

# **VocTech Challenge: Skills for an Economy in Transition**

White Paper [DRAFT]

June 2023

Ufi VocTech Trust  
Learning and Work Institute

Foreword.....	3
Rebecca Garrod-Waters, Chief Executive, Ufi VocTech Trust.....	3
Stephen Evans, Chief Executive, Learning and Work Institute .....	4
Executive Summary .....	5
Introduction .....	8
Background to the White Paper .....	8
Green Paper Summary .....	9
Summary of Research Findings and Problem Statements.....	9
Research Findings .....	10
Problem Statements .....	10
The VocTech Challenge – Getting Adults Learning.....	11
Next Steps .....	11
What we are committing to do: .....	12
Appendix.....	15
Responses to the Green Paper.....	15

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## Foreword

Rebecca Garrod-Waters, Chief Executive, Ufi VocTech Trust

I am delighted to be releasing the VocTech Challenge: Skills for an Economy in Transition White Paper. In it, Ufi and Learning and Work Institute (L&W) are committing to work more closely than ever before to address one of the biggest challenges the UK faces - the transitioning economy and, most importantly, the skills and approaches we need to meet this challenge.

Ensuring that we develop solutions to address the issues of participation, access and opportunity is essential if we are to develop skills of the quality and quantum we need.

The UK is not currently developing the skilled workforce it needs for our changing economy.<sup>1</sup> Increasing the rate of adult learning across the UK is essential if we are to develop the skills the UK needs to thrive and ensure everybody can benefit from our transitioning economy. Together, Ufi and L&W are committed to addressing this challenge by getting more adults learning, particularly those furthest from existing provision, so they have the skills they need for an economy in transition.

The conversations around the Green Paper were passionate, urgent and insightful and we have built this White Paper in direct response to the evidence we received.

Our White Paper sets out an ambitious programme that has the possibility of creating a real step-change in adult participation in learning. Our aim is to catalyse systemic change through deep place-based collaborations in each of the four nations.

This practical experience will give us a more powerful route to advocating for systems change and supporting digital solutions that could scale across the UK.

We will build a movement for bold and impactful change so that the UK has the skills system it needs for an economy in transition. We will champion and advocate for a skills system that is flexible, agile and responsive, underpinned by the very best tech, digital tools and pedagogies.

We hope you will join us in creating a movement for change that will address some of the biggest barriers facing the UK economy, get more people learning across the UK, and ensure that everybody can benefit from our transitioning economy.

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<sup>1</sup> Learning and Work Institute (2019), [Time for Action: Skills for economic growth and social justice](#)

## Stephen Evans, Chief Executive, Learning and Work Institute

Learning and Work Institute is delighted to be working with Ufi on an ambitious programme of work aimed at increasing the number of adults taking part in learning and narrowing gaps in learning participation so everyone can benefit from learning and develop the skills they need.

Our joint Green Paper in April identified three key challenges around how we can encourage and inspire people to learn, improve access to learning, and enable new forms of delivery that fit round people's work and home life, in the context of a complex system. These are large, longstanding and complex challenges, and making a step change will require a focused and joined up approach. But the potential rewards are huge in terms of economic growth, social justice and enabling individual opportunity.

Since the Green Paper was published, we've been considering our next steps by listening to feedback and engaging in conversations about how we can make the maximum impact together. The result of these conversations is an inspiring programme of co-creation, funding, evaluation and advocacy. At the heart of the programme are place based collaborations and a focus on big ideas, partnership and cooperation.

I'm looking forward to working with Ufi and other partners to test and learn in a local context and grow the big ideas about what works to drive up adult participation in learning, building on the excellent work already underway across the country.

*[Image]*

## Executive Summary

The UK faces a critical shortage of skills. Not enough people have the skills they need to succeed and prosper in our changing economy.<sup>2</sup> A significant number of adults in the UK hold no formal qualifications.<sup>3</sup> Equally, an estimated 9 million working-age adults in England have low basic skills in literacy or numeracy, of which 5 million have low skills in both.<sup>4</sup> We also know there are persistent inequalities in participation in learning, with those closer to the labour market, with more positive experiences of formal education, younger people, and from higher socio-economic groups more likely to take part in learning as adults.<sup>5</sup>

Far too many UK businesses are struggling to get the skilled people they need. There are over 1 million job vacancies<sup>6</sup> and 80% of small businesses say they have struggled to recruit skilled staff in the last 12 months.<sup>7</sup> There has been growth in the number of older and disabled people outside the workforce, changes in immigration have affected our ability to fill skills gaps, and the workforce continues to age.<sup>8</sup> At the same time the economy is changing, fuelled by digitisation, automation, changing trading relationships, and decarbonisation in industries both new and old.<sup>9</sup>

**At a time of skills shortage and rapid economic transition, it is essential that everyone in the UK has the opportunity to develop the skills they need. By getting adults learning, including those currently not well served by mainstream provision, we will create the foundation for secure and equitable economic growth that gives everyone in the UK the capacity to thrive.**

It was against this backdrop that Ufi VocTech Trust (Ufi) and Learning and Work Institute (L&W) came together in January 2023 in a new strategic partnership to explore how technology can help every adult in the UK get the skills they need to participate in, and benefit from our transitioning economy.

We took a design thinking approach and started our work together by reaching out to our partners, communities, and groups of adult learners in a process of discovery. The insights from our work, set out in the [VocTech Challenge: Skills for an Economy in Transition Green Paper](#), are concentrated into three problem statements.

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<sup>2</sup> Learning and Work Institute (2019), [Time for Action: Skills for economic growth and social justice](#)

<sup>3</sup> Data from the latest Labour Force Survey indicates that 6.4% of 16-64s in England, 8.3% in Wales, 7.8% in Scotland, and 11.8% in Northern Ireland have no formal qualifications.

<sup>4</sup> Learning and Work Institute (2021) [Getting the basics right](#)

<sup>5</sup> Learning and Work Institute (2022) [Adult Participation in Learning Survey](#)

<sup>6</sup> ONS (2023), [Labour market overview, UK: May 2023](#)

<sup>7</sup> FSB (2022), [Scaling up Skills](#)

<sup>8</sup> Learning and Work Institute (2023), [Missing Workers](#)

<sup>9</sup> NFER (2022), [The Skills Imperative 2035: Occupational Outlook – Long-run employment prospects for the UK](#)

<p><b>The skills for an economy in transition</b></p> <p>The skills and learning opportunities that are needed to support an economy in transition are neither clear nor equitably accessible. We need to inspire adults and employers into learning and clearly communicate the benefits to policy makers. We need to ensure providers have the evidence of what works.</p>	<p><b>Skills system for an economy in transition</b></p> <p>The current skills system is fragmented and is failing to keep pace with a shifting landscape. We need a more collaborative and integrated skills system to benefit from devolution, place based learning, growing online and blended learning offers, and the changing mix of national policy and local leadership. We need to better align the system to developments in regeneration, infrastructure, health and social care.</p>	<p><b>Digital technology for an economy in transition</b></p> <p>Faced with a changing world, we are not acting fast enough to adopt and embed the technology necessary to creating accessible lifelong learning. We need to develop and deploy better technology to provide learning offers that fit around work and home life, building resilient learners while embedding a culture of lifelong learning.</p>
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The Green Paper identified a range of complex, interconnected and systemic barriers to learning, including skills investment, changing skills needs, learner barriers, digital divides, and perceptions of the value of learning, within a fragmented skills system. In many cases these barriers are impossible to address in isolation, although we know lots of great work already takes place across the UK. Barriers to adult learning are hard to address because of their systemic and complex nature. The fundamental result of these barriers is limited and unequal participation in adult learning.<sup>10</sup>

Not enough adults take part in learning, particularly those from the backgrounds, parts of the country, and parts of the economy that are most in need of skills development. Political and economic effort is focused on people who are already in the formal adult learning and skills system and does not place enough emphasis on involving people who are furthest from learning in every part of the formal and informal network of skills development.

**If the UK is to capitalise on the opportunities of our transitioning economy, we need to get more adults learning.**

For Ufi and L&W, the Green Paper prompted some big and serious questions: Do we have the tools to deliver the change we want to see? Can we work in different ways to more effectively achieve the change the UK needs? How do we better demonstrate the value of learning and the role of digital technology?

In the Green Paper we considered how any solutions that we pursue must reflect the 'new normal' of constant change in the skills landscape. Solutions must be responsive to local and employer need, simple for people to understand and access, they must speak a common language that includes everyone, and they must include where appropriate digital solutions tailored to people.

As a result, we are using our 'VocTech Challenge' approach to build a programme rooted in place-based co-creation. By integrating our six workstreams, underpinned by digital tools and pedagogies, we can have a direct and significant impact on local skills participation whilst also enabling the development and demonstration of solutions that will make a difference to adult participation in learning across the UK.

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<sup>10</sup> Learning and Work (2022), [Adult Participation in Learning Survey](#)

**This White Paper sets out a bold and ambitious programme of work to achieve our goal of creating a step-change in adult participation in learning.**

We are committing to:

**1. Launch the VocTech Future of Skills Award**

The award will seek to support big, tech-enabled, practical ideas from thought leaders, futurists and new thinkers that will help us get more adults learning.

**2. Co-create a new programme of place-based collaboration**

We will work with L&W to identify four locations across the UK where we can take a whole system approach to tackling adult participation in learning, building on the existing evidence base for adult participation and working closely with local partners to identify systemic barriers and support the development of targeted potential solutions.

**3. Open a grant call**

In June 2024, we will launch an open grant call to seek VocTech solutions that can address the biggest barriers to adult learning that we identify in each of the four areas.

**4. Support scalable solutions with venture investment**

Ufi Ventures will support organisations which show exceptional commercial potential, including with venture capital if appropriate, helping them grow and scale solutions across the UK and beyond.

**5. Evaluate our place-based collaboration**

Working with L&W we will design and implement evaluations that explore and demonstrate the impact of our interventions on adult participation in learning.

**6. Lead an advocacy campaign**

We will use the evidence we collect through our basket of measures, the grant funded projects, local collaboration, and venture investment to make the case for the critical importance of increasing adult participation in learning.

To stay in touch with the VocTech Challenge and keep up to date with all future grants, events and activities – make sure you are signed up to the [Ufi Newsletter](#).

# Introduction

## Background to the White Paper

In January 2023, Ufi VocTech Trust and Learning and Work Institute (L&W) announced a new strategic partnership aimed at accelerating the adoption and deployment of technology to help every adult in the UK get the skills they need to participate and benefit from our transitioning economy.

On 24 April 2023, we released our [VocTech Challenge: Skills for an Economy in Transition Green Paper](#). This paper was the first output of our partnership with L&W and for the following six weeks we consulted with stakeholders, our partners, and the organisations we support to consider what steps we can collectively take to significantly increase adult participation in learning.

This White Paper aims to respond to the Green Paper’s research findings and problem statements and sets out our commitments to a programme of work to transform adult participation in learning.

Ufi VocTech Trust is an independent charity whose mission is to support the development of digital technologies that help us all to obtain the vocational skills we need to get more out of our working lives.

For more than a century Learning and Work Institute (L&W) has been working for a prosperous and fair society in which learning and work provide opportunities for everyone to realise their potential and ambitions throughout life.

*[Image]*



## Green Paper Summary

From January to April 2023 our Green Paper process allowed us to explore some of the biggest challenges in adult learning and skills, working closely with L&W. Here we summarise the results of that research, consider some of the immediate implications and provide a background context to our programme of grant making, partnership and advocacy that we set out in the White Paper.

The UK is not currently developing the skilled workforce it needs for our changing economy.<sup>11</sup> There has been growth in the number of older and disabled people outside the workforce, changes in immigration have affected our ability to fill skills gaps, and the workforce continues to age.<sup>12</sup> At the same time the economy is changing, fuelled by digitisation, automation, changing trading relationships, and decarbonisation in industries both new and old.<sup>13</sup> It is through this lens of a transitioning economy that we've sought to research and understand the adult skills landscape, before working in partnership to support impactful solutions.

**The major challenge we foresee is that at this time of rapid transition there is a risk that the UK is not able to deliver the skills it needs. If our economy is to be sustainable it must be equitable, and this means ensuring everyone in the UK can develop their skills and benefit from learning. If we do not then our economy will suffer, and we will leave those who are already not well served by mainstream provision further behind.**

We understand that a better skilled workforce can promote economic growth and that this must include every part of the workforce. This will require us to ensure that everyone has an opportunity to develop skills for work through their lives, building a future economy and labour market where people aren't just playing catch up but have the chance to thrive in new industries, sectors and roles. This can also promote fairness, social justice and social mobility.

## Summary of Research Findings and Problem Statements

Through the VocTech Challenge: Skills for an Economy in Transition, we have challenged ourselves to understand the biggest problems in adult skills – in particular, the problems that are stopping the UK from being prepared with the skills needed for a fair and inclusive transitioning economy. Through our consultation activities we developed six key research findings.

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<sup>11</sup> Learning and Work Institute (2019), [Time for Action: Skills for economic growth and social justice](#)

<sup>12</sup> Learning and Work Institute (2023), [Missing Workers](#)

<sup>13</sup> NFER (2022), [The Skills Imperative 2035: Occupational Outlook – Long-run employment prospects for the UK](#)

## Research Findings

<p><b>Investment and funding</b></p> <p>A continued lack of investment in skills from governments and employers prevents the learning and skills system adapting to the needs of an economy in transition. In particular without more equal investment, those with lower levels of qualifications and in less well-paid sectors will not have the chance to benefit from learning.</p>	<p><b>Fragmented skills system</b></p> <p>The fragmented and complex skills system inhibits access to learning. Individuals are unsure of where to look for learning opportunities and which opportunities are best suited to their needs. This also prevents the collaborative working needed to address systemic barriers and meet employer and learner needs.</p>	<p><b>Changing skills needs</b></p> <p>A wide range of evolving skills will be needed for an economy in transition. In order to meet the demand for this changing skill set, we need to make sure our qualification and assessment system is flexible and that we use the right language to talk about skills, focusing on core skill sets.</p>
<p><b>Learner barriers</b></p> <p>Pervasive learner barriers persist and remain unaddressed, limiting our ability to prepare for an economy in transition. There is a failure to speak to real motivations and confidence to learn, as well as address more practical barriers such as cost, time, transport, and childcare that have been worsened by the cost of living crisis.</p>	<p><b>Digital divide</b></p> <p>Digital skills and digital access are essential for work and learning. The digital divide impacts individuals, trainers and organisations. While the Covid-19 pandemic widened access to online and blended learning, we need to ensure this opportunity is open to all by using accessible technologies, building confidence and digital skills.</p>	<p><b>Value of learning</b></p> <p>The true value of adult learning is still not fully understood by individuals or employers, while providers and policy makers do not have access to methodologically rigorous evidence of what improves learning outcomes. Unless individuals and employers can be motivated to invest in learning, other adjustments to the skills systems will fail.</p>

## Problem Statements

Our research found that the biggest problems in learning and skills were not only the specific challenges faced by individuals, but also the difficulties individuals, providers and employers face when accessing, navigating and adapting the ‘system’ to meet their needs. This is not just about individual policies or approaches: it is about a system. Our research shows that the UK needs to think differently about learning and skills, address the fragmentation of the skills system and insufficient join up with other public policy areas, and develop and deploy the digital solutions that will make a difference to adult participation in learning.

<p><b>The skills for an economy in transition</b></p> <p>The skills and learning opportunities that are needed to support an economy in transition are neither clear nor equitably accessible. We need to inspire adults and employers into learning and clearly communicate the benefits to policy makers. We need to ensure providers have the evidence of what works.</p>	<p><b>Skills system for an economy in transition</b></p> <p>The current skills system is fragmented and is failing to keep pace with a shifting landscape. We need a more collaborative and integrated skills system to benefit from devolution, place based learning, growing online and blended learning offers, and the changing mix of national policy and local leadership. We need to better align the system to developments in regeneration, infrastructure, health and social care.</p>	<p><b>Digital technology for an economy in transition</b></p> <p>Faced with a changing world, we are not acting fast enough to adopt and embed the technology necessary to creating accessible lifelong learning. We need to develop and deploy better technology to provide learning offers that fit around work and home life, building resilient learners while embedding a culture of lifelong learning.</p>
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# The VocTech Challenge – Getting Adults Learning

## Next Steps

Together, we are committed to getting more adults learning. Working with stakeholders and learners we will help the UK prepare for a rapidly transitioning economy. The Green Paper identified a range of complex and interconnected barriers to learning. These barriers point to a systemic flaw in the UK's adult learning and skills system. While there is a lot of great work already taking place to improve adult skills, fundamentally there are too few people participating in learning.

For Ufi and L&W, the Green Paper prompted some big and serious questions: Do we have the tools to deliver the change we want to see? Can we work in different ways to more effectively achieve the change the UK needs? How do we better demonstrate the value of learning and the role of digital technology?

Adult participation in learning is the key challenge that the UK needs to address, but policy and funding is increasingly focused on higher qualification levels, and risks leaving those with lower qualifications or furthest from learning behind. We need everyone to have a fair chance to learn, with a focus on increasing learning participation among those with the lowest qualifications.

Barriers to learning intersect with each other in a wide variety of ways. Tackling any single barrier at a national level is unlikely to impact significantly on adult participation in learning because of this complexity.

It is this systemic challenge that requires us to look for broader and more connected solutions based in the places and with the adults who are distant from mainstream provision. However, Ufi, L&W and our partners do not have the power, resources, or capacity to address this systemic challenge at a national scale or alone. There are too many actors, too many interests and too much complexity. In addition, the way that policy and delivery interacts varies across the country and depends on local circumstances.

In the Green Paper we considered how any solutions that we pursue must reflect the 'new normal' of constant change in the skills landscape. Solutions need to be responsive to local and employer need, simple for people to understand and access, they must speak a common language that includes everyone, and they must include where appropriate digital solutions tailored to people.

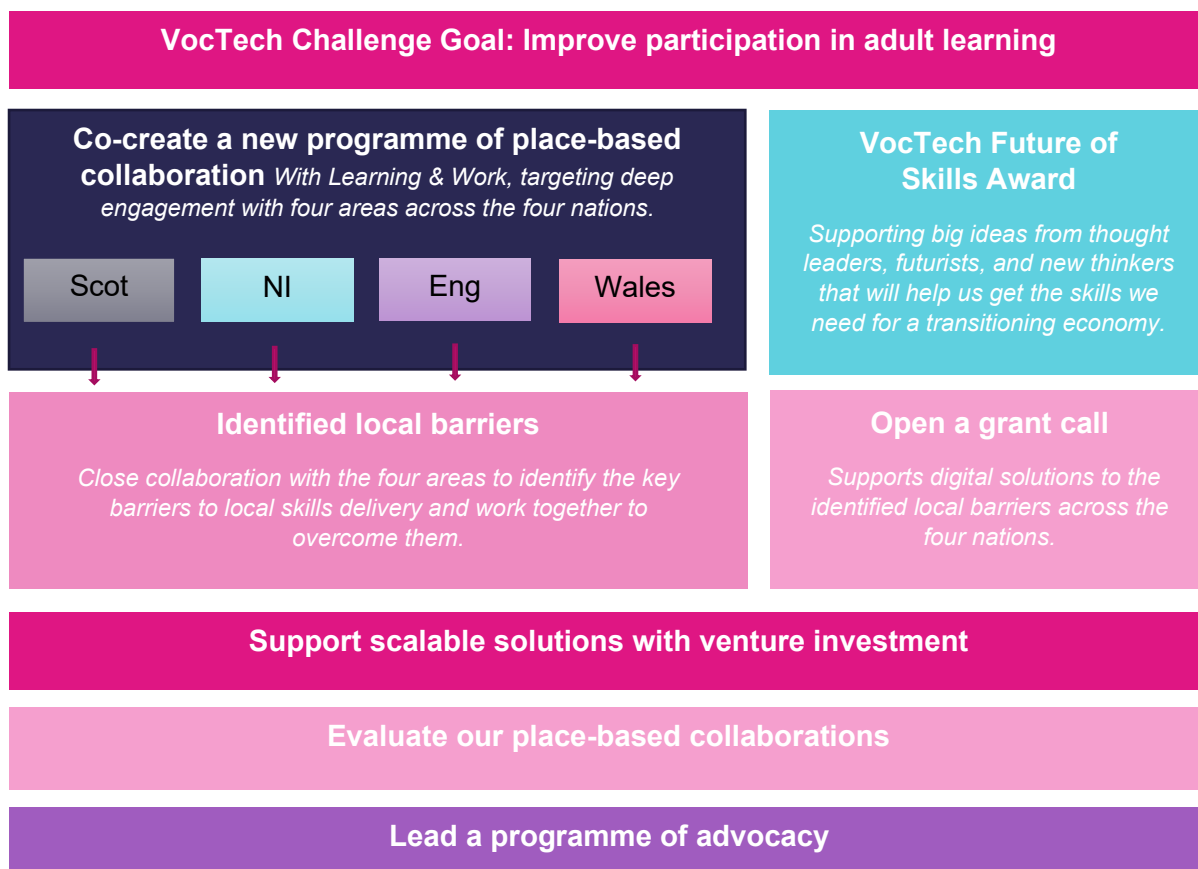
As a result, we have collectively decided to evolve our approach, and build a programme with more place-based co-creation, looking to make an impact in a defined geographical area where we can help make a change, and demonstrate the power of the solutions we understand will make a difference to adult participation in learning.

Through a targeted, pragmatic, VocTech-enabled approach, capitalising on our extensive networks across the four UK nations, we can build a movement that addresses the broad range of barriers facing adult learners.

We aim to create real change that will make a difference to adult participation in learning and build a powerful case for change at the national level, with demonstrable evidence of what works.

**This White Paper sets out a bold and ambitious programme of work to achieve our goal of creating a step change in adult participation in learning.** By focusing on place, co-creating closely with our partners, supporting innovative ideas and deploying tech-based solutions we will get more adults, particularly those distant from mainstream provision, into learning.

What we are committing to do:



## 1. Launch the VocTech Future of Skills Award

The Ufi Future Skills Award will support big, practical, tech-enabled ideas, from thought leaders, futurists and new thinkers that will help us get more adults learning.

We want to hear about what it is that Ufi, L&W and our partners could do to enable greater participation in adult learning. We want to hear about the digital technologies, the practical solutions and the people who are making a difference in their communities. We are looking for a bold vision for the future, that will drive adult participation in learning and is grounded in practical solutions.

The Ufi Future Skills Award will be launched in July 2023, accept submissions over the summer and be awarded during the Week of VocTech 2023 in November.

## 2. **Co-create a new programme of place-based collaboration**

We will work with L&W to co-create a programme of activity that will:

- a. Identify four locations across the UK where there is a need for greater participation in adult learning and skills, desire from local leaders to work collaboratively, and a network of partners able to deliver a programme of work.
- b. Work together to identify the biggest challenges in each area, the key local problems that are holding back adult participation in learning and consider what actions we can take together to address those barriers.
- c. Support tech-based solutions that can transform adult participation in learning and utilise the full range of expertise and resources that Ufi and L&W have to offer.

The programme of place-based collaboration will be developed and scoped over the next 12 months and is anticipated to last for a further 24 months.

## 3. **Open a grant call**

In June 2024 we will launch an open grant call. We will use the call to seek VocTech solutions that can address the key local challenges identified in each of the four place-based collaboration areas. We will ask applicants to consider how they could work with our local partners to pilot and build test beds for solutions that will drive-up adult participation in learning through the use of technology.

We want these grant funded projects to have the capacity to scale, so that if they get more local adults learning, they could also be rolled out across the UK.

## 4. **Support outstanding scalable solutions with venture investment:**

Ufi Ventures will offer support to organisations which show exceptional commercial potential, including potentially through direct investment, helping them grow their businesses and scale the impact of their solutions to learners across the UK.

## 5. **Evaluate our impact:**

The evaluation will adopt a realist approach to explore and demonstrate the impact of our interventions and the critical drivers and mechanisms for change. We will develop a range of measures aimed at assessing our impact at a local level and demonstrating the power of the interventions we support. This will be evidenced through robust, theory-informed data gathering and analysis exercises, and engagement with stakeholders, providers, employers and learners, to identify what elements are most effective, for whom and why.

## 6. **Lead a programme of advocacy**

We will develop a programme of advocacy focused on highlighting the importance of tackling low levels of participation in adult learning and skills. We will use the evidence we collect through our evaluation, the grant funded projects, local collaboration, and venture investment to make the case more powerfully for practical solutions that get adults learning. We will convince thought leaders, policy makers and practitioners of the value of addressing the core challenge of adult participation in learning and offer the practical solutions to change the UK's skills system for the better.

As part of our advocacy programme, working with L&W, Ufi will support an award as part of the [Festival of Learning](#). This award will aim to support high quality tech-enabled learning that encourages adult participation in learning. We will also include questions in L&W's Adult Participation in Learning Survey that will seek to identify the big picture trends in adult participation in learning and how they are impacted by the use of technology.

To stay in touch with the VocTech Challenge and keep up to date with all future grants, events and activities – make sure you are signed up to the [Ufi Newsletter](#).

*[Image]*

## Appendix

### Responses to the Green Paper

After we launched the Green Paper, on 26 April 2023, we opened a consultation on the three problem statements and six research findings to check our understanding against that of the wider community and identify any gaps.

We received a range of feedback, through direct responses to our online form, workshops with key stakeholders consulted during the Green Paper process, and the online launch event announcing the Green Paper.

The launch of the Green Paper provided an invaluable forum for the discussion of a range of different solutions, ideas, and challenges. Rita Davey from Jaguar Land Rover, Kim Chaplain from the Centre for Aging Better, and Richard Ng from Greenworx along with all the attendees contributed to an insightful discussion that supported the evolution in our thinking for this White Paper.

We would like to thank the West Yorkshire Consortium of Colleges, Skills Builder Partnership, Jisc, Career Matters and LTE Group for their detailed responses to our consultation.

We would also like to thank the participants in the second round of workshops, hosted following the publication of the Green Paper.

- Tom Onions, Business development manager, Maximus
- Mohammad Naqi, Business development manager, Maximus
- Sharon Wagg, Lecturer, University of Sheffield
- Paul McKean, Director of FE and skills, Jisc
- Lisa Morrison-Coulthard, Research Director, NFER
- Professor Ellen Boeren, Professor, University of Glasgow
- Debbie Carlton, Director, Dynamic Knowledge
- Mick Westmand, Founder, Digital INnov8ers Ltd
- Rachel Oner, Co-chair, NATECLA
- Kim Chaplain, Associate Director for Work, Centre for Aging Better
- Freya Mumford, Digital Manager, EY Foundation
- Michael Lemin, Head of Policy, NCFE
- Ginny Page, Director of Programmes, Education, Gatsby
- Michael Lewis, Senior Policy Officer, WMCA
- Mahfia Watkinson, Policy Manager (Insight), WMCA

The feedback, our own deliberations and our other engagements over the last six weeks have helped us determine our next steps. In the feedback that we received, many of the same themes from our Green Paper were highlighted by the responding organisations, as well as new examples of how the findings and problem statements were experienced in different settings.

Finally, we would like to thank the Adult Education APPG for the opportunity to present and discuss our research findings and planned programme of work, at their meeting on 13 June 2023.