

Consultation: The National Skills Fund

A public consultation issued by Department for Education

Comments from ACCA to The Department for Education

17 September 2021

About ACCA:

ACCA (the Association of Chartered Certified Accountants) is the global professional body for professional accountants.

ACCA has a thriving community across the UK including **91,000** members and **72,000** future members, who work across a wide range of sectors, regions and business sizes. Our framework includes qualifications ranging from Levels 2 to 7. Through this we strive to uphold the highest professional and ethical values.

We offer everyone everywhere the opportunity to experience a rewarding career in accountancy, finance and management. Our qualifications and learning opportunities develop strategic business leaders, forward-thinking professionals with the financial, business and digital expertise essential for the creation of sustainable organisations and flourishing societies.

Since 1904, being a force for public good has been embedded in our purpose. We believe that accountancy is a cornerstone profession of society and is vital in helping economies, organisations and individuals to grow and prosper. It does this by creating robust trusted financial and business management, combating corruption, ensuring organisations are managed ethically, driving sustainability, and providing rewarding career opportunities.

And through our cutting-edge research, we lead the profession by answering today's questions and preparing for the future. We're a not-for-profit organisation. Find out more at accaglobal.com

For further enquiries please contact:

Joe Fitzsimons
Policy Manager – ACCA UK
joe.fitzsimons@accaglobal.com

Lilly Aaron
Policy Manager- Europe
lilly.aaron@accaglobal.com

1. **Access to Free Level 3 Courses**

- i. **Pathways into continued study and employability:** In order for employers to support learners through their development journey, greater transparency around the learning outcomes for the Level 3 offer is required. In addition, consistent feedback from employers and learning providers highlights that recruits often lack basic skills to progress into more technical study, resulting in linked concerns around retention.

For this reason, feedback within ACCA's network indicates more consistent levels of interest for Levels 4-7 from employers looking to bring on 'workplace ready' talent. However, there is scope to leverage the Level 3 offer to bring learners onto a wider programme of continuous learning, progressing into higher levels which can unlock access to high-quality, sustainable career paths.

- ii. **Supporting more people into employment:** As employers take increasing consideration of equality, diversity and inclusion approaches, it is important that adult education is a key part of recruitment plans alongside other routes. Employer response to new vocational and technical routes has been positive with many adapting recruitment strategies to take advantage of the offers, in particular additional support packages for care and school leavers. As well as visibility and employer awareness of the routes, government should consider similar incentives for employers take up of disadvantaged learners wishing to continue into higher levels of employer linked study e.g. traineeships, apprenticeships or higher technical courses.

2. **Skills Bootcamps**

- i. **Skills Bootcamps procurement and availability:** ACCA has found the current Bootcamp tender process for suppliers and providers to present a number of artificial barriers to inclusion of other well-established and employer-recognised courses. Despite offering appropriate courses, many trade and professional bodies were unable to sufficiently measure the outcomes expected.

While we recognise the Department's focus on employment outcomes for learners, this can exclude employers that value skills in areas that require a longer course of study. Feedback from our network identified potential for Bootcamps to serve as 'runway' courses into continued study for more technical or professional careers.

Many trade associations and professional bodies have catalogues of training courses and qualifications that have been developed with employers to ensure that the content is relevant and practical. This approach ensures that the skills learnt can be quickly utilised by employers. This is particularly important as the programmes rely solely on employer recognition of the skills gained, rather than accreditation.

Additionally, we believe professional body courses can offer exceptional value for public money (often below the average price points for Bootcamp courses), granting learners the option to begin continuous learning journeys with initial funding support, with the option to continue on to achieve professional qualified status.

Making it easier for providers to deliver Skills Bootcamps: As stated above the regulation and administration of delivery of courses will be essential to scaling up the choice for learners. In order to create a sustainable environment for delivery, it is vital outcomes are easily aligned to existing professional qualification routes and providers are given stability and advance assurance about the quality and assessment regulation which must be adhered to.

- ii. **Employer involvement:** We find the 30% contribution to be reasonable. In terms of non-financial contribution, there may be some mutual benefit to employer engagement with courses to help assure them about standard of the programmes and help learners (particularly new hires) forge links with employers. Ideally this should be a flexible arrangement with local employers, recognising that many operate on annual recruitment cycles and continuous engagement may not be feasible.

Access to training materials, support, and equipment: Additionally, SMEs have expressed limited interest in similar programmes due to limited resources to provide necessary equipment for learners. This is also challenging as the world of work moves to become more digital, and higher value skills are required by employers; additional resources are required to provide appropriate supervision and mentoring. Government may wish to consider reduced contributions for SMEs engaging with courses in recognition of the fact that many face reduced resources to accommodate such non-financial contributions.

- iii. **Ensuring bootcamps act as routes into longer progression pathways:** While many employers face difficulty recruiting people with the necessary skills at school leaver age; there can often also be challenges with retention at this level. Some of the key benefits of the Skills Bootcamp model include offering individuals an opportunity to gain new skills while learning about a new sector or industry. In addition, it can allow employers to begin building a talent pipeline for individuals at the early stage in their careers. It can also support employers seeking to upskill existing members of the workforce; this could help with basic numeracy and financial literacy skills, amongst many others.

However, for Skills Bootcamps to be as accessible as possible, a clear understanding of the learning pathway beyond level three will be crucial to employers

and individual learners. In addition, upfront clarity relating to cost and time commitment would support employers planning engagement with Skills Bootcamps. There is an opportunity for Skills Bootcamps to act as a runway for apprenticeships by providing the learner with a basic understanding of the industry and local employers before committing to a longer-term apprenticeship pathway.

Industry associations, such as ACCA, have the advantage of having been active in the vocational education sector for some time and have a catalogue of easily scalable industry-endorsed training packages. As a global education provider, meeting both current, emerging, and future employer skills is a leading priority for ACCA. In addition, industry associations have long-standing employer networks, making connecting individuals or employers seeking training provision easier.

3. Meeting Critical Skills Needs

Learners who attain the foundation skills required to access and successfully complete courses will have a much greater ability to secure work in the long term. However, learners who fail to complete courses due to not possessing the foundation skills and pre-requisite understanding are likely to face longer-term challenges succeeding due to the impact on their confidence.

- i. **Identified skills gaps:** Earlier this year the Professional & Business Services Council, of which ACCA is a member, published 'Skills for Future Success' highlighting where skills gaps are likely to hinder the future growth of the FPBS sector¹.

50% of firms participating in the report said that skills gaps resulted in increased workloads for existing staff, impacting employee wellbeing and 20% said this directly prevented them from meeting quality standards and winning new business.

Some of the skills gaps identified by both the research and ACCA members include:

- Data analytics
- Risk Management
- Digital marketing skills for SMEs
- Problem-solving
- Service skills
- Soft skills, such as emotional intelligence and empathy (including ability to build customer relationships remotely or while working in an agile workplace)
- Sustainability (performance management, disclosure and reporting, capturing and evaluating activity)
- Understanding and application of ESG considerations and targets
- Web design & development

Additionally, a recent ACCA report based on three years of research with members, learning providers and employers identified five main areas for career adaptation that

¹ <https://www.pbsc.uk/skills-for-future-success/>

will drive employability for finance professionals and help to build sustainable businesses²:

- **The assurance advocate** - essential to the strong stewardship of sustainable organisations in areas such as auditing, risk management, and compliance.
- **The business transformer** - the architect of organisational change, driving strategies and supporting sustainability activity. Emerging roles leading innovative smaller accountancy firms or SMEs.
- **The data navigator** - a true business partner, identifying opportunities using multi-rich data, smart data and emerging analytical tools to deliver business outcomes and support decision making.
- **The digital playmaker** – a technology evangelist, championing technology adoption and data governance and identifying business transformation possibilities using emerging digital tools.
- **The sustainability trailblazer** central to performance management in the organisation. Key in establishing frameworks that capture, evaluate and report on the activities that drive value and more transparent and meaningful ways to the outside world.

ii. **Leveraging professional body employer networks for input into critical skills needs:**

The government must better utilise trade and representative organisations to gather more timely data which can inform policymaking. Employers will welcome the opportunity to engage with local skills improvement plans and support a joined-up engagement strategy. However as noted in the Augar review³, the education system has historically not been sufficiently responsive to market developments. In addition, while engaging employers directly is critical, many SMEs may not have the same level of bandwidth or experience to participate in this type of engagement. Engagement through professional bodies will be key for these SME employers.

iii. **Meeting critical skills needs and gaps in provision:**

Through significant investment in digital delivery and assessment capabilities, professional bodies possess an untapped potential for government to extend high-quality learning opportunities and employer-recognised qualifications to remote communities and opportunity 'coldspots'. Trade associations are uniquely placed to deliver courses in a digital, flexible, accessible way that is highly saleable (relevant?) and has a more significant national reach. In addition, individual learners benefit from participating without the need for travel to centralised locations. SMEs would find this

² https://www.accaglobal.com/in/en/professional-insights/pro-accountants-the-future/future_ready_2020s.html

³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/805127/Review_of_post_18_education_and_funding.pdf

particularly helpful as it mitigates the challenges associated with off-the-job training while also reducing travel costs.

Alongside this is it absolutely crucial that adequate signposting for opportunities is built into the Plan for Jobs schemes. A recent report by Policy Connect found that adults outside of education, particularly those that had been either furloughed or made redundant) do not fall into the service's priority groups⁴. There is an unmet opportunity to signpost and increase the visibility of the service amongst adult learners through closer alignment with professional bodies.

Careers advice and guidance must be a central part of all Plan for Jobs schemes and all work coaches are proactive in referring clients to the National Careers Service to benefit from the available guidance and advice. This would help ensure these schemes can target those that would most benefit from them.

⁴ <https://www.policyconnect.org.uk/research/transition-ambition-navigating-careers-maze>