



OECD Skills Studies

Raising the Basic Skills of Workers in England, United Kingdom

REPORT SUMMARY



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Foreword

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

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

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

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

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

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

Executive summary

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

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

Key findings and recommendations

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

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

Raising awareness about basic skills

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

This report recommends that England:

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

Making basic skills development more accessible

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

This report recommends that England:

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

Making basic skills development more relevant

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

This report recommends that England:

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

1 Key insights and recommendations

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

The importance of basic skills for England

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

Adult basic skills are a determinant of economic and social outcomes

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

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

Upskilling needs are significant in England and the United Kingdom overall

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

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

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

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

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

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

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

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

Uncertainty about the future

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

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

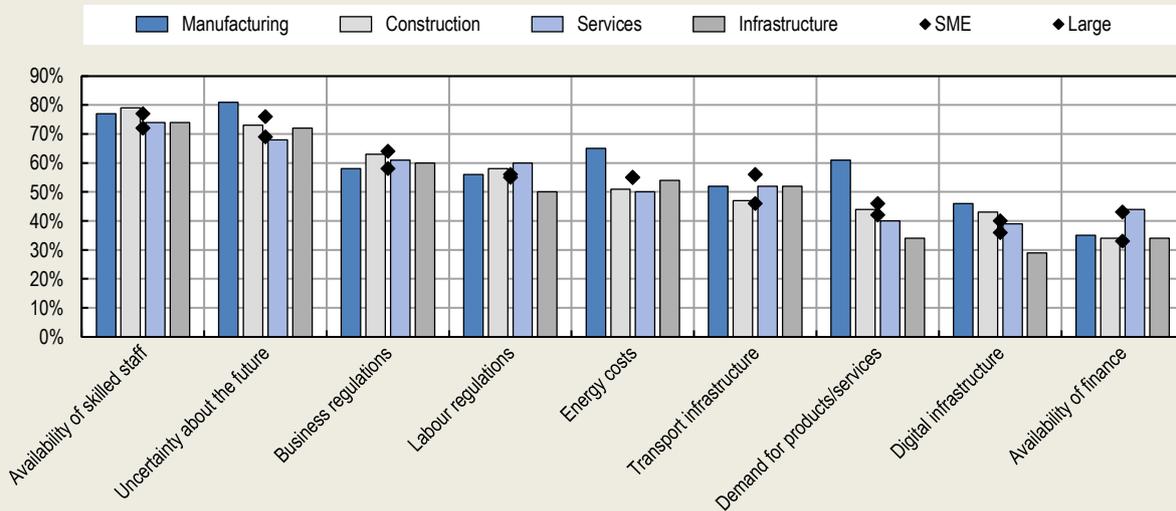
Labour market and skills projections are difficult at the present time due to the uncertainties surrounding Brexit (Wilson et al., 2020^[25]). Despite these uncertainties, the projections of Working Futures 2017-27 (Wilson et al., 2020^[25]) suggest that employment is expected to fall or slow in growth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

The recent COVID-19 crisis has added even more uncertainty, but early evidence reveals some interesting patterns in terms of job losses and hiring reductions. OECD analysis of data from online job advertisements shows that between March and April 2020, job postings across occupations in countries with available data¹ declined on average (with the exception of health-related jobs like home health aides), and the decline was the sharpest in the United Kingdom (OECD, 2020^[26]). In contrast, certain sectors, such as essential retail, faced labour supply shortages as a consequence of lockdown measures. In the United Kingdom, for example, the Institute of Grocery Distribution reported staff absenteeism rates of 20% or more during the early phase of the lockdown (OECD, 2020^[27]).

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

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

Long term barriers by sector and size



Note: Percentages presented in the figure are based on the answers from all surveyed firms to the question: Thinking about your investment activities in the United Kingdom, to what extent is each of the following an obstacle?

1. Australia, Canada, New Zealand, the United Kingdom and the United States.

Source: EIB (2018^[28]), *EIB Group Survey on Investment and Finance, 2018 Country Overview*,

https://www.eib.org/attachments/efs/eibis_2018_european_union_en.pdf.

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

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

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

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

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

OECD Learning for Jobs Review of England and Wales

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

A Skills beyond School Review of England

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

OECD Review of Employment and Skills Strategies in England

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

OECD Building Skills for All Review of England

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

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

OECD Getting Skills Right: United Kingdom

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

OECD Review of Apprenticeship in England

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

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

Identifying low-skilled workers

Definitions of key concepts

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

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

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

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

Box 1.3. Basic skills and related terms

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

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

Functional Skills and essential digital skills in the United Kingdom

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

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

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

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

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

Challenges in analysing basic skills and basic skills training provision

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

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

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

Low-skilled workers and their learning patterns in England

England has a large number of low-skilled workers

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

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

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

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

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

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

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

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

about 70% of cases (see Figure 4.1 in the full report and Henseke et al. (2018^[47])). The prevalence of low-skilled jobs is a structural factor that also dampens, to some extent, the demand for basic skills development in England.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Note: In the Leitch Review, Level 2 equates to five GCSEs A*-C or equivalent; Level 3 to two A levels; and Level 4 to a degree (or its vocational equivalent).

Source: Leitch, S. (2006^[53]), *Leitch Review of Skills Final Report: Prosperity for All in the Global Economy - World Class Skills*, <https://www.economy-ni.gov.uk/sites/default/files/publications/del/Leitch%20Report-Review%20of%20Skills.pdf>, Department for Education, Education and training (2019^[54]), Statistics for the UK: 2018, <https://www.gov.uk/government/statistics/education-and-training-statistics-for-the-uk-2018>; NQF Level 4 from Department for Education (2018^[55]), *Department for Education, Education and Training Statistics for the United Kingdom 2018* https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/757675/UKETS_2018_Text.pdf.

A more recent review – the Taylor Review of Modern Working Practices (Taylor et al., 2017^[49]) – has important implications for developing adult basic skills in the workplace. It pointed out the declining level of training and investment for those employed⁵ and outside work. It highlights the changes of work towards more precarious jobs (e.g. platform-based work, dependent contractors) and the importance of providing additional protections for this group and stronger incentives for firms to treat them fairly. Developing workplace health and raising the financial baseline of low-paid workers are also emphasised.

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

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

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

Basic skills requirements for students have been strengthened

In 2015, England extended compulsory education, making participation in full- or part-time education and training compulsory for all young people aged 16 to 18 years old (Eurydice, 2020^[57]). All students aged 16-19 on study programmes of 150 hours or more, who do not currently hold a General Certificate of Secondary Education (GCSE) grade 9-4 in maths and/ or English, are required to continue to study these subjects. Students with a prior attainment of grade 2 or below can study a Level 2 Functional Skills or a GCSE. Those with a grade 3 must study GCSE only. Finally, 16-19 year-old students undertaking the new T Levels⁶ must also achieve a Level 2 qualification in English and maths by the time they complete the course (Department for Education, 2020^[58]). GCSEs for English and maths were reformed, and first

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

Functional Skills Qualifications (FSQs) reform

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

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

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

Stronger basic skills requirements were introduced for adult apprenticeships

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

Funding for basic skills development has been consolidated

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

and discretionary learner support. The AEB provides funds to further education colleges, higher education institutions, training organisations, and employers that have a funding agreement with the Education and Skills Funding Agency (ESFA). From 2019-20, approximately half of the AEB has been devolved to seven Mayoral Combined Authorities (MCAs) and delegated to the Mayor of London, working where appropriate through the Greater London Authority (GLA). The value of the AEB has been held constant in cash terms at GBP 1.34 billion between 2016-17 and 2020-21. The ESFA will continue to be responsible for funding learners outside the devolved areas.⁸ The use of the Budget in devolved areas will depend on the priorities and plans of each Mayor's Combined Authority. Devolved authorities publish their own funding rules that will apply to providers⁹ in receipt of devolved AEB funding for AEB delivery to residents in their areas.¹⁰ However, the Department for Education will retain the power to specify which qualifications are part of the statutory entitlements. Outside of the statutory entitlements, the devolved authorities will be responsible for ensuring access to appropriate adult education provision to meet the needs of their area (Foster, 2019^[62]).

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

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

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

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

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

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

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

Summary of the policy challenges and options

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

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

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

Box 1.5. Methodology of this study

This study employed a four-stage methodology involving various sources (see Annex in the full report for further details):

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

Raising awareness about workers' basic skills in England

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

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

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

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

The OECD recommends that:

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

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

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

The OECD recommends that:

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

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

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

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

The OECD recommends that:

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

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

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

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

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

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

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

The OECD recommends that:

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

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

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

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

The OECD recommends that:

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

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

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

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

The OECD recommends that:

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

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

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

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

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

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

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

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

The OECD recommends that:

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

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

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

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

The OECD recommends that:

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

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

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

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

The OECD recommends that:

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

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

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Notes

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

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

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

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

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

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

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

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

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

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

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

OECD Skills Studies

Raising the Basic Skills of Workers in England, United Kingdom

This report provides examples and recommendations to help overcome obstacles to engage low-skilled workers and their employers in skills development. England has implemented impressive measures aimed at helping workers and employers to upskill. Nonetheless, there remains room for improvement. More can be done to identify workers with low basic skills, raise awareness of why improving those skills is important, increase the accessibility to relevant courses, ensure these courses are flexible enough to accommodate adult learners who are already employed, and finally make the provision relevant to career aspirations.

This report urges England to establish and promote a vision for raising the skills of low-skilled workers, identify their needs more systematically, and provide targeted guidance and information to them and their employers. It highlights that accessible and flexible adult learning opportunities in the workplace, home, community and by other means such as online and distance learning can better meet the varied needs of low-skilled workers. It also makes the case for the use of contextualised learning approaches, which create connections between basic skills and vocational context, and a more effective use of basic skills in workplaces to maintain, develop and realise the benefits of prior skills investments.

