others. A clear conclusion here, again, will be an increase in adult participation in skills development. The full implications of this for the lifelong learning sector will become clearer once all other sectors have completed their SSAs and the identified future skills needs have been reviewed by LLUK in their additional phase of work (the Impact Review phase).

Migration is another important facet of globalisation, in the short term potentially resulting in increased demand for ESOL provision for those entering Wales, with increasing diversification of their skills needs over the longer term. The lifelong learning sector will need to be able to respond to these changing demands, as well as to be skilled in working with an increasingly diverse population. In addition, the migration of skilled workers places pressure on the development of international standards for skills and qualifications. The proposed European Qualifications Framework is likely to have implications for some parts of the lifelong learning sector, including potentially increasing the flow of European students into

the lifelong learning sector, as well as enabling greater competition for students between Welsh providers and those overseas.

Finally, **technological change** has significant implications for the development of skills across the workforce as a whole, thus influencing demand for lifelong learning provision, as well as shaping the delivery of that provision and hence skills needs within the sector itself. The lifelong learning workforce will require a changing repertoire of skills, in order to cope with the introduction of new ICT hardware and new services and provision (or methods of delivering services or provision) based on technology, and these skills will require continual updating to keep pace with rapid technological innovation.

The competitive position of the sector

There are significant difficulties in measuring the impact of a complex and varied body such as the lifelong learning workforce, in terms of its competitive position, performance, success and productivity. Unlike sectors that produce tangible products (and consequently have an impact on GVA), the lifelong learning sector lacks a single, standardised scale, which can be used to measure its success and productivity.

A few formal measures and performance indicators exist, but these are specific to individual constituencies (e.g. HE annual performance measures, FE system performance targets, participant satisfaction, and success rates etc.) Informally, on the other hand, 'softer' measures have been identified through this research, which emphasise the competence and knowledge of employees as a proxy for success. Being qualitative measures, these are somewhat problematic in that they are hard to quantify and, therefore, unable easily to generate statistical trends.

The commissioners of lifelong learning in Wales are increasingly demanding both qualitative and quantitative data to measure the performance of the sector. This data will allow for the measure of trends in the future. Further, ongoing reviews (including for example the review of the mission and purpose of the FE System in Wales, currently being led by Sir Adrian Webb) will further increase the literature on the competitiveness of the sector.

International comparison, from a UK point of view, of the lifelong learning sector is similarly complex, with each country collecting data in different ways. However, some indicators have been identified as producing robust comparisons between the OECD countries – expenditure, workforce profile, salary scales and learner outcomes – and these can be used to measure the UK lifelong learning sector against its worldwide counterparts. The key findings based on these indicators are as follows:

- Workforce profile:
 - within tertiary education, the UK has seen an increase of almost 7 percentage points in the female proportion of the academic workforce between 1998 and 2004
 - whilst the issue of an aging population remains, the UK has a lower proportion of staff aged 50 and over in tertiary education, compared to others such as Italy and Norway.
- Salary – the UK comes second only to the USA in terms of salary (after weighting the cost of living). However, in terms of income distribution, the UK is closer to its European counterparts, France and Sweden, rather than the USA, where income distribution is more dispersed.
- Expenditure:

- expenditure on tertiary education in the UK is at a relatively low level of 1.1% of GDP (the same level as in France and Japan), ranked 15th amongst OECD countries. The USA is ranked 1st with expenditure of 2.7% of GDP.
 - the UK, like all other OECD countries, spends more on primary, secondary and post-secondary non-tertiary education (3.9% of GDP), and is ranked 13th out of the OECD countries.
- Learner outcomes – the proportion of 25–64 year olds that had attained upper-secondary or post-secondary non-tertiary education in the UK has remained fairly stable since 1998, with 57% having attained a qualification at these levels, compared to the OECD average of just 44% in the year 2002.
 - Rates of return – the UK has a fairly high rate of return – a measure of the benefits of education over time – relative to the costs of the investment in education, and analogous to the percentage returns from investing in a savings account. Of the nine countries where data existed, only Finland and Hungary had better rates of return.

The current skills profile, skills needs and priorities in the lifelong learning sector

Skills can be a problematic term to define and measure, particularly in a sector so diverse as the lifelong learning sector. Nonetheless there are several means by which the current profile and needs of the sector can be assessed. These means often, but not always, include the use of qualifications as a proxy for skills.

The lifelong learning workforce is a highly professional workforce, made up of a high proportion of staff within SOC classifications 1-3, incorporating: managers and senior officials; professional occupations; and associate professional and technical occupations. It is, therefore, not surprising that **a high proportion of the lifelong learning workforce in Wales (76%) held qualifications equivalent to NVQ level 4 or above** (ONS, 2005).

The proportion of the lifelong learning workforce holding their highest qualification at NVQ level 4 or above is higher than the proportion similarly qualified in other public sectors, such as other parts of education (57%) and health and social work (44%), and considerably higher than that found within the economy as a whole (24%).

Moreover, over time the proportion of the workforce with higher level qualifications has increased alongside a reduction in the proportion with no or low level qualifications. The qualifications of those in 'professional occupations' have risen especially quickly.

Skills shortages, indicated by applicants for vacancies lacking the required skills were reported by 24% of employers in the sector in Wales. Overall the sector reports fewer skills shortages than the economy as a whole. However in Wales the proportion of hard to fill vacancies described as related to skills shortages is very high (73%) in the lifelong learning sector as compared to other sectors (41%).

The type of skills shortages most commonly reported in the LLUK collection of primary data were **professional/technical/practical skills**.

Skills gaps are areas indicated by employers in which their current employees lack the skills required to carry out their role. In the lifelong learning sector, this is an issue to face but again it is a lesser issue than in other sectors of the economy (in terms of skills gaps arising from *within* the sector). However, the sector has a wider role of assessing the demand for subject-related skills gaps across the other sectors and this will clearly have an impact on

the skills needs of the lifelong learning workforce (i.e. skills requirements arising from *outside* of the sector).

Skills gaps in **Wales** covered a wide range of areas including **professional/technical/practical skills and management skills**, but also **transferable skills** (such as IT user skills) and **wider employability skills** such as team working, problem solving, and customer handling.

With regard to level of skill in **Wales**, the highest reported gaps were at **level 3 for support/associate professionals** and at **level 4 for managers of services**.

For any assessment of skills needs within the lifelong learning sector to be useful and useable for planning, it needs to go beyond the high level analyses above and look in more detail at individual constituencies, to show up the range of variation. The data analysed for this chapter shows a range of variations between the five constituencies in terms of their current profile and their current skills shortage and gaps. For example, within the UK in 2005, 71% of those employed within the HE constituency held their highest qualification at NVQ level 4 or above, compared with only 37% in LAIS.

However, the research undertaken for this stage of the SSA has not enabled the identification of the current skills shortages or gaps within specific subject areas. It is expected that analysis at this level of detail will result, to an extent, from the additional stage of work being undertaken by LLUK to assess the implications of the skills needs and priorities identified within other occupational sectors by other SSCs in the production of their SSAs (i.e. the Impact Review stage).

In addition to the current priorities resulting directly from these skills shortages and skills gaps, stakeholders identified **leadership and management**, and **transferable and wider employability skills**, as particular priorities across all lifelong learning constituencies within Wales. Further, a need was identified for building capacity for the **delivery of bilingual and Welsh Medium lifelong learning services**.

Future skills needs in the lifelong learning sector

The lifelong learning workforce will increasingly be dominated by professional occupations and, to a considerably lesser extent, by support/associate professionals in the coming years, and it is anticipated that a growing proportion of this workforce will be employed part-time. The very high level of replacement demand for professionals reflects the age profile of the workforce, as noted in chapter 3.

So it is perhaps not surprising to learn that employers in Wales anticipated that demand for higher level skills at NVQ level 4 and above, and also at NVQ level 3, would increase, and that increasing the skills levels of the existing workforce was more important to them than increasing the size of the workforce within particular occupations. Higher-level professional skills are, therefore, a key priority for lifelong learning sector employers, but transferable and wider employability skills are also recognised to be important for a wide range of lifelong learning occupations in the future.

Within this research it has not been possible to consider in any depth the specific subject specialisms (and related skills needs), which will be required of the lifelong learning workforce at these different qualification levels. The 'Impact Review' of the SSAs developed by other SSCs, to be undertaken by LLUK, will provide details of the demand for subject-related skills across the workforce as a whole, and allow the potential impact on the lifelong learning workforce's skills needs to be more clearly ascertained.

Lifelong learning employers across Wales identified the following overall priority future skills needs:

- **increasing demand for professionals and support/associate professionals**, especially in FE, HE and WBL (according to Working Futures (Wilson et al, 2006), secondary research). Skill level requirements for these occupations will be increasingly at NVQ 4 and above
- **increasing demand for support / associate professionals**, especially in FE and CLD (much less so in HE) identified by the primary research for this report
- **a high and increasing demand for particular professional / technical / practical skills for professionals**, such as teaching and supporting learning in FE and HE, records management and librarianship in LAIS, and occupational competence for WBL trainers and assessors
- a slightly lower but nevertheless significant **increasing demand for transferable and wider employability skills**, such as ICT and customer service skills, and, especially, leadership and management skills, across most constituencies
- **increasing integration between lifelong learning constituencies**, resulting in growing demand for overlapping job roles and multi-skilled staff, and partnership skills.

The primary research also identified some constituency specific future skills needs for Wales, including;

- CLD – strong leadership skills and a strengthened regulation of the workforce
- FE – demand for skills will be largely led by other sectors' needs, but will certainly include improvements in ICT, customer care and adult basic skills delivery
- HE – increasing skills in achieving widening participation, and raising funds and business development, project management
- LAIS – greater demand for professionals and senior managers, growing demand for skills in customer service and knowledge management
- WBL – increasing demand for middle managers and for development in higher level skills in all occupations.

Future priorities

The final chapter within the report draws together all the findings from all of the previous chapters to suggest the future priorities for:

- the lifelong learning sector in Wales
- specific constituencies within the lifelong learning sector
- Lifelong Learning UK as an organisation.

In relation to the **lifelong learning sector in Wales**, priority issues for the future relate to:

- the policy context
 - improving education and training participation and attainment among young people aged 14–19
 - improving literacy and numeracy and increasing qualifications levels in the working-age population
 - increasing social inclusion and improving individuals' employability
 - lifelong learning system reform and quality improvement
- the changing social, economic and technological context
- the changing global and international context
- major trends across the lifelong learning workforce
 - an ageing workforce

- a predominantly female workforce, except in the more senior and professional roles
- a highly qualified workforce in predominantly professional roles
- an increasing need for high level skills, rather than an increase in numbers within particular occupational groups
- a high 'replacement demand' within the workforce, with implications for future workforce succession planning.

Key priorities for the future identified in relation to **individual constituencies** within the lifelong learning sector in **Wales** include:

In CLD:

- Stronger leadership, management and entrepreneurial skills will be needed across the constituency.
- It may be necessary to strengthen regulation of the workforce, to ensure CLD employers train their staff, particularly those in small organisations, as the sector takes on more public-sector commissions. However, there is a risk that this will impact on staff retention, particularly in the youth service.
- The growing involvement of volunteers in the CLD workforce will create demand for recognition of the experience and qualifications they bring from other roles to their CLD work.

In FE:

- Workshop participants were of the view that, perhaps more than in any other constituency in Wales (with the exception of WBL), priorities for the FE workforce will be determined by skills needs identified within other employment sectors.
- In addition, there will be a growing need for the FE workforce to develop skills in: customer care; e-learning and ICT; adult basic skills delivery (both specialist and embedded provision); and high-level subject-specialist skills.

In HE:

- 'Over the border' collaboration with English HE institutions will become increasingly difficult, as a result of divergent HE policies in Wales.
- Within Welsh HE institutions, there will be an increasing need for skills in: widening participation; collaboration with FE colleges; consultancy and research; fund-raising and business development; and client and project management.
- There will be greater demand for professionals, support/associate professionals and technical staff, and manual staff, and a decline in demand for senior and middle managers and administrative staff. All will require skills at NVQ level 4 in the future, apart from manual staff, who will require skills at NVQ level 3.

In LAIS:

- There will be greater demand for professionals, support/associate professionals and for senior managers, but falling demand for middle managers, administrative staff and manual staff.
- Amongst professionals, there will be a growing demand for skills in customer service, knowledge management and ICT systems, in addition to traditional professional skills.

In WBL:

- There will be increasing demand for middle managers and professionals.

- The demand for administrative and manual staff will decline, and they will require higher-level skills in order to support professional roles effectively.

Employers in Wales, who responded to the employer surveys, agreed with many participants in the future scenarios workshops that the strongest demand in the future would be for support/associate professionals, and the least for manual staff. As in England, there appeared to be an inconsistency between the views of respondent HE employers, who expected future demand among managers of services, and the views of participants in future scenarios workshops, who thought that demand for these occupations was likely to decline.

Overall, employers in Wales were far more likely to anticipate growing demand for skills, rather than for particular occupations over the next 5–10 years, although with some constituency variations. Transferable skills, followed by wider employability skills, were anticipated to be most in demand. However, as in other UK home countries, WBL employers in Wales placed greater emphasis on professional/ technical and practical skills and LAIS employers were most likely to anticipate future demand in transferable skills. Relatively more CLD, FE and WBL employers anticipated growing demand for bilingual skills and Welsh speakers, particularly compared with those in the LAIS constituency.

In conclusion, it can be said that skills priorities for Wales and across the UK are showing a strong sense of modernisation. Traditional patterns (of student/teacher; librarian/user relationships) are gradually merging into a 'contemporary paradigm', where lifelong learning institutions are expected to function as businesses and the workforce will need to be armed with **agility, competence and business acumen**, in order to be able to liaise with service users as customers in the modern world.

Finally, the production of this report of the first stage of the Sector Skills Agreement for the lifelong learning workforce has identified some **future priorities to be addressed by Lifelong Learning UK** as an organisation.

A programme of LLUK research projects has already been proposed, commencing in 2007, to collect new primary data, which will go some way towards addressing the remaining gaps in the evidence. These research projects will focus on the:

- Archives and records management workforce across the UK
- CLD workforce across the UK (including strand-level data for community learning and development, development education; family learning, parenting; adult and community learning and youth work)
- WBL workforce across the UK
- Gathering and review of additional performance data for the lifelong learning sector in Wales.

It is acknowledged that this report has not been able to address some issues relating to the individual constituencies and, more particularly, to individual strands or component parts of lifelong learning constituencies at a fine level of detail. This was recognised particularly by stakeholder reviewers of the report within the CLD and LAIS constituencies. Other issues, which were identified but, similarly, could not be addressed in detail within the scope or remit of this research, include:

- measures and indicators of success and productivity within the sector
- lifelong learning service user satisfaction
- the effects of the introduction of HE fees
- the effects of the introduction of e-learning
- issues relating to private and voluntary-sector provision of lifelong learning services

- issues relating to the volunteer workforce and SMEs within lifelong learning service delivery.

There are, therefore, further decisions to be taken within LLUK about the extent to which additional and more detailed research work focused on individual constituencies, parts of constituencies and specific issues can and will be prioritised for action in the future.

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Skills for Business is an employer-led network consisting of 25 Sector Skills Councils and the Sector Skills Development Agency. Through its unrivalled labour market intelligence and insights from employers in all sectors of the UK economy, the network identifies change needed in policy and practice relating to education and skills development. With the influence granted by licences from the governments of England, Scotland, Wales and Northern Ireland, and with private and public funding, this independent network engages with the education and training supply-side, such as universities, colleges, funders and qualifications bodies, to increase productivity at all levels in the workforce.

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