The Covid-19 Employment Challenge
Employment, Re-Employment and Upskilling
AELP Framework

Summary
This paper looks at the elements that need to be considered as we go through and come out of the Covid-19 crisis to ensure we have an employment, re-employment and upskilling programme that supports employers, sectors and individuals.

At this stage, it is not proposing what specific programmes should be or what the best funding routes are. It is proposing a framework to consider the need of the nation that existing and new programmes can be laid on to thus ensuring that all needs are met with the appropriate targeted support.

AELP believes it is important to agree this framework first with some urgency and then work across agencies to agree the best suite of programmes and funding mechanisms – existing and new.

1. Introduction
We are already seeing the economic consequences of Covid-19 starting to bite and will have a direct impact on employment opportunities and levels of unemployment are likely to rise significantly. We are likely to see the impact of this as the government's Covid-19 Job Retention Scheme is wound back in August and potentially ends in October 2020, and we are already witnessing mass redundancies in some sectors such as the aviation industry. Many believe this won't be a typical recession and will hit different parts of the economy in very different ways as it is likely the consequences of the virus will continue to impact some sectors and people's behaviours for potentially years to come whereas others will recover and expand rapidly. Given this, it is unlikely a traditional generic Work Programme will be the sole solution.

The solution must start with the job opportunities and upskilling requirements as the core driver, not a generic skills or Work Programme. This requires sophistication and close engagement with employers and sectors, utilising live rather than lagged data.

When looking at the solution, AELP believes there are five key elements to consider.

- Work challenges and opportunities
- Individuals requiring support
- Skills needs
- Methods of delivery, assessment and outcomes
- Programme support and funding

2. Work Challenges and Opportunities
Key elements to consider are as follows:

- Sector-by-sector approach, employer need during this challenging time, along with generic support for new entrants to the market.

- Some sectors will be losing significant numbers of staff at different levels of competency, ability and experience (with a range of skills - see definition below).
- Some sectors will be needing to recruit staff at different levels of competency, ability and experience. Indeed, those with traditional staff shortages during the period of high employment may now find they are able to recruit.
- Some sectors will be looking to widen the skills and competency of existing staff – especially where there is a shrinkage of the workforce and individuals are taking on a wider range of responsibilities.
- Some sectors will be looking to transform themselves, either through lessons learnt during the Covid-19 crisis or Covid-19 necessitating changes in working practices.
- Some skills will be in higher demand across all sectors – for example, a range of digital skills as sectors have been forced to recognise/embrace technological change during the crisis which becomes the norm.
- The availability of opportunity will also be driven by regional requirements – a live data set will be necessary to help identify which opportunities are available where and when – a combination of sector-driven intelligence and on the ground opportunities from Jobcentre Plus and other sources.

3. Individuals Requiring Support

Key groupings are as follows:

- Those NEET / long term unemployed before the crisis, who will be pushed even further away from job opportunities.
- Low skilled, recently unemployed individuals as a consequence of the Covid-19 crisis.
- Higher skilled workers displaced by the Covid-19 crisis primarily due to a shrinking in the economy.
- Young talent (16-24) many of whom are entering the workforce for the first time.
- Economically inactive forced back into the workforce due to economic need.

4. Skills Needs and Process

Needs: Depending on the roles and opportunities that are becoming available across different sectors there will be different skills needs – a skills matrix. Those that find themselves in need of a role are likely to have a mix of these skills already. We have categorised these skills as follows:

- Basic skills and needs (literacy, numeracy and digital) and areas such as mental health
- Employability skills: the skills needed to acquire a job (CV writing, interview skills, assessment skills, presentation skills, confidence etc.)
- Essential skills: essential to operate effectively in the workplace/working world (team working, presentation etc.)
- Sector-specific skills and will be determined by level (e.g. scissor handling for hairdressers, coding for digital etc.). For sector-specific skills a unitised approach to apprenticeship standards could be considered with an initial assessment and final

assessment encompassing apprenticeship knowledge skills
and behaviours in part or as a whole
- Entrepreneurial skills: as the economy shifts it is possible that there will be a shift to greater numbers of self-employed individuals in certain sectors as the economic model changes.

Many displaced workers will have skills they consider are specific to the industry they work in, but are actually **transferable skills** that will be of use and benefit in other roles in other industries.

5. Process: Identify, Match, Enhance and Add.
- **Identify**: For an appropriately targeted programme, it is important to identify the skills requirements across the skills categories above in each sector for the roles that are being lost. And then secondly identify the new opportunities that are or will be available and what those roles' skills matrix looks like.
- **Match:** For some new roles there might be a direct skills match to those roles made redundant in other sectors and so the requirement will be facilitation from one role to the next.
- **Enhance:** For some, they might have the skills required but they need enhancing to meet the needs of the new sector.
- **Add:** For some, there will be gaps in their skills in terms of what is needed for the sorts of opportunities that might be available to them and so these skills will need to be added.

6. Methods of delivery, assessment and outcomes
Given the mix of requirements, starting points and required outcomes, this will need to be a multi-faceted multi-layered programme. It also needs to consider the use of digital and where appropriate a blended approach, bearing in mind for some individuals a level of face-to-face support will be necessary given their starting point.

Some key elements of this being:
- **Initial skills assessment**: Against the categories of skills listed above to identify an initial profile for the individual and providing recognition of those prior skills along with an "interview" or consultation with the individual.
- **Mapping**: Given the initial skill analysis what opportunities are available in the physical location of the individual that require the skills identified or skills identified with the lowest amount of enhancement and/or addition. This can also be used for upskilling existing workers or widening the skills of existing workers.
- **Units of delivery:** A pick and mix depending on the skills missing from the individual for the locally available opportunities.
- **Delivery of units**: Potentially a mix of digital delivery and face-to-face depending on the nature of the skill and the level of support the individual needs along with any work experience requirements.
- **Micro-credentialing / digital credentialing / unit assessment:** Assessing and recognising each additional new skill on top of the initial skills assessment to provide a complete skills profile as opposed to a single overarching certification.

7. Programme Support and Funding

There are a whole range of existing (and previous) programmes and government departments and agencies that have been and will be involved in this programme. If an overarching framework as suggested above is used, then it may be possible to divide different sets of individuals/needs/sectors/levels into different programmes. The above suggests a slightly more sophisticated approach than a pure generic work programme and we now have the technology and capability for new ways of delivery and assessment. Those involved are likely to include:

- *DWP / JCP*: guiding individuals and work outputs (e.g. Work and Health Programme and ESF)
- *BEIS*: Linked the Industrial Strategy and sector outputs
- *Combined Authorities / LEPs / Skills Advisory Panels (SAPs)*: Local industrial strategies including needs and opportunities (devolved AEB and other devolved money). In many cases these organisations could be driving the data and needs analysis as well as any direct involvement in commissioning
- *DfE / IfATE:* Skills development, including Adult Education, Traineeships, Study Programmes, ESF, potential of the National Retraining Scheme and the new National Skills Fund
- *Treasury / Cabinet Office*: Value for money, economic impact, meeting economic needs and reducing benefit burden.

8. Funding

This needs further thought once the suite of programmes is identified. It will need to be considered what will be funded and what conditions are necessary. In the past, there have been conflicts between benefits/Universal Credit rules and skills training funding/hours. This conflict needs to be avoided. In addition, some existing programmes would be able to be expanded with adjustments to the rules, for example, salary caps in the Adult Education Budget could be adjusted to encompass more workers in need of upskilling. There are also restrictions on what providers can deliver against what funding streams (for example who can deliver 16–18 Traineeships vs Adult 19-24 Traineeships). Funding will be necessary for initial assessment, required delivery and final credentialing/accreditation along with any other support through to interview and employment. Ideally, these are consistently and adequately funded across all programmes with an appropriate proportion of outcome funding depending on the nature of the individual. While some current programmes may provide a basis for delivery a blending of funding approach and eligibility might be required.

8. Skills Accounts - there is the potential to roll out skills accounts (see AELP's previous paper) giving the choice to the individual as to what type of delivery and support from what type of provider.

Association of Employment and Learning Providers
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