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**UNREALISED POTENTIAL:
THE ROLE OF INDEPENDENT TRAINING
PROVIDERS IN MEETING SKILLS NEEDS**

▶ **ACKNOWLEDGEMENTS**

The authors would like to thank all of the international and country experts, skills practitioner leaders and British Council staff who informed this research.

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The Association of Employment and Learning Providers (AELP) is a national membership organisation that represents the interests of over 900 organisations. Our members deliver the majority of the UK's apprenticeships, traineeships and programmes for the unemployed.

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CONTENTS

Executive summary	5
1. Background to the research	12
1.1 Introduction	13
1.2 What are ITPs?	13
1.3 Meeting the global skills challenge	14
1.4 A mixed economy of training provision	15
1.5 Research aims and objectives	17
1.6 Research methodology	17
1.7 Structure of the report	21
2. The contribution of independent training providers to UK national policy priorities	22
2.1 Introduction	23
2.2 ITPs in the UK	23
2.3 National priorities in the UK, skills development and the role of ITPs	25
2.4 How ITPs contribute to UK policy priorities	27
2.4 Conclusions	38
3. Insights into international ITP markets – six country profiles	39
3.1 Introduction	40

3.2	Botswana	40
3.3	South Africa	43
3.4	Uganda	47
3.5	India	51
3.6	Nepal	54
3.7	Sri Lanka	57
3.8	Conclusions	60
4.	Thematic cross-country analysis – lessons learned	61
4.1	Introduction: an international definition and characteristics of ITPs	62
4.2	Employer engagement expertise	63
4.3	Partnerships between public and independent skills providers	65
4.4	ITPs’ need for continuity of funding	66
4.5	Conclusions	68
5.	Conclusions and recommendations	69
5.1	Introduction	70
5.2	Conclusions	70
5.3	Recommendations	73
	References	77

EXECUTIVE SUMMARY



This report is about the role of the Independent Training Providers (ITPs) within the wider skills system and their contribution to national skills, economic and inclusion priorities.

The role of ITPs is often unrecognised and is an under-researched area of technical and vocational education and training (TVET) provision, and with this research we aim to prompt national policy makers to reconsider whether they are making the best use of them in their country. We also aim to raise awareness among ITPs about the work undertaken by counterpart organisations in other countries and encourage them to consider whether there may be commercial or operational benefits from international collaboration.

ITPs are private or charitable non-state providers of technical training provision and as noted they represent an under-researched and poorly understood sub-sector within wider TVET. Yet, as will be argued from the research evidence in this report, ITPs play an increasingly important role in delivering government policy priorities in the development of TVET systems, and they often contribute towards global development priorities as set out in the UN Sustainable Development Goals (United Nations, 2015) – particularly with regard to:

- » the elimination of poverty through creating jobs via sustainable economic growth
- » the provision of quality education
- » revitalising global partnerships for sustainable development.

The report is based on research conducted by the Association of Employment and Learning Providers (AELP), the UK's trade body for work-based learning providers with over 900 companies in membership, supported by the British Council. The research started from the premise that the UK system of embedding ITPs within the formal TVET system was relatively unusual in world terms, and prompted discussion about which characteristics of ITPs had led this to happen, and whether they might have a role to play in newly emergent economies.

In addition to the UK therefore, research was undertaken into TVET systems in sub-Saharan Africa and South Asia, both of which are regions that are hoping to benefit from a demographic dividend in terms of poverty reduction, employment generation and economic growth. In this context, the importance of skills development as a driver of socio-economic development is paramount, and governments in these regions have recognised the importance of TVET in this process.

The study does not try to present a comprehensive view of policy and practice globally, but instead aims to give an overview and series of insights into the ways in which our researchers

found ITPs to be positioned to help meet national policy priorities. We selected six countries overseas – Botswana, South Africa, Uganda, India, Nepal and Sri Lanka – for research into the contribution that ITPs played, or could play, within each country’s TVET systems; systems that we felt were broadly representative of a spread of emerging economies. The study used qualitative methods – desk-research, 18 telephone interviews and a UK policy expert workshop – to address the research aims and objectives.

► ITPs IN THE UK

There are around 2,500 ITPs in the UK, where around 20 per cent of all TVET learners study with an ITP compared to 75 per cent at general further education (FE) colleges and five per cent at a variety of other types of organisation. Around two-thirds of all apprenticeships in England are now delivered by ITPs, who between them are thought to employ upwards of 23,500 people. The general levels of quality of the provision they deliver is good, with 78 per cent having been judged as either outstanding or good by the government quality inspectorate, the Office for Standards in Education, Children’s Services and Skills (Ofsted). This is in line with the equivalent figure of 76 per cent for general FE colleges.

The UK government’s national policy priority is for ‘future prosperity’, and from this overarching aim stem a number of economic, social and technological challenges. ITPs are particularly well placed to respond to the demands of these challenges due to their nimble and responsive working practices, and their capabilities in work-based learning and employer engagement. As TVET policy has increasingly been driven by economic considerations, so this expertise has become increasingly important, facilitating what is known as ‘market mediation’, by which providers help employers to navigate government-funded systems to achieve skills solutions. ITPs therefore engage employers on behalf of the government – a role that goes well beyond the actual delivery of training.

ITPs usually deliver training at lower levels of qualification (although this is changing as the employer market increasingly demands higher-level skills), and therefore predominately work with relatively more disadvantaged social cohorts of learners. Consequently, ITPs have a major role to play in enhancing the social inclusion and social mobility of disadvantaged people and often do this through ‘roll-on roll-off’ outreach or community-based work rather than relying on formal academic models of three terms a year.

► INSIGHTS INTO INTERNATIONAL ITP MARKETS – SIX COUNTRY PROFILES

Unlike TVET institutions such as colleges, ITPs are operationally independent from governments. However, internationally they are funded by governments and are subject and responsive to state regulations that determine what skills programmes are delivered for which communities and for what purpose.

- » In **Botswana** there is a clear TVET strategy that identifies the main drivers for change and gives support for the development of a system more closely suited to the needs of the economy. A mixed private–public ITP sector is now emerging, subject to the same regulation as public provision and clearly recognised as contributing to the country’s TVET output.
- » The TVET system in **South Africa** is relatively well developed and the potential for independent providers to use their flexibility of response within a market-based system is acknowledged. There is a recognised need for a focus on encouraging employer demand, concentrating on the outputs of learning, but there is still potential for private providers to be able to contribute more. Interviewees for this research gave a variety of reasons why this potential has not yet been tapped, in particular the opportunity for enhanced collaborative working at a local level.
- » Overall, **Uganda’s** major issue with the provision of TVET and skills has been a lack of public funding, and a recognition in recent years that what was being spent may have been putting undue emphasis on the potential financial investment anticipated from oil and gas extraction. There is a recognised need to realign TVET strategy with the needs of the ‘real’ economy, and private providers – representing around 80 per cent of the country’s TVET and skill provision – are playing a very major role in making this happen.
- » In **India**, there is something of a disconnection between national policy priorities, which could be solved to a significant extent by skills development, and the strong cultural emphasis in India on education and vocational qualifications. Our research found significant potential for ITP activity growth as India continues to align policies and practices concerning the skills development agenda, such as in the implementation of m-learning (using mobile phone internet connectivity) to enhance traditional practices at home and work with additional skills.
- » The TVET sector in **Nepal** is seen as an integral part of the government-funded and run education system, but the trend is clearly towards employer-centred skills development, which ITPs are well-placed to support. The government currently supports around 300 private training providers for economic benefits, and additional ITPs can be found delivering donor-funded provision for social purposes.

- » There is considerable appetite in **Sri Lanka** for TVET, with well-developed policy and regulation in place. High demand coupled with tight public finances and limits to institutional capacity have led to mostly full-cost-recovery provision being on offer, but there is openness to the idea of diversifying skills development provision within the main TVET system.

Across all countries in this study, the value of skills training is increasingly recognised. National governments place strong emphasis on higher-level technical and professional skills, with most also looking to international businesses and customers to expand local employment opportunities. However, the bulk of employer and learner need, and therefore provision, remains at lower levels, which is vital for inclusion and increased participation, and represents an opportunity for ITP skills to be usefully deployed. ITPs can therefore be seen to contribute to national policy priorities by widening participation in training and work-related learning, driving employer-centred provision and supporting economic productivity.

Our research also concluded that there are some conditions required for ITPs to succeed – most especially, access to continuous funding flows, the development of workforces with the ‘dual professionalism’ of industry experience and teaching/training skills, and government/employer willingness to include ITPs as a bridging link in public–private partnerships. At least some of these conditions existed in all countries that we looked at, though the most developed examples in all cases are evident in the UK experience, making it an important exemplar in this type of discussion.

► **ITPs – THEIR UNREALISED POTENTIAL**

Skills development matters for national economic productivity, business growth, social mobility and social inclusion, and ITPs have been shown by this research to have effectively contributed to the skills development of all the nations we studied. As a sector, ITPs are quite poorly recognised because of their diversity and their distinctiveness from mainstream government-funded TVET institutions. However, ITPs were found in one form or another in all the countries we studied, and although the context of each system may be different, they face similar challenges. This means there are identifiable conditions in which ITPs can thrive, and there is certainly potential to adapt successful practice through international collaboration.

Many are using what is a relatively new model of delivery: identifying and meeting skills needs that are led by and derived from employer wants and needs, but delivered in mainly work-based settings by state-funded (but not state-run or state-owned) learning providers. Our research has concluded that ITPs are part of a new and emerging market response to a TVET system challenge – in many cases, the need to move from the skill levels required for an agrarian economy to those of ‘international standard’ industries.

ITPs innate flexibility often puts them in a position to fill niches in public policy that both the state and an unregulated market economy can have difficulty in responding to – for example, in attracting and re-engaging disadvantaged youth into learning and employment.

Whatever the size of the ITP sector compared to purely private and purely public training provision, ITPs contribute to wider TVET systems by collaborating with other providers and with employers – and, indeed, with governments. However, the relatively low status of TVET generally, and the lack of recognition of ITPs within these systems, means that there is still much more that can be done to harness their potential.

► **OUR RECOMMENDATIONS**

We make 11 recommendations on the back of this research that we believe will help to enhance the role and contribution of ITPs to policy priorities:

» **For national policy makers**

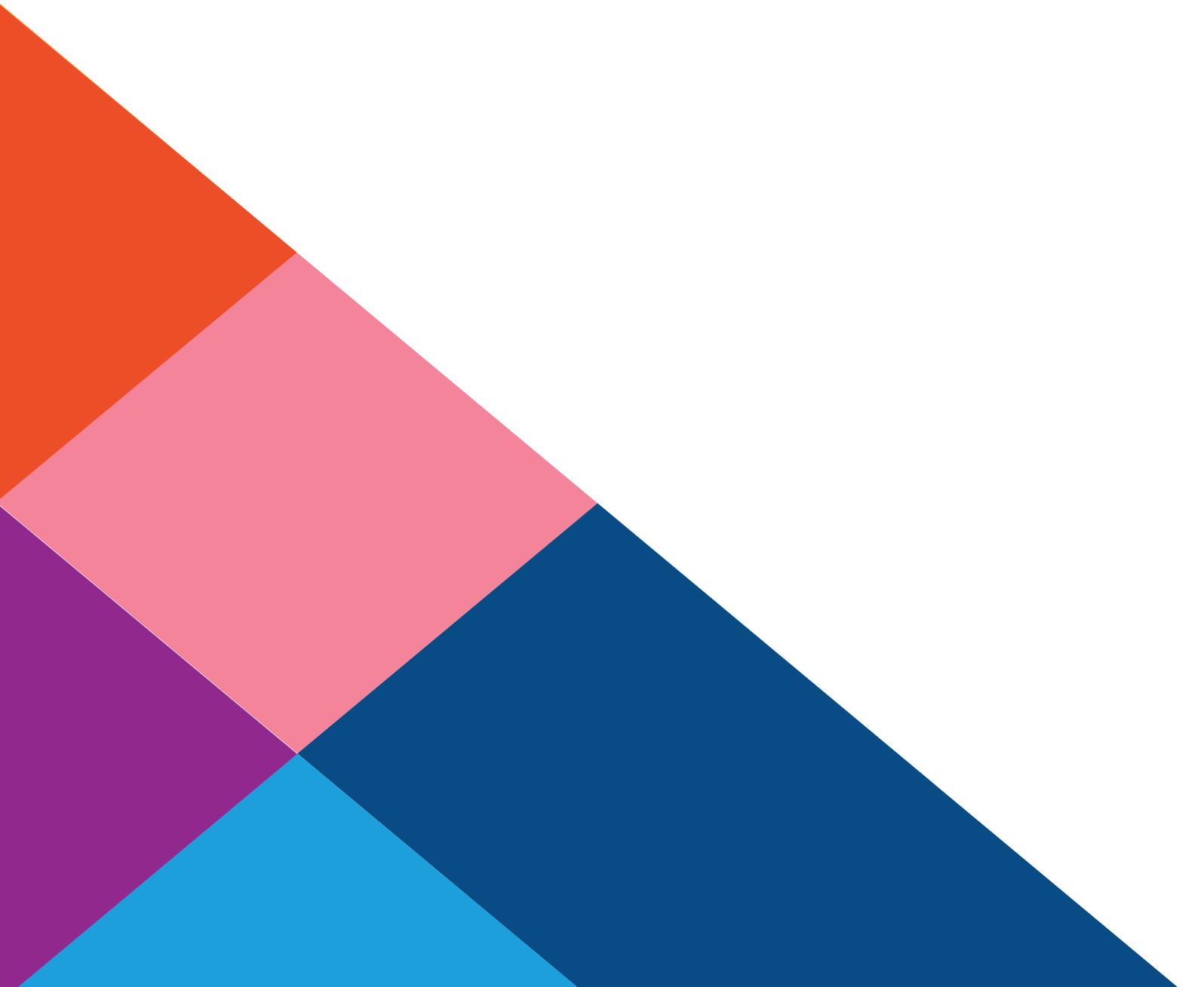
1. Recognise the extent and roles of ITPs that you already have and consider how they can be used more effectively to meet policy goals.
2. Consider international examples of where ITPs have contributed positively to the development of TVET systems in order to learn from best practice in both policy and practice.
3. Regulation should concentrate on ensuring that outputs are in line with policy priorities.
4. Focus on the quality of delivery, not on the process of measuring it.
5. Build on expectations that employers should (and will) play a greater role in TVET provision.
6. Unlock human and physical resources by facilitating the move of TVET delivery from institutions to workplaces.

7. Funding flows to ITPs should be as short as possible, ideally multi-year in nature, and should at least carry the possibility of continuity if certain conditions are met.
8. Encourage collaboration and working interaction between ITPs and public TVET providers.

» **For ITP sector leaders**

9. Establish workforce support strategies for ITPs.
10. ITPs should continue to use their strong employer links to recruit from industry and develop dual professionalism among their workforce.
11. Consider international examples of where ITPs have contributed positively to the development of TVET systems in order to learn from best practice in both policy and delivery, and to maximise the opportunities that may be presented by international collaboration.

1. BACKGROUND TO THE RESEARCH



1.1 INTRODUCTION

This report is about the role of the Independent Training Providers (ITPs) within the wider skills system and their contribution to the national skills, economic and inclusion priorities.

It is based on research conducted by the Association of Employment and Learning Providers (AELP), the UK's trade body for work-based learning providers, and supported by the British Council. ITPs are an under-researched and poorly understood sub-sector within wider technical and vocational education and training (TVET, known as the further education and skills system in the UK). Yet, as will be argued from the research evidence in this report, ITPs play an increasingly important role in delivering government policy priorities in the development of TVET systems, and they often contribute towards global development priorities as set out in the UN Sustainable Development Goals (United Nations, 2015) – particularly with regard to:

- » the elimination of poverty through creating jobs via sustainable economic growth (Goals 1 and 8)
- » the provision of quality education (Goal 4)
- » revitalising global partnerships for sustainable development (Goal 17).

1.2 WHAT ARE ITPs?

ITPs are training organisations that access public funding for vocational education and training of young people and adults wanting to improve their skills for employment and wider life.¹ ITPs are an important part of TVET systems – training, teaching and developing the skills of individuals to support social mobility and economic productivity.

¹ Privately-funded, privately-run providers are viewed in the UK and by the authors of this report as a separate sector that is beyond the scope of this document.

The UK government's own definition is as follows:

ITPs are a key part of the Further Education provider infrastructure, supporting learners and employers through the delivery of apprenticeships, adult skills, education for young people and specialist provision

(ESFA, 2019)

Yet, ITPs are distinct from other types of TVET provider such as colleges or institutes in that they are not run or directly controlled by the state – they are 'independent'. Importantly, because they are funded by government they are also *regulated by government agencies, the same as for the rest of the TVET system*. ITPs are much more diverse than colleges in nature, which helps explain why not all nations recognise them as a cohesive sector. For example, they can be not-for-profit or for-profit companies or from the voluntary and charitable sectors. They may access government funding for all or just part of their business. They vary greatly in size and geographic spread. Unlike colleges, they often offer provision in a limited number of industrial specialisms where they have the depth of staff expertise and employer networks to make an impact.

In this report, Chapter 2 documents the distinctive characteristics and contributions that the approximately 900 government-funded ITPs make to the UK system of further education and skills. Chapter 3 looks at each of the other six countries covered within this study – Botswana, South Africa, Uganda, India, Nepal and Sri Lanka (see Section 1.4 for more information).

1.3 MEETING THE GLOBAL SKILLS CHALLENGE

The forces of globalisation are having an enormous impact on the demand for and supply of skills training. Arguably most important among these forces are the changing economic base of countries, borderless economies increasing international competition, specialisation and widespread access to advanced information and communication technology (ICT or IT) massively expanding people's ability to communicate and gather information. For large sections of societies, how and where people can learn and what they should learn is changing and has immense potential to change further and faster.

Today's world is a fast-changing place and so academic commentators write about an end to jobs-for-life and the need to not only gain appropriate skills before entering the labour market but to teach and reinforce additional skills throughout people's working lives'. – known as up-skilling and re-skilling – throughout people's working lives.

The skills, knowledge and behavioural demands of employers have changed in recent years in response to global economic and societal changes, and TVET providers are there to meet this demand. This is widely acknowledged by leading international vocational education and skills development organisations such as UNESCO-UNEVOC, the International Labour Organization (ILO), the Global Apprenticeship Network (GAN) and the British Council (see, for example, World Skills, 2017). The research on which this report is based shows that there are some excellent examples of practice from ITPs internationally who are addressing the need to encourage learners to develop the mindset and practical skills required to meet the needs of living in this modern world. But in reality no single type of learning provider can meet the global skills challenge alone.

1.4 A MIXED ECONOMY OF TRAINING PROVISION

As was acknowledged by the international TVET experts interviewed for this research, no single type of skills provider can alone meet the magnitude of the global skills challenge. The key is to understand what each type of provider brings to this arena – what is distinctive about them and their model of provision.

In each country studied for this report, there are mixed economies of TVET providers. This research found that the names given to the sector that delivers education and skills outside of mainstream schooling and higher education (HE) vary across countries. In the UK it is known as further education (FE) and skills, whereas elsewhere the most commonly recognised term is TVET or a variant of this. For simplicity in this report we shall refer simply to TVET, unless referring to the UK.

Importantly, all countries studied were found to include ITPs in some form alongside wholly government-funded and run organisations, which are typically (but not exclusively) called colleges or institutes. In emerging economies, ITPs are most commonly not-for-profit companies or social enterprises, but some are for-profit.

1. Background to the research

In the UK, for example, approximately four-fifths of learners in the government-funded further education and skills sector (internationally known as TVET) attend one of the 262 government-run FE colleges, almost a fifth of learners attend an ITP and the remainder go to other types of provider including the voluntary and charitable/community sectors (see Figure 1). This excludes the purely private (full cost recovery) market. Most significantly for skills development, three-quarters of all government-funded apprenticeships in England are delivered by ITPs, alongside other work-based learning programmes and classroom-based vocational qualifications, literacy, numeracy and basic IT.

Figure 1. A mixed economy of training providers – example from the UK

Type of provider	Governance	Typical funding flow	Quality regulation
ITPs	Government funded but privately managed, so training is flexibly and diversely delivered.	Competitive bidding for government supplier contracts and funding allocations.	Government regulated for financial accountability and quality of training delivery, learning and assessment. Non-compliance and poor outcomes lead directly to contract withdrawal.
Colleges	Publicly-funded and accountable institutions with a variety of independent powers depending on where they are located.	Ongoing government grants (plus competitive bids for additional funds).	Government regulated for financial accountability and quality of delivery of training, learning and assessment. Non-compliance and poor outcomes triggers process of remediation interventions.
Private training providers	Privately owned, privately managed.	Privately-sourced income. Respond to market opportunity.	Unregulated by government. Quality standards can vary and are communicated via Public Relations.
Voluntary and charitable sectors	According to donor organisation codes, policy and practice.	Donor-funded on a project-by-project basis to support a defined target audience for a limited duration.	Financial accountability and quality delivery assurance stipulated in contract between donor and training delivery organisation.

1.5 RESEARCH AIMS AND OBJECTIVES

This research project has been designed to build on previous British Council research and intelligence on the wider TVET system generally by focusing in on ITPs in particular.

It aims to examine the contribution of the ITP sector to government policies on development priorities and assesses what is distinctive about ITPs (as opposed to other types of TVET/ FE providers) that enables them to make the contribution they do. It analyses how expertise from across the ITP system could be useful in meeting similar development priorities in other countries

The key research questions were as follows:

1. How do different TVET systems draw on ITPs?
2. In what ways do these ITPs contribute to their nation's respective individual, business and national goals?
3. What can be learned in terms of good practice in the nurturing of a successful ITP sector?

1.6 RESEARCH METHODOLOGY

This research used qualitative methods – desk-research, 18 telephone interviews and a UK policy expert workshop – to address the research aims and objectives. Three semi-structured interviews were conducted for each country, except the UK. The study does not try to present a comprehensive view of policy and practice globally, but instead aims to give an overview and series of insights into the ways in which our researchers found government-funded private training provision (i.e. ITPs) to be uniquely positioned to help meet national policy priorities.

Seven nations were selected as country cases for this research:

- » three in sub-Saharan Africa – Botswana, South Africa and Uganda
- » three in South Asia – India, Nepal and Sri Lanka
- » United Kingdom

Both selected regions, sub-Saharan Africa and South Asia, are hoping to benefit from a demographic dividend which could lead to great gains in poverty reduction, employment generation and economic growth. In this context, the importance of skills development as a driver of socio-economic development is paramount. Governments in these regions and in the UK have recognised the importance of TVET in this process, and as a result policy makers are placing greater emphasis on understanding the skills gaps in labour markets and on developing equitable skills systems geared to address these. For the purpose of this research we were interested to explore a diverse sample of countries with a range of models of TVET policy and provision which would allow us to gain different insights into the role of ITPs. The selection is based on information provided by the World TVET Database country profiles (UNEVOC-UNESCO, 2019) unless otherwise referenced. There was also a need to keep a manageable number of countries for the scope and scale of this project.

Figure 2. Countries selected for the study

Country	Population	GDP per capita (2017)	TVET main characteristics	Main priorities
Botswana	2,262,000 (2015)	US\$74252	Diverse delivery models, delivered primarily through government technical colleges, brigades and numerous private vocational training institutions. Entrepreneurship is an integral part of the curriculum.	Skills development to support economic diversification and inclusion. Co-ordinated regulation of formal, non-formal and informal training.

² <http://pubdocs.worldbank.org/en/531121492188153196/mpo-bwa.pdf>

1. Background to the research

South Africa	54,490,000 (2014)	US\$61513	National reforms are collaborative and local implementation is by partnerships of stakeholders. Multi-campus colleges with unknown amounts of informal and private provision.	Inclusive skills development for more of the population to gain the personal, social, civic and economic benefits. Enhancing learner mobility and progression. A system responsive to need.
Uganda	39,032,000 (2015)	US\$6064	Mainly private provision, which government incentivises to work in under-served regions, and government TVET institutions (secondary school, college, university). Supply-driven rather than based on employer/employment needs. Little provision for large informal employment sector.	Skills development to raise productivity and income and increase the relevance, quality, access and efficiency of TVET provision.
India	1,339,000,000 (2019)	US\$19395	Mainly private provision with state-funded programmes for less affluent and rural communities teaching generic and occupational skills. Many educational programmes have been 'vocationalised' and on-the-job learning is increasing.	Skills development delivery to national quality standards that meets the needs of lifelong learning and employers, and enhances employability. Making the government-funded TVET sector more attractive to youth and employers.

3 <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=ZA>

4 <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=UG>

5 <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=IN>

1. Background to the research

Nepal	28,514,000	US\$8356	Delivers employability and occupational skills to transition young people from school to work. Schemes for marginalised communities. Increasing use of collaborative partnership delivery models.	Widening participation in basic education (literacy) and occupational skills to increase life chances. Implementation of the new national qualifications framework. Introduction of new modes of delivery and progress tracking accessible at any place, any time.
Sri Lanka	20,175,000	US\$40657	Formal TVET provision through upper secondary schooling, colleges and universities. Multiple programmes aligned with national frameworks.	Improve quality of implementation and outcomes aligned to employer needs and lifelong learning skills, and social inclusion.
UK	67,014,344	US\$44,920	Entitlement for 16–19-year-olds to receive state-funded education or training. Mainly college-based but one-fifth are at ITPs. All-age apprenticeships is the flagship skills programme.	Skills development for economic prosperity through international competitiveness and business growth. Implementing a high-quality employer-centred system.

6 <https://data.worldbank.org/country/nepal>.

7 <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=LK>.

1.7 STRUCTURE OF THE REPORT

Chapter 2 looks in-depth at the UK ITP sector, which is now well-established after 30 years or more of access to various government-funded vocational education and training programmes. For international readers the chapter provides an example of how ITPs operate in the UK and may stimulate thinking about how they can be better utilised in other countries.

Chapter 3 presents contexts, summaries and examples of ITPs from six other nations in order to show diversity of good practice in contributing to national policy priorities. It aims to provide a snapshot of how ITPs in a selection of countries help to address different national challenges.

For UK providers it offers a brief insight into the role of ITPs overseas and provides some indication of potential areas for collaboration.

To remind readers, we are defining an ITP as any government-funded, privately managed training organisation (outside of the main school and HE systems).

Chapter 4 provides a cross-country analysis in order to help the exchange of solutions to common challenges. Chapter 5 completes the report by drawing conclusions and making recommendations for policy makers and leaders of ITP organisations.

2. THE CONTRIBUTION OF INDEPENDENT TRAINING PROVIDERS TO UK NATIONAL POLICY PRIORITIES



2.1 INTRODUCTION

This chapter summarises UK policy priorities and assesses how technical and vocational education and training (TVET) supports the achievement of those priorities. It then introduces the Independent Training Provider (ITP) sector in the UK and, based on evidence collected through expert interviews, outlines the distinctive characteristics that enable ITPs to respond to government priorities. Examples of the successes and challenges that UK ITPs face are presented through mini case studies.

The evidence for this chapter comes from a combination of desk-based research, the Association of Employment and Learning Providers' (AELPs') collective professional experience gathered through a research workshop and eight telephone interviews with experts in UK ITP leadership and management.

2.2 ITPs IN THE UK

ITPs is the name given to the most numerous type of provider in the further education (FE) and skills sector in the UK. ITPs are best known for delivering work-based learning programmes, but in reality undertake a wide variety of government-funded (and sometimes also privately-funded) TVET along with basic skills (for example, literacy and numeracy) and life skills (for example, self-reflection and problem solving).

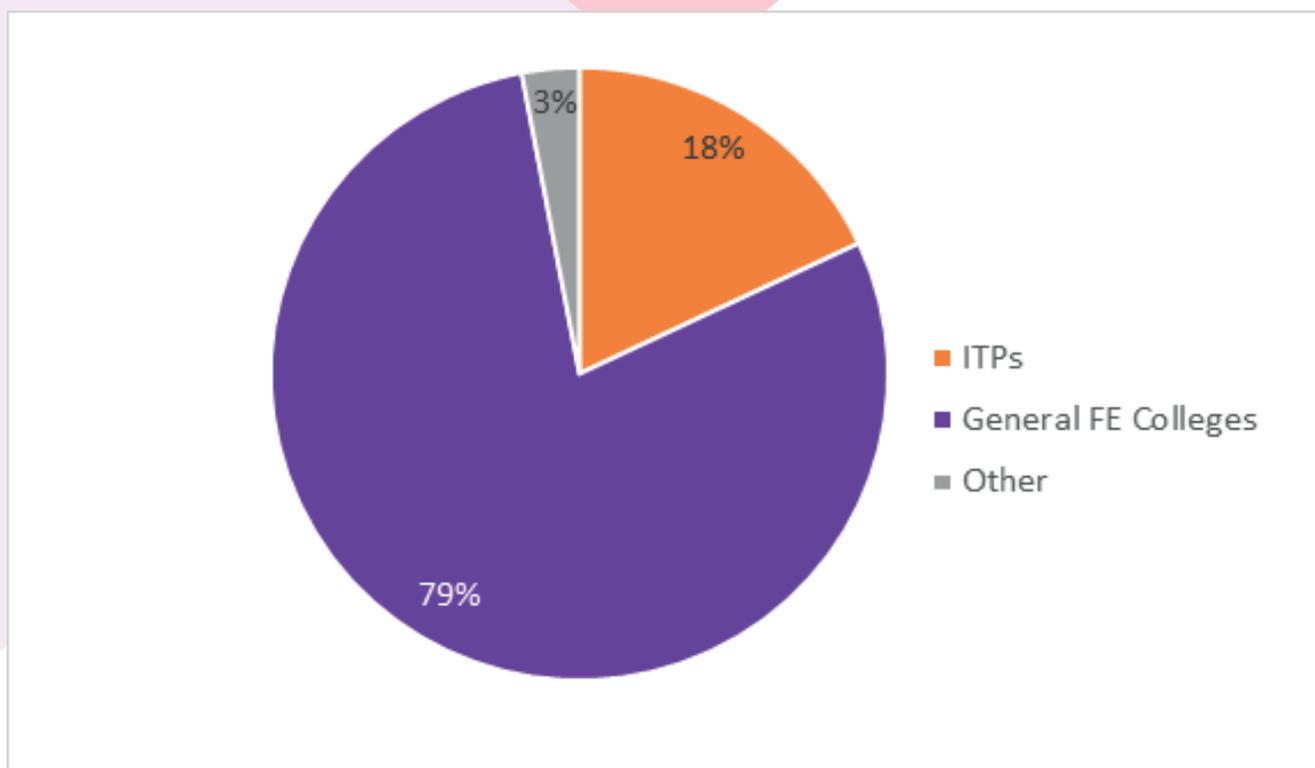
The term 'independent training provider' is an inclusive one for all non-governmental organisations that provide government-funded education. Most (but not all) ITPs in the UK are private training providers and may be for-profit or not-for-profit. Other ITPs are enterprises or registered charities that serve particular localities or sections of the community by offering training programmes, often with housing support or health and well-being alongside.

In the UK, ITPs emerged during the 1980s, with their numbers significantly boosted when the government's Manpower Services Commission (MSC)⁸ began allowing private companies to bid

⁸ The MSC was a non-departmental public body established in 1973 to co-ordinate employment and training services in the UK through a ten-member commission drawn from industry, trade unions, local authorities and education interests.

for its employment support contracts. Since then, ITPs have diversified while still retaining their expertise in work-based training and in engaging employers in learning programmes. Today, the vast majority of UK ITPs deliver apprenticeships and an array of vocational qualifications. Over half also deliver English and maths qualifications.

Figure 3. Percentage of learners at main FE provider type in UK



As seen in Figure 3, around 20 per cent of all FE and skills learners in the UK study with an ITP, compared to 75 per cent at general FE colleges and five per cent at a variety of other types of organisation.

As of late 2018, there were approximately 2500 ITPs eligible to operate in the UK.⁹ ITPs vary hugely in size – for example, the Lifetime Training Group Limited has 34,000 learners and Babcock Training Limited 27,000 learners. However, most ITPs have under 100 learners.

Between them, these ITPs are thought to employ upwards of 23,500 people, though workforce data is far from complete. Staff are often recruited from industry and learn to train while on the job and/or with the help of non-statutory qualifications. A recent survey found that 96 per cent of ITP trainers had themselves received training in the previous year, the average duration of

⁹ The figure of 2500 includes four out of five of all registered apprenticeship training providers, just over 900 ITPs in direct receipt of a government funding contract and fully inspected by the Office for Standards in Education, Children's Services and Skills (Ofsted), plus additional ITPs that sub-contract from colleges and other ITPs.

2. The contribution of independent training providers to UK national policy priorities

that training was 65 hours and the most common topics were keeping up with policy changes and how to deliver training to quality standards that are set by regulators and shared as good practice across the sector. Salary levels are generally not quite as high as in government institutions, i.e. colleges. Support for the workforce is available from private and government-subsidised agencies and consultants¹⁰ in a variety of forms including guidance documents, face-to-face workshops, expert-led webinars and good practice materials.

While ITPs are commonplace in England, where 85 per cent of the population lives, the same is not true for the other UK 'home nations' of Scotland, Wales and Northern Ireland. Outside of England, there are different markets operating, with relatively very small populations leading to far fewer ITPs able to maintain financial viability. Hence there is less competition for learners. Even though these devolved governments procure mainly through colleges,¹¹ ITPs are allowed to bid for specific programmes and projects, especially apprenticeships and employment support.

Some definitions of ITPs include what are known as 'employer-providers'. These are a rapidly growing group of 250 employers who enrol existing staff on apprenticeships, or recruit new employees as apprentices, and train them themselves rather than outsourcing the delivery to ITPs or colleges. Employer-providers tend to be very large companies with the infrastructure to support the delivery of government-funded programmes and regulation. For example, the British Army receives funding to train approximately 25,000 learners, Capita PLC receives funding for 4500 learners and British Telecommunications PLC for 1400 learners. In 2016/17, ITPs and employer-providers were between them allocated £1.6 billion to educate around 675,000 learners in England.

In terms of the quality of ITP leadership and delivery, the government's inspectorate, Ofsted, found 78 per cent out of the 440 ITPs inspected up to mid- 2018 to be Grade 1 (outstanding) or Grade 2 (good) (Ofsted, 2018). This is in line with general FE colleges (76 per cent of 140 Grade 1 or 2).

10 There is a well-established FE and skills support services sector, from micro-consultancies up to medium-sized businesses that commission and supply staff training programmes – for example, the Education and Training Foundation, the Skills Development Network, the Employment Related Services Association and AELP.

11 England has 183 general FE and tertiary colleges. There are 26 colleges in Scotland, 13 in Wales and seven in Northern Ireland. These large state grant-funded institutions serve their local communities with a very wide range of courses, using mainly classroom-based or workshop-based delivery with a few weeks of voluntary work experience. There are also sixth-form colleges and school sixth forms, which offer predominantly academic courses to 16- to 18-year-olds and fall outside the usual definition of TVET providers.

2.3 NATIONAL PRIORITIES IN THE UK, SKILLS DEVELOPMENT AND THE ROLE OF ITPs

The UK government's national policy priority is for 'future prosperity'. From this overarching aim stems a number of economic, social and technological challenges. The UK is striving to maintain its international competitiveness by seeking economic growth at the national level, by reducing national debt repayments and by increasing industrial productivity especially in high-tech high-value sectors. Social inclusion and community cohesion is another aim, in the light of recent terror attacks, as is the well-being of young people facing pressures from criminal behaviour, social media and mental health.

The Industrial Strategy sets out clearly a set of national policy priorities for the UK and how to achieve them. The aim of the Strategy is to 'boost productivity by backing businesses to create good jobs and increase the earning power of people throughout the UK with investment in skills, industries and infrastructure'. The way to meet this aim is:

1. Strengthening the foundations of productivity – the fundamentals that support a skilled, innovative, geographically-balanced economy.
2. Building long-term strategic partnerships with businesses through Sector Deals between government and industry.
3. Taking on [...] society-changing opportunities and industries of the future, where we can build on our emerging and established strengths to become a world leader.

(HM Government, 2017)

Industrial Strategy implementation has focused on prioritising support areas of the economy where future growth is expected and on incentivising disadvantaged groups to participate in the support on offer

(HM Government, 2017)

It is easy to see how skills development has the potential to significantly support the achievement of the above aims and ambitions. As we shall see in the next section, ITPs are particularly well placed to respond to this demand due to their nimble and responsive working practices as independent organisations and their capabilities in work-based learning and employer engagement in government-funded training programmes.

The rise of the skills agenda and therefore ITPs can be traced to two reviews commissioned by the government, and the *Post-16 Skills Plan* (DfE, 2016). First, the highly influential *Review of Vocational Education – The Wolf Report* (Wolf, 2011) argued for the development of skills to be prioritised over the attainment of qualifications as an end in themselves. *The Richard Review of Apprenticeships* (Richard, 2012) was the start of reforms to get employers much more involved in apprenticeships. The *Post-16 Skills Plan* (DfE, 2016) powerfully articulated the need for ‘more highly skilled people, trained effectively, to grow the economy and raise productivity, and ensure prosperity and security for individuals’. Throughout this period, employers’ complaints that young people were not ‘work ready’ were listened to by policy makers and government funding shifted towards supporting work-based learning.

2.4 HOW ITPs CONTRIBUTE TO UK POLICY PRIORITIES

As we have already seen, UK policy priorities and government funding, and therefore learning provision for adults aged 16 and over, have shifted to focus strongly on what may be termed ‘skills for productivity’. This section describes the characteristics of ITPs that explain why they are well-placed to contribute to UK policy priorities.

Engaging employers and delivering apprenticeships

An important principle underpinning policy in the UK is that improving the economic productivity of the country requires a thorough understanding and effective delivery of the skills that employers want; that is, an employer demand-led system. So, although there has been fiscal restraint across many areas of public spending since the recession in 2009–11, apprenticeships are something of an exception. The development of apprenticeships as the UK government's flagship skills policy, along with more recent reforms, have led them to be seen in many senses as employer-demand led. Apprenticeships are treated as work-based learning programmes, not as qualifications in themselves (although many apprenticeships include qualifications as one of several requirements). Crucially for this report, the majority of apprenticeships – three-quarters of all 400,000 apprenticeships in England – are delivered by ITPs, as are most of them in Wales, Scotland and Northern Ireland.

ITPs have particular expertise in the area of 'employer engagement' and have long been identified as the preferred choice for the provision of training to most UK employers (CBI, 2010: 48 and CBI & Pearson, 2018: 75). Now that the model is moving to one of 'employer participation', more is expected of employers and ITPs are well-placed to provide them with the support they need. ITPs work closely with employers to help solve staffing and productivity problems. They approach and get to know employers or specialist industries in their locality with the aim of understanding their business needs, use their expert knowledge of the FE and skills system to identify solutions, and explain how to access and administer government-funded programmes.

The authors have summarised this role elsewhere as 'market mediation' and found it to be not entirely exclusive to the ITP sector but extremely well-developed within it (Warner and Gladding 2019). To be a successful market mediator means having staff with business skills to understand employers' perspectives and needs, and knowledge of the government-funded training market in order to advise how employers can best navigate their way through it. ITPs therefore engage employers on behalf of the government – a role that goes well beyond the actual delivery of training.

The Government approach to ITPs goes further than merely enabling access to funding; it has made clear that it sees ITPs as its proxy in stimulating employer engagement in formal programmes and guiding them through the system.

(Morris, 2016)

Importantly, most ITPs have a commercial driver behind what they do – they have to make a profit or break even financially. This makes ITPs similar in culture to the employers with whom they work. It means that ITP staff can empathise and relate to employers well, especially compared to staff from educational institutions without industrial experience.

At this point in the report it is worth explaining the apprenticeships system in the UK, because over 90 per cent of ITPs deliver this flagship government skills programme. Apprenticeships are two- to three- (sometimes four-) year-long programmes for employees to learn while on the job, supplemented by 20 per cent of their time doing off-the-job learning (in any location). Apprenticeships are available for hundreds of common and specialist job roles across all industrial sectors, from Level 2 (widely considered the minimum qualification level for employability and equivalent to five General Certificates of Secondary Education – GCSEs) up to degree level. Apprentices are employees, so have employment contracts and (often reduced) wages in return for undertaking training that will benefit them in the long term. In 2017 there were just under 400,000 apprentices in England, which is approximately 0.7 per cent of the total population. The UK government has introduced major reforms over the last five years aiming to improve the quality, relevance and affordability of apprenticeships. An apprenticeship levy was introduced in May 2017 set at 0.5 per cent of any annual staffing pay bill of over £3 million for all types of businesses. Those with an annual pay bill of less than £3 million contribute five per cent of the cost of an apprentice, with the rest paid by the government. There are also new Standards and Assessment Plans for hundreds of job roles across all industrial sectors. These reforms have dramatically changed the apprenticeship market in England, with more large and fewer small employers involved and more apprenticeships enrolled at higher levels and fewer at lower levels.

Delivering high-tech, high-value skills

Previously policy and practice emphasised widening participation and achievement for all at Level 2, the level widely considered the minimum for employability.¹² Now, the policy agenda and funding system has changed to higher-level apprenticeships and other programmes considered high value, especially in sectors in which the UK is a global leader, such as digital and creative. Therefore, ITPs are increasingly gaining expertise at delivering high-tech, high-value programmes, seeking out suitable employers and tailoring their programmes to meet detailed demands from employers. Unlike generalist providers, they are able to develop the specialist knowledge and technical skills required. Note that the proportion of these higher-level apprenticeships has quickly risen since the reforms (as outlined above) from four to 12 per cent of all apprentices.

¹² There are nine qualification levels in the UK, all part of the Regulated Qualifications Framework and overseen by Ofqual, the government body responsible for the quality of qualifications. For more information see www.gov.uk/what-different-qualification-levels-mean/list-of-qualification-levels

In addition to higher-level apprenticeships, for the reasons previously mentioned, ITPs are also well placed to support employers delivering the compulsory 45- to 60-day industrial placement as part of the brand new ‘T level’ qualifications being introduced for 16–18-year-olds from September 2020.¹³ Also starting in the next two years, the National Re-training Scheme is designed to provide a backstop for workers whose main skill sets have become less relevant due to increasing automation in manufacturing.

Alongside advanced occupational and technical skills, ITP staff deliver a variety of other types of high-value skills through their coaching and training techniques:

- » higher level thinking skills such as problem-solving and critical analysis
- » the development of adaptable mind-sets to fit the fast-changing world and openness to change – there is no such thing as ‘jobs for life’ anymore and innovation is crucial for business development.
- » up-to-date digital skills and how to apply them to benefit businesses.

Case study

Small specialist ITP delivers high-value, high-tech apprentices and social mobility

All Spring Media is a small, specialist ITP providing apprenticeships in broadcast media for two major UK TV channels (BBC and Channel 4), and radio broadcasters globally. Broadcast media is a high-value high-tech and fast-changing area of the creative arts industry, in which England is seen as leading the way, globally. Martina Porter, Managing Director, set up All Spring Media in 2011 and currently delivers 50 apprenticeships across the UK with four full-time and five freelance staff.

All Spring Media brings an in-depth understanding of the various sub-sectors within the broadcast industry by employing staff with recent experience in those job roles. Martina says that niche ITPs like hers are unique in being able to deliver such specialist training. She is confident that her staff have both

¹³ T stands for ‘technical’. T Levels will be offered in around 25 occupational areas and combine classroom theory and knowledge, practical learning and a three-month unpaid industrial placement to ensure students have hands-on real-world experiences in a workplace. (See DfE, 2019)._

the technical knowledge that employers are looking for and can pass on up-to-date working practices and behavioural expectations. As Martina says, ITPs may not have the infrastructure of larger providers but they do have ‘the best knowledge on the ground’.

Several of Martina’s TV and radio clients identified the recruitment of staff from similarly diverse backgrounds as their audiences as a significant business challenge, especially given fierce competition for viewers and listeners. As broadcast media is highly desirable and competitive, historically it has attracted workers from only the most academically qualified groups, who tend to be white and middle class. Martina says this is not the same as having relevant talent. All Spring Media was able to help these employers recruit suitable people from diverse socio-economic and ethnic diversity backgrounds, with the help of the apprenticeship training programme.

Being a small training company means that All Spring Media can reach out into diverse communities and get to know and support each apprenticeship candidate well, even if they have faced disadvantages or don’t have a university degree. Now, apprenticeships are seen within these broadcast companies as a particularly effective way of accessing, supporting and nurturing talented staff regardless of their background.

Delivering social inclusion and social mobility

Many ITPs were originally established as third-chance education and training providers for individuals unsuited and unsuccessful in academic school education (first-chance) and post-16 institutions such as colleges (second-chance). Although government policy and funding has narrowed the FE and skills sector to focus on meeting employers’ needs and, to some extent, deliver high-value high tech skills, ITPs continue to play a major role in enhancing the social inclusion and social mobility of disadvantaged people. Individuals from disadvantaged backgrounds are much more likely than average to be learning and working at a low level. For example, in 2013/14, 18 per cent of adults in the most deprived areas of the UK participated in adult learning compared with 85 per cent of adults from the least deprived areas (Gloster et al., 2015).

2. The contribution of independent training providers to UK national policy priorities

Due to ITPs having extensive experience and expertise in engaging disadvantaged groups of learners, and employers needing to fill entry-level vacancies, ITPs are well-placed to supply provision at Level 2 and below. ITPs report that there remain high levels of demand at lower levels of learning and work. The majority of unemployed people, offenders and young people not in education, employment or training (NEETs) are qualified to Level 2 or below. Many industries employ high numbers of non-UK nationals (or European Union – EU – nationals), and the likely departure of the UK from the EU (a move known in the UK as ‘Brexit’) may lead to a shortage of skilled labour in these industries. Examples are agriculture and food production, catering, childcare, construction, health, hospitality, social care, retail and basic goods production. All require skills mainly at Level 2 and vacancies have been traditionally difficult to fill with UK nationals.

As ITPs are particularly well placed to engage with these target groups or with employers within specific industries, almost all colleges and some other types of provider sub-contract activities to ITPs in order to increase their capacity, diversity, specialism and reach. Statistics from AELP show approximately 20,000 apprenticeships sub-contracted from FE colleges and other organisations to ITPs. This is because although FE colleges have the infrastructure to manage large funding contracts, they have found that it is the ITPs that have the strong employer links needed to manage and deliver apprenticeship contracts effectively (and at an economic rate).

Our research respondents were clear that sub-contracting provision to ITPs has significant benefits in terms of meeting government inclusion objectives and specialist skills training for the following reasons:

- » It enables participation from more, harder to reach learners through holistic recruitment, engagement and out-reach activity into the community. Indeed, most general FE colleges sub-contract to small, community-based ITPs which use flexible and holistic approaches to recruiting and retaining individuals who have ‘dropped out’ of larger institutions.
- » Sub-contracting to specialist ITPs is common practice where it enables training in niche industries for individuals looking to improve their career chances in the technical, digital and professional sectors but who are not graduates of higher education (HE).

However, until recently, ITPs have had limitations placed on their ability to access the funding to deliver apprenticeships directly. This enabled colleges to place themselves as main contract-holders, sub-contracting delivery to ITPs and retaining a surplus to cover the contractual, administrative and other costs incurred in so doing. This arrangement has allowed many ITPs to hone the quality of their delivery while allowing the burden of regulation to fall primarily on the main contractor. As funding restrictions have lifted with the introduction of the apprenticeship levy, many ITPs have found they are now in a position to offer high-quality and economically

efficient delivery of their own, directly to the employer at competitive rates. These forms of sub-contracting and partnership have therefore acted as very effective incubators for the development of an employer- and skills-centred TVET system that consistently produces high quality results even in times of fiscal restraint.

Practical examples of ITPs delivering on social inclusion and social mobility

Special educational needs – ITPs have for many years provided for learners with learning difficulties or disabilities and amassed experience of supporting these learners through personalised provision and working closely with employers. More recently, neuroscience techniques have been adopted to identify significant numbers of learners with previously ‘hidden’ additional learning needs. Many of these learners have dropped out of school or college and/or been referred to ITPs by Job Centres or social and housing services. To give just one example, a learner with autism attending a small ITP experienced in personalising learning provision for multiply-disadvantaged young adults secured a work experience placement and then an apprenticeship with a childcare employer. The ITP educated and supported both the employer and the learner, including modelling inclusive behaviours in the workplace. This up-front investment of expertise led to the learner achieving her qualifications first at Level 2 for a childcare worker role, and then at Level 3 which enabled her to take a supervisory role.

Contextualising maths and English – In the UK, maths and English qualifications at Level 2 are required for many apprenticeships, progression to higher level and job roles, and progression to further learning. ITP staff have close working knowledge of employers where their learners have worked and so are able to teach maths and English using real applied examples rather than abstract or non-relevant contexts.

Productive middle managers – ITPs are able to identify for employers which groups of their workers would most benefit from training. In one example given to researchers, building merchant branch managers had been expected to run £2 million businesses without managerial training. Typically, they had worked their way up within the company having previously gained no formal qualifications. Their ITP advised on a new suitable managerial apprenticeship and helped the employer access government funding, which was highly

successful because it enabled these managers to ‘earn while they learn’. In another example, a group of social care workers with no formal qualifications progressed to Level 2, and then 3, with some eventually gaining their Level 5 in adult social care, which is required by government for anyone wanting to run a care home for elderly people – thereby fulfilling their personal career aspirations.

Professionalising workforces – ITP staff with close knowledge of industries are able to help workers to recognise the diversity of skills they use within one job role and raise ambitions and self-esteem. In one example, unqualified bus drivers were encouraged by an ITP to see their work as a career for the first time. This was done by acknowledging and developing real-life transferable skills such as dealing with difficult customers, handling money and motor vehicle technology.

Diversity recruitment – ITPs often act as recruitment channels, discussing which trainees in full-time vocational education would suit their business needs. The construction industry has traditionally been seen as white working class male, therefore missing out on potential skills that a wider pool of recruits would bring. In one example, an ITP helped a construction services firm create new inclusive marketing materials and find new advertising channels, including direct to colleges, with considerable success.

Work-ready attitudes among unemployed people – Several interviewees gave the researchers examples of their work with unemployed people, taking time to work in very small groups to prepare them mentally for the behavioural expectations and culture in workplaces. The ITPs listen to what these people like and can do and tailor further learning to build on that. They also give positive feedback and guidance on next steps.

Passing on to the next generation – Examples abound in ITPs of managers who were once apprentices themselves and are now appointing apprentices in order to pass skills and opportunities on to the next generation.

Being flexible and responsive to government priorities

During our research, Stewart Segal, a non-executive director of ITP Skills Training, UK summed up the distinctive characteristics of ITPs and their contribution:

Typically, ITPs can be more responsive to the market [compared to] a large government-funded provider. They tend to be more commercially focused and therefore more sustainable in terms of making the provision work. ITPs tend to drive more effective and efficient delivery models [than purely classroom-based learning], including blended and online learning models ... because commercial ITPs face the same pressures as their clients. ITPs are great at interpreting government policy, making the link between publicly-funded training programmes and employers' business needs.

ITPs therefore focus predominantly on finding ways to access and comply with government-funded vocational education and training programmes while meeting the needs of employers with whom they work, in order to improve the skills of individual learners. ITPs must adjust their offer to what government is willing to pay for, while being aware that government also demands quality at the point of delivery of learning: ITPs that fail an Ofsted inspection have their funding contract withdrawn. Put simply, responding flexibly to government demands *is* an ITP's business, and indeed to a large extent their continuing existence depends on meeting these demands.

Other interviewees gave examples of the agile business practices of ITPs – for example, their ability to make quick decisions, develop staff skills to keep up with current demand and rapidly mobilise teams to meet employers' deadlines or impress them enough to win training contracts.

The responsiveness and flexibility of ITPs can mean that they can rapidly put together staff resources to react to employer demand, and by using employer premises for the most part, they are also not limited by the use of their own fixed capital assets. The governance structures within the numerous small ITPs also tend to be less cumbersome than in other institutions, meaning that decision-making can be quick, and the organisation is nimble in nature.

For example, within a large grant-funded institution, curriculum plans often have to be set well ahead of the academic year and learners are strongly encouraged to start at a particular time each year so that classes can progress at the same pace – most usually beginning in September. Because ITPs tend to work with employers on work-based learning, often using employer premises and predicated on the timing of employer need, many (if not most) ITPs do not tend to recruit to their learning provision around the pattern of a traditional three-term academic year beginning in September. Most use 'roll-on, roll-off', which takes a number of cohorts into provision at different times of the year. This enables their recruitment and completion to better reflect peaks of business demand, which does not necessarily naturally fall into an academic timetable cycle.

Several people we interviewed used the word ‘agility’ to describe ITPs, and it is important to move with the times: ‘employers don’t want us to offer the same programmes year in year out’, said one research respondent, and government priorities and so the purpose of learning programmes changes over time as well. For example, the managing director of a small ITP said that agility is a good word for the sector and gave the example of having effectively created multiple programmes with different employers for exactly the same apprenticeship. ‘It’s all the same apprenticeship but they are all tailored to employer need’. There is an emphasis in ITPs on business development, to review, re-design and take to market training products for individuals and employers.

It is also worth noting that several experts interviewed for this research commented that the government’s allowing ITPs to bid for public money has given clarity to what training provision should be achieving (and how it is to be managed). This is particularly important in the UK context of decreasing or freezing public spending, which has forced all types of training provider to become more efficient, while still complying with quality and financial regulators. Indeed, the government is demanding ‘more for less’ – better quality of delivery and end results for less money.

The following case study is an example of an ITP using its initiative to introduce an innovation allowed by policy, and being flexible, to meet employer and employee skill needs.

Case study

ITP meets employer and staff training needs

Using its knowledge of nursing qualifications, a small rural ITP was able to offer a solution to a care company that was experiencing issues with staff retention. Once qualified to the required level for care workers, staff often started seeking employment elsewhere to advance their careers, because the company had very limited opportunities for promotion and a nursing degree was too big a step for the employees.

The ITP therefore suggested establishing a new nursing assistant role and qualification to enable staff to progress in their career. This idea was accepted because it enabled the staff to gain promotion, taking more senior responsibilities, while also reducing total staff costs for the company as it no longer had to employ costly qualified nurses to administer medication and adopted distance learning practices for additional short cost-efficient training courses.

Delivering quality training to learners/employees: industry experience and work-based training pedagogy

As numerous interviewees pointed out, work-based learning and training is substantively different to school- or college-based educational learning and teaching processes. The workplace culture within ITPs is more akin to a being in a business than in the civil service or education sector. General education and employability skills are important prior to entry to the labour market but, for skills for productivity, work-based learning is widely considered to be most effective.

Skills development is about practical experience in a work situation, backed up by theoretical input. As national ITP expert Graham Hoyle conveys in the following quote, the acquisition of skills is best done in the workplace:

Ask yourself: “*The job you are doing now – where did you learn most about how to do it?*” The answer is on the job. So, work-based training is effective and all vocational and technical training has to take place in a real-world situation.

(Graham Hoyle, ex-CEO, AELP)

The ITP trainer workforce has been recruited and developed specifically to deliver work-based learning. Training staff are mainly recruited from industry, so staff in ITPs have relevant experience of the occupational skill set required by employers.

Several respondents talked about talent-spotting future ITP employees when visiting line managers of apprentices at employers’ sites. They are looking for experienced staff who also hold a deep-rooted feeling of wanting to give something back to the next generation, to improve the status of or standards in their industry to which they have committed their career.

Industrial specialism is common in ITP training workforces. A strong degree of specialism in technical and vocational skills allows these providers to focus on a particular part of the marketplace, usually a narrow range of related industries. We can therefore expect particularly high levels of technical skills among ITP training workforces, as noted by the Education & Training Foundation (ETF), in its *Training Needs in the Further Education Sector* survey:

The quality of learning delivery is a major preoccupation of ITPs, not least because of variable standards in the past leading to rigorous Ofsted inspection requirements and the implications to individuals and organisations of poor inspection results. Note that some but by no means all trainers working for ITPs gain a nationally accredited teaching qualification. Most staff learn on-the-job and from regular training averaging 65 hours per year and focusing on policy updates and sharing good practice in learning delivery.

(ETF, 2018)

2.4 CONCLUSIONS

This chapter has identified strong characteristics of ITPs that align to the UK government's agenda of an employer-centred skills system. In the UK, ITPs are businesses that are publicly funded to provide what the government demands and in accordance with state regulations. ITPs therefore shape themselves as organisations so that they not only have staff expertise in work-based learning and other pedagogies but also do the highly skilled job of engaging employers in skills training on behalf of the government. In the next chapter, we shall see many of the same characteristics in ITPs internationally, though the precise mix varies from country to country.

3. INSIGHTS INTO INTERNATIONAL ITP MARKETS – SIX COUNTRY PROFILES



3.1 INTRODUCTION

This chapter presents six brief country case studies for Botswana, South Africa, Uganda, India, Nepal and Sri Lanka. The evidence in this chapter came from desk-based research and three interviews with national experts and skills project and organisation leaders.

For each country, the chapter provides background information on the economy and society which informs national and therefore skills development priorities. Then it assesses the contributions of ITPs to national policy priorities, with some examples of programmes and practices.

3.2 BOTSWANA

Background

Most economists regard Botswana as one of Africa's major success stories, and since the 1970s it has become an important exporter of diamonds and other minerals. It achieved a high level of average economic growth from independence in 1966 through to the early 2000s. Diamond mining now accounts for a third of the nation's gross domestic product (GDP), though the economy is fairly diverse with 70–80 per cent of its export earnings coming from industries such as tourism, livestock agriculture and financial services. There is a relatively advanced infrastructure with good roads, communications and dependable utilities.

The government has recognised a need to increase incomes, particularly in rural areas (Statistics Botswana, 2013; *Limpopo River Awareness Kit*, n.d.) and the *National Development Plan 11* (Government of Botswana, 2009) has at its heart the aim of finding diversified sources of economic growth. It particularly highlights the 'income earning opportunities [that] can be increased through the development of ... SMMEs (small medium and micro enterprises) as well as the business sector in general' as they 'play a major role in promoting growth and creating employment opportunities'. Therefore, its overall policy priorities include:

- » promoting economic growth by improving the investment climate for both local and foreign investors
- » facilitating the fast growth of the private sector

(Republic of Botswana, 2017, para. 2.24)

Skills policy and ambition

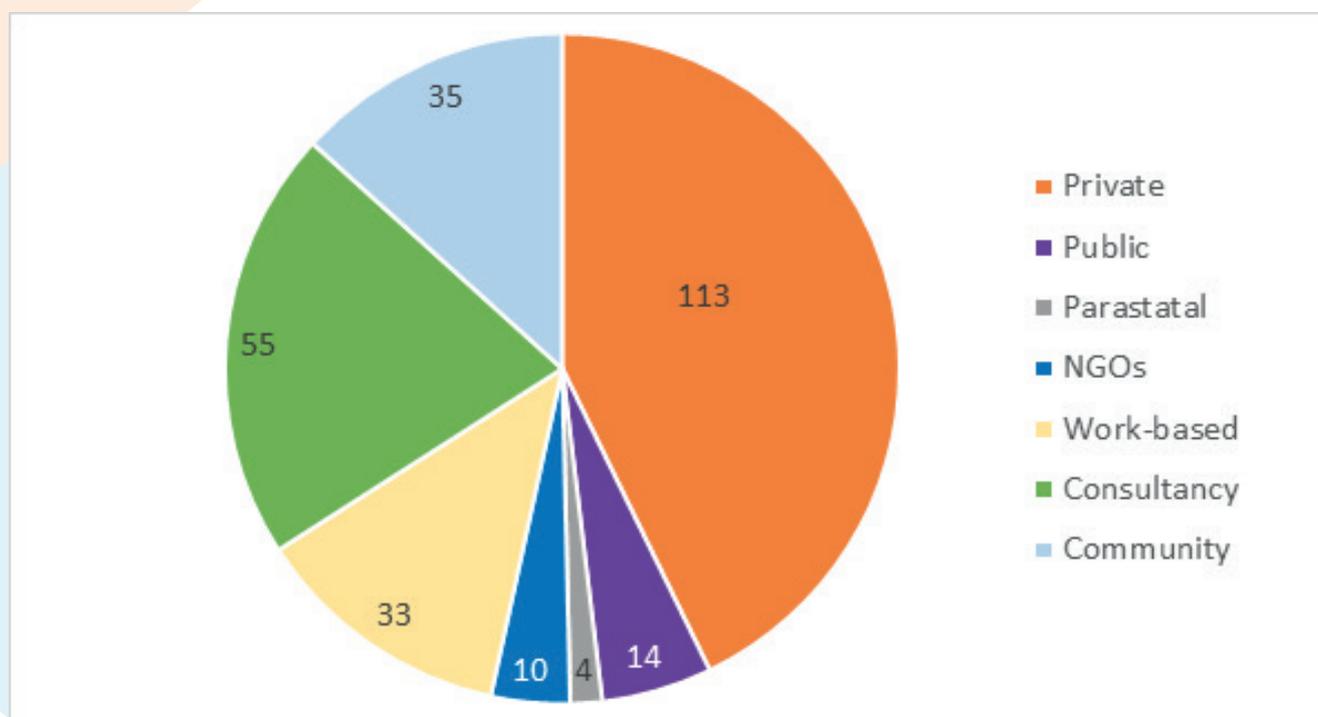
Officials in Botswana have identified a ‘lack of appreciation for blue collar jobs’ which therefore tend to be filled by foreigners (Makwinja, 2017, p. 50). The need to increase the status given to technical and vocational education and training (TVET) is reflected in the *Education and Training Sector Strategic Plan* (ETSSP) (Planipolis, n.d.). This wide-ranging and comprehensive document sets out to increase the private sector role in tertiary education, arguing that this ‘is intended to strengthen the match between qualifications and labour market requirements, thereby ensuring that education outputs are more closely aligned to future employment needs’. This in turn will build Botswana’s own capacity to fill the technical jobs its economy creates. Success in implementing the ETSSP would therefore help to achieve the aims of the *National Development Plan 11* as set out above.

The ETSSP is an ambitious programme, and while there have been difficulties in its implementation, our research indicated an overall confidence that its strategy to facilitate private investment in Botswana, and within the TVET system, is the right direction to take and can succeed.

Place of ITPs in the system

As an upper middle-income country, Botswana no longer attracts significant donor funding and has had to increasingly rely on domestic resources to finance its public TVET system, which encompasses skills provision. This has therefore contributed to the independent training provider (ITP) sector (known as ‘private providers’ in Botswana) delivering a significant portion of the overall TVET provision, as indicated in Figure 4.

Figure 4. Provision by total number of provider type in Botswana, 2012
Source: UNESCO/UNEVOC (2012, p. 15)



Our interviewees and research confirmed this view of numerous private providers offering vocational training (UNESCO/UNEVOC, 2012, p. 8), all of whom are now required to be registered and accredited with the government following past reservations as to their quality and effectiveness. Their current major challenges are to ensure that the curriculum offer remains relevant to the economy more generally as it continues to develop; that the provision itself is of high quality; and that these opportunities are suitably signposted to young people coming through the education system. Our research did find some evidence of a relative lack of chances to develop ‘dual’ professionalisms of industrial *and* educational expertise within the public TVET system, but this is being mitigated in part by private providers who are in many cases better able to pay the high salaries demanded by those who hold such dual expertise.

This growth in the role of private providers includes the development of 35 privately-run, government-supported ‘brigades’. Originally formed in the 1960s, they began as community work crews formed in response to the unemployment of primary school leavers who could not be admitted to secondary schools because of their poor academic performance. In 2014, the government approved a number of partnerships with private providers to lease and share their facilities, demonstrating both a willingness to work with the private sector and a desire to better align work-based learning opportunities with productivity. This injection of expertise and resources from private providers means that the brigades now provide artisan learning programmes that combine off-the-job training with the ‘practice of practise’ and production of goods and services to sell to the community.

Another approach to meeting these challenges and building on the opportunities they offer was indicated in our research by work that has been undertaken by the Botswana Chamber of Mines, a trade body representing the private sector in this industry. It has made good use of the positive approach to the availability of private provision by formulating (in partnership with the Botswana Qualification Authority) a specialist qualification that will ensure that learners receive the extensive exposure to current work practices and competences their industry demands through ‘sandwich’ attachments. Teachers are being recruited directly by employers from the open market to deliver the learning, often through arrangements with private providers, while the state allows the knowledge and theory elements to take place in public premises.

In both the cases outlined above, the best of the public and private sectors are therefore working in partnership to deliver learning that public funding alone cannot, at present, extend to. This is a good example of the development of an emerging and successful hybrid skills delivery model to increase both employee productivity, and the relevance of learning to employers.

Summary

The ETSSP represents a solid base for the development of the TVET and skills system in Botswana, clearly identifying the main drivers for change and giving support for the development of a system more closely suited to the needs of the economy. The difficulties encountered in implementing it are being addressed by the government in its willingness to involve private providers in the process, and a mixed private–public ITP sector is now emerging. Private providers are subject to the same regulation as public providers and are therefore clearly recognised as contributing to the country’s TVET output. This combination of access to the expertise and resources of private providers alongside access to facilities that can be provided by the state is a positive development that can only continue to make an increasing contribution to overall policy and economic goals.

3.3 SOUTH AFRICA

Background

South Africa covers a massive land area and, with over 57 million people, is the world’s 24th-most populous nation. The World Bank classifies South Africa as an upper-middle-income economy although poverty and inequality remain

widespread, with about a quarter of the population unemployed and living on less than US\$1.25 a day (Human Development Resource Office, 2008).

In 2017, South Africa came fifth out of 52 African countries on the Ibrahim Index of African Governance (Mo Ibrahim Foundation, 2017a), scoring well in education (also fifth).

The country's constitution ensures that the alleviation of poverty is a central concern in public policy by making provision for the right to housing, healthcare, food, water, shelter and social security and education within the available resources of the state (Plagerson et al., 2019).

Overall social policy was described by respondents to our research as a compromise between a state-led redistributive model, and a wish to move to market-based income redistribution on the basis of economic growth. As a result, traditional social compacts between the state, labour and capital are beginning to give way to new models.

Skills policy and ambition

Overall government policy is articulated in the *National Skills Development Strategy* (NSDS). Now in its third version since 2011, NSDS III (Dept of Higher Education & Training RSA, 2011a) identifies the pressing policy challenges as:

- » addressing the inadequate skill levels of those entering the labour market from secondary and tertiary education
- » the under-emphasis on developing the skills needed to grow a knowledge economy
- » the clear urban bias in economic development.

It identifies a need for coherent strategies to tackle these and a range of other issues, explicitly in the context of 'increasing public sector capacity', emphasising institution-based learning for occupational programmes through the improvement of public sector service. However, NSDS III also explicitly calls for:

- » the building of partnerships with the private sector (Dept of Higher Education & Training RSA, 2011b, p. 9, para. 3.1)
- » improved linkages between institutional and workplace learning programmes (2011b, p. 6)
- » the use of worker-initiated training initiatives. (2011b, p. 19)

These would help deliver government objectives at the local level, and it was clear from our research that the ITP sector ('private providers') is well-placed to meet these challenges.

Responsibility for the TVET system resides with the Department of Higher Education and Training (DHET) which undertook a full report on the system, reporting at the end of 2017 through a Commission of Inquiry into Higher Education and Training (Government of South Africa, 2018a). This looked in detail at the purpose and funding of the education system, noting for example that the proportion of post-compulsory learning fees that are paid by the state had fallen each year from the policy level of 80 to 53 per cent in 2017/18 (APPETD, 2018, para. 105) as resources were moved to the higher education (HE) sector. It therefore identified a clear need 'to expand, improve and streamline [the] TVET sector to the benefit of the economy' and for TVET colleges to 'become institutions of first choice rather than holding the position of second-class citizens as is presently the case' (Government of South Africa, 2018b, para. 8).

Place of ITPs in the system

Government strategy therefore tends to concentrate more on building the public system than facilitating a role for private provision. However, there is a body of 114 private HE institutions and 627 private colleges in South Africa which are estimated between them to enrol up to around 15 per cent of over 700,000 TVET learners (Government of South Africa, 2018b). They therefore constitute a small but recognised part of the TVET and skills system, and it was clear from our research that the representative body for private providers – the Association of Private Providers of Education, Training and Development (APPETD) – has a good reputation for giving voice to its members, holding positions on several government committees and being treated as an authoritative source of information and influence.

All private providers are regulated and are able to access some public funds. Until recently, private providers were also able to access significant funding from non-governmental organisation (NGO) and donor sources, working in partnership with government bodies, although this access has diminished in recent years as NGOs and others have withdrawn. This move away from NGO and donor funding and the prioritising of public bodies for state funds has had the combined effect of reducing the market for private providers.

Private providers are therefore now largely funded by 21 Sector Education Training Authorities (SETAs), which are responsible for guiding and encouraging effective training and education in defined industrial sectors. SETAs are also responsible for the use of funding resulting from

the Skills Development Levies Act 1999¹⁴ which introduced a one per cent levy paid by (non-public) employers, and this has now become a primary source of funding for private providers. Much of this funding is allocated on a yearly grant basis, and it was felt by some respondents to our research that there can sometimes be a tension between this close state control of annual budgets and the need for longer-term business planning by private providers, which can sometimes adversely affect the sustainability and potential growth of projects.

Many of our respondents often felt that at a national level the many good intentions with regard to TVET and skills policy are sometimes tempered by the idealism of a young democracy wanting radical change. On the other hand, among local communities there can still be inertia and an unwillingness to countenance radical change away from traditional ways of working. Many respondents felt that the benefits of collaboration between private providers, and between private providers and the state, still tend to give way to the strong competitive elements at play between private providers – although this can have benefits in driving competition and quality of delivery.

Summary

Our research indicated that South Africa recognises a need for a focus on employer demand, concentrating on the outputs of learning rather than just its supply and process. A theme emerged from respondents that encouraging employers to play a part in identifying skills needs and further allowing the system to address these through both accredited qualifications and non-accredited work-based learning where appropriate, would bring great benefit. Drawing on the expertise of private providers to meet employer needs is an area in which the effectiveness of the South African system could be increased still further.

The TVET system in South Africa is relatively well developed and the potential for independent providers to use their flexibility of response within a market-based system is present and recognised. Interviewees for this research gave a variety of reasons why the full potential of private providers has not yet been tapped, and suggested that there is potential to further optimise the benefits of collaborative working at a local level, in turn ensuring that the front-line skills and productivity needs of employers can be accurately identified and addressed.

¹⁴ The levy is payable by non-public employers with an annual payroll in excess of R500,000 (£28,000). A company's levy payments can be reclaimed by 70 per cent on implementation of various training-related structures and interventions. The remaining 30 per cent is used by the National Skills Authority (part of the Department of Labour) to finance training for the unemployed, youth and people who would otherwise have no hope of improving their skills.

As SETAs are the primary access point to public funding for private providers, they are relied upon as having, according to our interviewees, a key role in effectively and efficiently affecting change. Where private provider growth has happened, many also credited the presence and activity of the APPETD, which argues for the more market-led approaches to social policy within South Africa to be maximised. The synergy between the two organisations, and the opportunities this presents for private providers to flourish, is one area of great promise for the development of the system overall.

3.4 UGANDA

Background

Uganda has a population of around 43 million people from a level of 9.5 million in 1969, with an increase of 10.6 million people in the past 12 years (Republic of Uganda, 2014). This makes the median age 15 years, which is among the lowest in the world (CIA, 2016).

Uganda is ranked the 114th most competitive nation globally (Schwab, 2018) and 37th out of 54 African nations in terms of its infrastructure (Mo Ibrahim Foundation 2017a, 2017b). The bulk of the economy relies heavily on agriculture but also has largely untapped reserves of both crude oil and natural gas. While agriculture accounted for 56 per cent of the economy in 1986, with coffee as its main export, over time it has been surpassed by the services sector which, according to the relevant department of the Government of Uganda, now accounts for over 50 per cent of its GDP, with agriculture accounting for less than 24 per cent (Government of Uganda BTVET, n.d.).

The country has been experiencing consistent economic growth over the last 20 years and has made enormous progress in reducing poverty (World Bank 2016b), especially in urban areas and where transport infrastructure is efficient. However, around 50 per cent of the population is poor, or vulnerable to poverty, and geographic inequalities remain significant. Underemployment and youth unemployment have therefore caused significant displacement and migration across the country.

Skills policy and ambition

For over a decade, Uganda has expected major foreign investment to exploit oil and gas reserves identified in the west of the country. In particular, the promise of significant funding from Tullow (*The Economist*, 2009), Shell and other multi-nationals drove much of the previous policy thinking behind the Ugandan TVET strategy, according to our interviewees and online sources. However, the anticipated levels of external investment in oil and gas and associated industries have not materialised (New Vision, 2018a), and interviewees for this research talked of international companies – and in particular private providers – training construction workforces on equipment that few would actually get to use. One respondent said that they felt the TVET strategy had been predicated on the existence of a market sector that did not exist at the scale envisaged.

Meanwhile, other skills needs were somewhat neglected – in particular, self-employment and entrepreneurial skills for the large informal economy, including in rural areas, and basic employability skills for formal employment, especially in towns and cities. The state has recently begun to concentrate its TVET and skills resources on traditional industrial sectors and subject areas (largely agricultural). Reflecting the priority of spreading and increasing economic prosperity across the country, especially tackling underemployment and youth unemployment, the Second National Development Plan (World Bank, 2015) for 2015/16 to 2019/20 has the ambitious aim to ‘propel the country to middle income status’. Uganda’s Vision 2040 (Republic of Uganda, n.d.) document reinforces the goal of ‘a transformed Ugandan society from a peasant to a modern and prosperous country within 30 years’.

The Ministry of Education and Sports (MoES) has the lead responsibility for the achievement of these goals through the Business, Technical and Vocational Education and Training (BTJET) system. (Government of Uganda BTJET, n.d.). Although TVET generally has low status in Uganda, particularly in relation to HE, our respondents reported a growing public understanding that having technical skills will earn an income and improving enterprise skills will increase demand for self-employed people, thereby improving life prospects. Skills development is therefore becoming more accepted as a viable alternative for those unable to afford HE.

In 2010, the Government of Uganda, with support from the World Bank and the Government of Belgium, commissioned the Strategic Plan 2011–2020 ‘Skilling Uganda’ (World Bank, 2016). It contains four main interventions which are considered critical for successful TVET reform, including reforming the public TVET system to become more work/skills-orientated, and building in private involvement by means of:

- » building a comprehensive public–private partnership (PPP)

- » ensuring strong and focused TVET management controlled by all major stakeholders
- » defining the requirements of the world of work as the benchmark for all TVET programmes and qualifications
- » reforming the system of financing TVET in order to achieve long-term sustainability

Place of ITPs in the system

The share of TVET in the overall Ugandan national budget is relatively low, at just four to seven per cent of the total available for education and skills. The four major sources of TVET and skills funding are therefore this small public budget, private households paying full training fees, private companies in-house and community support projects, and NGO/donor funding (largely for the informal sector). In practice, this translates to ITPs – or private providers as they are known in Uganda – representing approximately 80 per cent of the country’s TVET and skills provision through an estimated 1,000 or more institutions (Sustainable Skills, 2018). Most TVET provision is delivered by a mixture of government, private and NGO-funded organisations through Vocational Training Institutes (VTIs) which are situated in most towns. There are normally 200–300 students per VTI, many of whom are boarders. Work-based learning concepts have been introduced, mainly through NGOs, as many VTIs do not have suitable equipment of their own and there tends to be little support available for online learning.

To create jobs and reduce poverty, many Ugandan VTIs – often those linked to Churches – offer practical and theoretical vocational training for disadvantaged groups. For example, Lake Bunyonyi Community Vocational Secondary School (Felden Clagg Bradley, n.d.) provides educational opportunities for orphans and street children. It was set up and run entirely by Ugandans from the local area and receives no state funding. It charges very low fees with around 40 per cent of pupils who are unable to pay admitted for free through funding from a sister charity. It relies for its continuing existence on its partnerships with private companies, ranging from design studios through to construction and engineering firms, with support from other charitable sources. The combination of this bringing together of private expertise and charity support has enabled the school to expand from its starting point of 30 children in 2006 to over 350 today.

Another example is the Kyamulibwa Vocational Training Center (Schoolnet Uganda, n.d.), a private institution which offers a range of vocational trade training from motor vehicle maintenance, welding and electrical installation, thorough to web design, hairdressing and fashion design. Of particular note in this last example is that the institution makes a point of its recruitment of vocational trainers with ‘contemporary vocational and industrial experience’, emphasising the general drive to more clearly match the outputs of the system with the current requirements of industry and the economy, and illustrating the ability of private providers to meet this demand.

Another initiative also shows great promise in meeting genuine need in line with high-level policy priorities. Four colleges (Bukalasa Agricultural College, Uganda Technical College Lira, Uganda Technical College Elgon and Uganda Technical College Bushenyi) were announced at the beginning of 2017 as selected to become ‘Centres of Excellence’, offering high-quality competency-based training for artisans and technicians in the manufacturing, construction and agro-processing sectors – major employment and self-employment avenues in Uganda. These in turn engage with 12 further VTIs where various types of training providers are helped to work together to share expertise and thereby improve the quality of practice in training. Two other institutes (Uganda Petroleum Institute Kigumba and Kichwamba Technical College) also joined the programme in early 2018.

The programme is viewed as an opportunity to introduce innovation based on international practices, as training providers from abroad can become twinning partners to support these colleges to develop their curriculum and provide advice in line with government attempts to change the system of education from content-based to competence-based to meet the economic requirement of human resources (African Leadership, 2018; New Vision, 2018b). The experience of private providers in meeting the commercial training demands of employers will be instrumental in the ongoing success of this initiative, and the combination of this expertise with the facilities of the state will present considerable opportunities for the development of TVET in Uganda in future, to better meet the country’s economic and industrial needs.

The World Bank is funding a partnership between the Private Sector Foundation Uganda (PSFU)¹⁵ and the Uganda Association of Private Vocational Institutions (n.d.) known as the Skills Development Facility (SDF) project, to offer training for people lacking formal training or academic qualifications. Many participants are self-employed workers and apprentices from the informal sector and micro enterprises, including master craftspeople and members of co-operatives. The SDF supports employer-led short-term training and recognition of prior learning as well as increased access to internships for TVET students, co-financed by the private sector through a matching grant contribution. It aims to increase the mobility of the labour force by strengthening the mechanisms for recognition of skills acquired through both formal and informal skills training, and aims to have created over 1.2 million jobs through the support of 50,000 projects. Among other strands of provision, it supports some of the Centres of Excellence mentioned above – another example of the coming together of public and private sectors in Uganda that is beginning to complement and supplement the public funding that is available.

¹⁵ The PSFU is Uganda’s apex body for the private sector, made up of over 200 business associations, corporate bodies and the major public sector agencies that support private sector growth. It serves as a focal point for private sector advocacy as well as capacity-building.

In the past, inadequate regulatory enforcement capabilities have led to concerns about the quality of TVET provision in Uganda. Interviewees for this research believed this may have been particularly the case where there were long contracting chains, which tended to limit the funding actually reaching front-line delivery and thus impacted on its quality. More direct funding flows are addressing this issue.

Summary

Overall, Uganda's major issue with the provision of TVET and skills has been a lack of public funding, and a recognition in recent years that what was being spent may have been putting undue emphasis on the potential financial investment anticipated from oil and gas extraction that has not come to pass. There is a recognised need to realign TVET strategy with the needs of the 'real' economy, and private providers are already partnering with government and others to deliver skills programmes that seek to reduce poverty, improve productivity and improve life chances.

3.5 INDIA

Background

India has nearly a fifth of the world's population and is extremely culturally, ethnically and economically diverse. For example, service sectors including information technology (IT) account for 75 per cent of GDP yet traditional agriculture remains the largest sector by employment. India's overarching policy priority is to move to higher-middle income status by 2030 through continued high and increasingly inclusive growth. Extreme poverty has reduced from nearly half the population to less than a fifth in the last three decades.

Skills policy and ambition

In the coming years, the Government of India aims to promote agricultural productivity, business productivity (to create high-wage jobs), balanced growth and an inclusive society. Skills development is one key way in which competitiveness and the above aims are to be achieved. Indeed, health, education and skills are 'urgent and integral to sustaining high growth over time' (World Bank, 2018a and b).

Since around 2009, the place of skills in national policy has risen steadily. Crucially, the government's National Skills Development Corporation began allocating loans for employability and skills training by private providers, with contracts and regulatory frameworks in place, which marked the emergence of an ITP sector in India. Bringing things up to date, the target to improve the skills of 400 million adults by 2022 is driving a proliferation of short courses. Interviewees welcomed 'train-the-trainer' and workforce improvement initiatives, but also pointed out the need for effective, relevant national success measures and digital infrastructure to support quality.

Interviewees welcomed the workforce quality improvement initiatives such as qualification packs for trainers, but pointed out that skills development priorities are best achieved through work-based learning and that this is what national success measures should reflect. Further, to deliver this, train-the-trainer initiatives need stronger backing by national government bodies, as does a national digitalised system of fit-for-purpose e-assessment for workplace-based skills learning.

The place of ITPs in the system

Various types of organisation in India have many if not all the characteristics of ITPs:

- » Approximately 9700 private industrial training institutes (ITIs), located in many of the 640 districts across India. Each offers around 100 learners recognised vocational qualifications in four to eight trades (out of 60 available nationally). Whereas government-run ITIs focus on passing on traditional trades using low-level technology, some private ITIs have introduced blended learning to enhance the quality of teaching and learning and can access more up-to-date equipment and artisanal practices. Whereas government-run ITIs offer long duration courses, private ITIs mainly deliver short courses in response to government funding opportunities, though many have diversified.
- » Technical institutes (ITCs) to deliver Level 4 learning, supported and regulated by the All-India Council for Technical Education.
- » Privately-run skilling centres, which are funded by a two per cent levy put in place under Corporate Social Responsibility law. Stakeholders estimate this is 3,000–4,000 out of the total 11,000 skilling centres.
- » Those apprenticeships that are loosely regulated and receive government funding for three months.
- » Projects aiming to tackle disadvantage, run by the Rural Development Department and focusing on community development and enterprise.

3. Insights into international ITP markets – six country profiles

Examples of ITPs in India that are engaging with skills training and open to sharing their approaches are the National Institute of Safety Training, which started as a purely private provider but now accesses government monies, and the semi-charitable Nettur Technical Training Foundation (NTTF), at which students make financial contributions and programmes are subsidised by the World Bank and a Swiss donor. All ITPs of this type document examples of skills training supporting communities with high levels of unemployment or participation in the formal economy, social mobility, economic productivity and social cohesion.

Managers at a private ITI delivering apprenticeships and at a skilling centre suggest that a skills training workforce is being developed, and provided numerous examples of individuals whose life chances and social outlook have been expanded through participating their programmes. They are very keen to collaborate more with employers, stimulated by policy changes such as regulatory relaxation and increased employer participation incentives.

Further research is needed, but the implication of the evidence from the two skills providers interviewed for this study is that their students are gaining valuable technical skills and actively participating in problem-solving in real work contexts in ways that would not have happened in the past, and that these learners become job competent much quicker than those who first go to university and then learn their role on the job.

Nevertheless, the wider context to their day-to-day operations remains a real barrier to growth in participation in skills programmes. In particular, they are keen to shift employers' perceptions towards using them as recruitment channels and to co-fund government programmes. This was confirmed by a national expert we interviewed who added that people at skilling centres often have an expectation of pay increases on course completion, but employers still choose university graduates to train on the job for lower pay rates than skills centre learners expect.

Further examples of ITP success come from rural projects that deliver entrepreneurship and technical skills side by side. Technical skills development has used current practices as a starting point and has enhanced productivity through marginal increases in mechanisation, inspiring self-development by guiding the use of the internet and flexible delivery to prevent drop-out among learners from poor backgrounds having to support their families financially.

Summary

There is something of a disjuncture between national policy priorities, which can be solved to a significant extent by skills development, and the strong cultural emphasis in India on education and vocational qualifications. This research uncovered a small number of examples where skills development by ITPs is accelerating economic growth and is widening life chances. There is

significant potential to grow ITP provision organically as India continues to align policies and practices with the skills development agenda. There is a real need and therefore opportunity to work with Sector Education and Training Authorities (SETAs) to develop new forms of financially viable modern apprenticeships for those who cannot afford full-cost provision. Also, the implementation of m-learning (using mobile phone internet connectivity) is one opportunity to lower costs and increase accessibility to learning for those unable to attend in person.

3.6 NEPAL

Background

In Nepal, ‘tourism is not only the most profitable industry, but the aim is to become internationally competitive in adventure, well-being and eco-tourism and hospitality’, according to the Nepali finance minister (Khatiwada, 2019). The largest occupational sectors in Nepal are subsistence and semi-commercial agriculture, and the government is keen to alleviate rural poverty where literacy and numeracy levels are relatively low. Low-skilled (but not no-skilled) construction workers are in high demand to support reconstruction after two devastating earthquakes in 2015. Regional relations are considered vital due to the investment potential of economic powerhouse neighbours China and India. Efforts are also underway to reduce high levels of young economic emigrants going into low-paid unskilled jobs abroad.

Skills policy and ambition

The Government of Nepal is currently seeking to widen participation in multiple areas of the education and skills system, from basic skills for adults to secondary schooling and academic and technical HE.

Human development programmes, fully or partially donor-funded, are welcomed into the country as social inclusion and cohesion is an urgent concern. These programmes focus largely on participation of disadvantaged and marginalised groups to improve rural livelihoods, reduce poverty rates and support the wider economy.

In response to the need to increase coherence across the TVET system in Nepal, a national qualifications framework is about to be launched. An even more direct response to skills development can be seen in the establishment of five new enterprise-led apprenticeship programmes and in efforts to improve the online work placement resource.

The place of ITPs in the system

Nepal's technical education and skills development activity is dominated by state-run and donor-led provision, although there are also private providers doing full cost recovery. The Ministry of Education, Science and Technology oversees a number of semi-autonomous central agencies which in turn support regional directorates and local district education offices and resource centres. The [Council for Technical Education and Vocational Training \(CTEVT\)](#) is the central agency responsible for:

- » skills development planning – ensuring that there are technical and skilled people to benefit the country in future
- » regulation – through affiliation of providers
- » delivery – through a range of providers.

The box below shows four main types of TVET provision in Nepal.

1. ITP provision

- » Affiliated private institutions – approximately 400 CTVET-regulated, government- and donor-funded or donor-funds channelled through government
- » Teams put together as a new ITP to deliver donor-funded projects that channel monies through government and are subject to at least some government regulation.

2. State funded and run provision

- » Technical-vocational track and Preparation for employment programmes in some higher secondary schools and graduate colleges

- » Trade schools, Technical schools and Training centres – short courses for occupational proficiency, traditional trades run by the government body CTNET.
- » Technical colleges, Polytechnics and some Universities – approximately 30 organisations delivering three-year Diplomas and Technical Certificates.

3. Charitable and donor grants and loans provision

- » Voluntary sector providers, sometimes operating networks and sometimes recruiting individual members of staff with previous ITP experience.

4. Private sector provision

- » Private training providers and private polytechnics – non-regulated by Nepali authorities, for-profit, expensive and prestige courses (e.g. IT, international standardised English language, technical academic degree) in demand from wealthy and emigrating. Some of these private providers are also active in 1 to 3 above.

ITPs were found to often be affiliated to CTNET for part of their work but supplement this with charitable or private provision.

Interviewees and desk research suggest that between 200 and 400 affiliated private institutions are actively operating as ITPs for most if not all of their work. That is, government funding supports most of their activity, which is often supplemented by private and charitable funds in order to be sustainable over time. ITPs can also bid for donor funds, which interviewees for this research said was particularly effective when one project evolved into another so that continuity was maintained.

The Nepali system is focusing attention on meeting employers' needs, an agenda that ITPs are well-placed to serve. For example, donors have in recent years begun shifting away from measuring success on the basis of inputs, such as the numbers of learners, and are now using output measures such as evidence of employment after finishing a course. TVET institutions are developing their work-based training practices so that learners completing a one-year classroom-based course have the opportunity to do two or three months of work placement with expenses paid (though the national online work placement database reportedly needs refining).

Interviewees for this research said that the delivery of employer-focused training by ITPs could be better supported in the following ways: international investors asked to train staff on the common job roles and frequent tasks (rather than equipment used by very few in their roles); more government-subsidised train-the-trainer initiatives; sustained access to funding over time so that workforce expertise built up during one project is retained longer-term in the system.

ITPs in Nepal have played a role in numerous donor-funded initiatives. For example, delivery of the World Bank's vouchers for training courses for disadvantaged groups included ITPs that were partially staffed by people from local communities, which helped increase trust and participation because they were perceived as being cultural-suitable providers. Also, the Swiss Agency for Development and Cooperation has worked with the government and providers including ITPs to give young disadvantaged people training opportunities.¹⁶ Further, Maoist and Gurkha minority community engagement projects were said to have promoted inclusion and social cohesion – independent providers gave training in subjects such as IT, which enabled people already in work to do their jobs in more effective, productive and professional ways.

Summary

Currently in Nepal, the whole of the TVET sector is seen as being part of the government-funded and run education system. However, there is plenty of evidence of activity that in the UK would be called ITP provision. The Government of Nepal currently supports around 300 private training providers for economic benefit, and additional ITPs can be found delivering donor-funded provision for social purposes. Further, the trend is clearly towards employer-centred skills development, which ITPs are well-placed to support.

3.7 SRI LANKA

Background

Sri Lanka is an island nation with a population of approximately 21 million. In recent years, tourism, tea, cloth and agriculture have become the main industries contributing to strong economic growth, and now Sri Lanka is aiming to become an upper middle-income country. In recent years, Sri Lanka has become particularly welcoming and attractive to international companies wanting to do business there.

¹⁶ In this scheme, the Nepal Employment Fund (also co-funded by DFID and the World Bank) reimburses training providers' costs once former trainees find jobs with satisfactory income.

Major steps have been taken towards reconstruction, conflict resolution across communities and the alleviation of extreme poverty since the civil war that ended in 2009 and the 2004 tsunami, though their legacies remain. For example, there continues to be a scarcity of vocational teachers, widespread mental health issues and ongoing community cohesion problems. An episode of political instability in 2018 led to many new personnel in education and skills roles within ministries and the senior civil service.

Skills policy and ambition

Sri Lankan society regards education very highly, though traditional vocational learning relatively less so. There is a strong emphasis on science, technology, engineering and mathematics (STEM) subject sectors and at professional levels. Despite high-level backing for TVET among government ministries, the budget of \$US444 million is just five per cent of the whole education budget. Regulatory infrastructure includes the National Vocational Qualifications Framework and the Tertiary and Vocational Education Commission (TVEC), which is the main quality assurance regulator responsible for strategic planning, formulating, implementing and reviewing TVET policy and practice.

The main issue identified by interviewees for this research was the limited capacity of the current publicly-funded system for skills development to competence levels relevant to employers. This analysis is supported by a publication from The Institute of Policy Studies of Sri Lanka (2016) which states that a 'lack of resources has limited the expansion of TVET and constrained improvements with regard to its relevance and quality'. This makes the government's ambition to spread participation and to grow prosperity across all communities, post-conflict, a real challenge. However, the Government of Sri Lanka is alert to capacity issues and, as reported by the Asian Development Bank (2015), will fund:

diversification of providers and create an attractive environment for private sector investment in technical training to encourage enrolment. Private sector will be encouraged to take the lead in providing vocational training to satisfy their needs.

The place of ITPs in the system

Skills development in Sri Lanka is delivered mainly through one- or two-year grant-funded TVET institutions and short courses designed, delivered and funded by industry. There is also some private provision offered on a full cost recovery basis. However, there are individual organisations and various networks of organisations that appear to show characteristics of ITPs in Sri Lanka. For example:

3. Insights into international ITP markets – six country profiles

- » Most of the 38 technical colleges overseen by the Department of Technical Education Training – small training centres offering short accredited courses.
- » The Vocational Training Authority is an umbrella organisation for approximately 250 providers of skills in rural areas, with 30,000 young people trained annually in 83 trades such as baking, gem cutting, hairdressing, masonry and automotive technology.
- » The National Youth Services Council provides skills development opportunities country-wide. Overseen by the [National Apprenticeship and Industrial Training Authority \(NAITA\)](#) it trains providers working with employers in approximately 150 apprenticeship training courses in 22 occupations.

The British Council is working with these networks and individual providers to assess opportunities on a city-by-city basis and to co-ordinate British efforts. Further, our interviewees highlighted a number of markets where high-quality specialist training providers could make a good impact in the future. Such markets include high-profile infrastructure projects, such as highways and Colombo Port City, which is largely managed and loan-funded by Chinese companies. Port City aims to become a new commercial, financial, residential and international entertainment hub for South Asia. Some similar projects have left Sri Lanka with huge debt repayments and fewer jobs for local people than originally envisaged. The developers are importing many skilled workers from China because the gap between international standards and the occupational competence and workplace behaviours of local candidates is often too great to close using the short training courses currently provided. Another market is in ecotourism and marine and environmental science, in which Sri Lanka has world-class opportunities and is already attracting international learners willing to pay towards courses.

Summary

The education system in Sri Lanka is well developed and there is considerable appetite for TVET and regulatory policy in place. High demand coupled with tight public finances and limits to institutional capacity have led to private markets and mostly full-cost-recovery provision. However, there is openness to diversification of skills development provision.

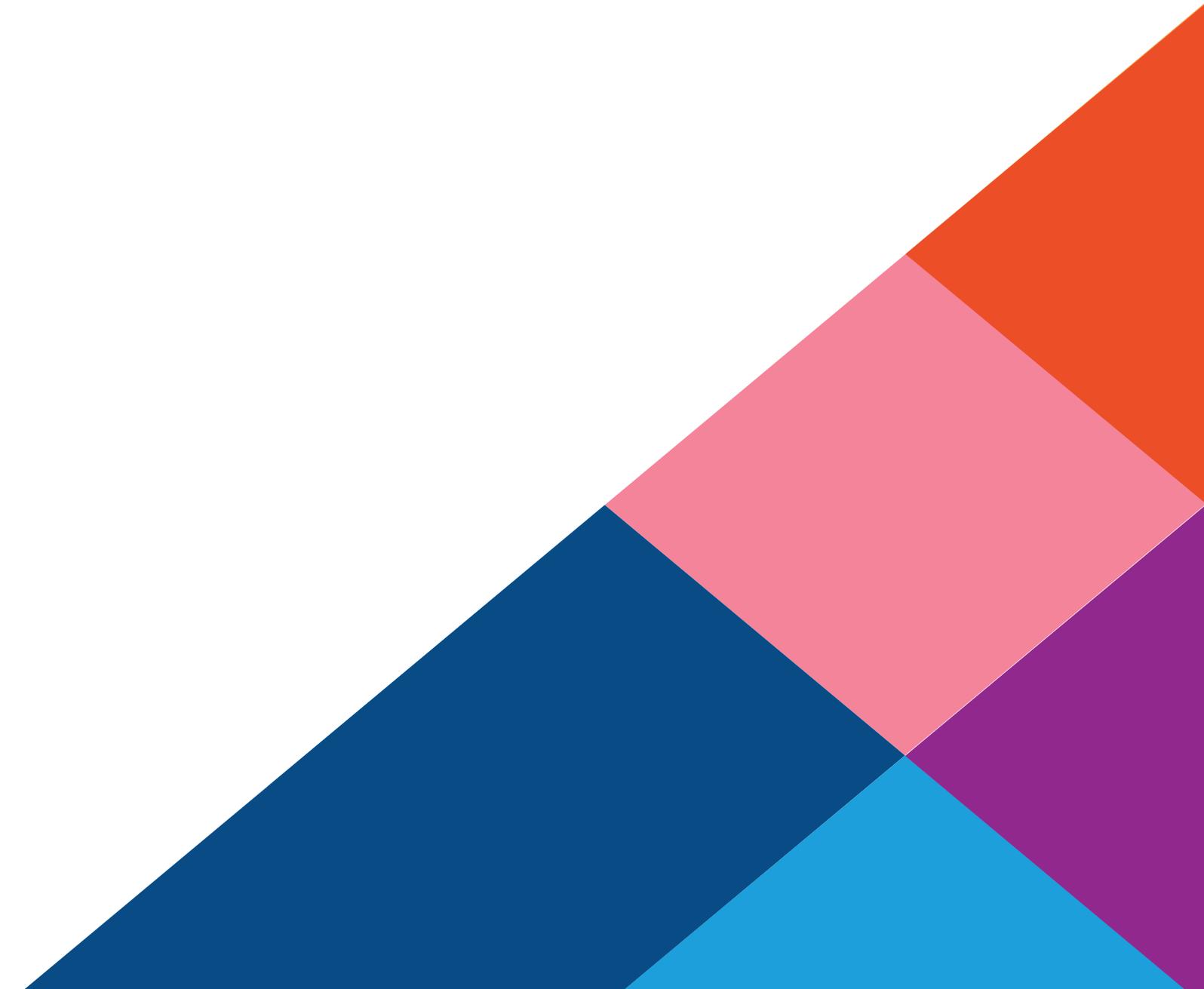
3.8 CONCLUSIONS

Here we draw out key themes from this chapter to help inform strategic and operational priorities and country-specific development opportunities that UK ITPs and others may wish to support. We draw on the lessons learned from the exploration of the ITP sector in the study countries in Chapter 4.

Across all countries in this study, TVET is in demand and the value of skills training is increasingly recognised. The national governments place strong emphasis on higher-level technical and professional skills. Most are also looking to international businesses and customers to expand local employment opportunities. However, the bulk of employer and learner need and therefore provision remains at lower levels, which is vital for inclusion and increased participation. In many cases funded opportunities for provider organisations are co-ordinated through government channels and international development agencies.

Beyond these key themes (which are expanded upon in the next chapter) are country-specific opportunities. Botswana is welcoming the expertise and resources of private providers while giving them access to facilities that can be provided by the state. In South Africa, both SETAs and APPETD are excellent starting points for UK ITPs or others interested in supporting skills provision as they are central to policy implementation and accessing the expertise and resources of private providers. In Uganda in particular, the public perception of government-funded private provision is an issue that needs to be tackled by UK ITPs or others who do business in the country. ITPs looking to do business in India must carefully consider where to focus their efforts in this vast and diverse market, possibly using mobile or 'm'-learning. The Government of Nepal is very open to approaches to help deliver skills and associated infrastructure, focusing mainly at higher and professional levels and with HE involvement. In Sri Lanka, ITPs could potentially help spread skills development opportunities beyond TVET institutions at high quality and at an affordable price.

4. THEMATIC CROSS-COUNTRY ANALYSIS – LESSONS LEARNED



4.1 INTRODUCTION: AN INTERNATIONAL DEFINITION AND CHARACTERISTICS OF ITPs

This chapter presents a number of key findings from this research. They point to ways that policy makers can use the marketised provision of skills to best effect.

In analysing the data collected throughout this research, it was clear that independent training providers (ITPs) play some part in the technical and vocational education and training (TVET) systems of all of our target countries and therefore an international definition will be useful to help raise awareness and understanding of their potential contribution to skills development for national priorities.

ITPs internationally are funded by governments and are subject to, and therefore responsive to, state regulations that determine what skills programmes are delivered for which communities and for what purpose. Unlike TVET institutions such as colleges, ITPs are operationally independent from government.

As commercially-minded organisations with capabilities in work-based learning and employer engagement, ITPs are particularly well placed to respond to government priorities. ITPs have staff with the expertise and are set up with the purpose, structure and processes to do each of the following:

- » understand employer needs
- » select the right qualification or programme for that employer
- » adapt that government qualification or programme to meet the individual employer's needs
- » train employees or prospective employees using work-based teaching, learning and assessment methods, which makes them responsive to employers.

What drives the ITP market internationally is distinct from what drives public TVET provision. Although not always explicitly stated in their strategies and policies, it is often the case that governments see it as a duty to pay for what the commercial market won't fund but is very well-placed to deliver. This is what underpins the strong social inclusion and social mobility concern that the research found in all the ITPs examined. This social imperative also makes ITPs distinct from purely private provision.

The balance varies across countries between the proportion of TVET systems that focus on skills development that are fully private, privately run and publicly funded (ITPs), and fully public. In Uganda, for example, private provision is so significant because there is considerable restraint on the resources available for public institutions. In India, the low status of TVET is coupled with the ability of many individuals to pay for fully private provision. Botswana has solid public provision which, like some more isolated examples elsewhere, has begun to be complemented by private provision working in partnerships – each side contributes its strengths such as sharing existing infrastructure and relevant staff expertise.

In the UK, large numbers of ITPs have now emerged despite the fact that skills development is still generally framed in terms of public provision or duty. This would appear to be because the regulation of provision generally concentrates on the outputs of the learning process rather than defining the learning process itself, allowing ITPs to maximise the benefits of their commercial approach and/or extend the state’s socially-driven approach. Internationally, ITP staff are also skilled at engaging learners who have ‘failed’ in the formal education system, many of whom face disadvantages in life that create barriers to participation in learning. ITPs address head-on the twin priorities of getting people into jobs and getting second-chance learning opportunities. Tackling social exclusion is in addition to their role in improving the skills of those in work to achieve career progression, sustained employment, increases in productivity and business growth.

This research found that the absolute size of the ITP sector in a country does not, in itself, correlate to the importance or the quality of its contribution to national skills development. This is much more influenced by the regulation surrounding the system as a whole and whether or not policy enables ITPs to flourish by allowing them to contribute to the wider TVET system what they do best.

4.2 EMPLOYER ENGAGEMENT EXPERTISE

It was clear for all the countries we looked at in the course of this research that a major benefit that ITPs bring to TVET systems is a relentless focus on, and experience in, employer engagement, which is vital for both the relevance of skills learning and delivering skills that contribute to businesses productivity and growth.

4. Thematic cross-country analysis – lessons learned

As an example, two skills providers interviewed for our research indicated that their engagement of employers had enhanced the ability of learners to problem-solve in ‘real-world’ scenarios that employers found gave them an appreciable advantage over traditional graduate employees. The shorter durations also tend to align better with business practice and the prevalence of this type of offer among ITPs and private providers compared to public systems was also noted.

Certainly, where we came across examples of ‘dual professionalism’ – of vocational teachers having a previous background in the industry in which they teach – this tended to be a clear positive, and was often apparent within private providers who had the potential to pay the salaries demanded by this in-demand group. This was evident in Botswana, for example, where employers are hiring private teachers to improve the overall relevance and delivery of the curriculum in line with newly-developed qualifications, and where dual professionalism tends to attract a salary premium that is more readily met by private providers. It was also evident in Uganda, where the Kyamulibwa Vocational Training Centre is making a particular point of its ability to recruit vocational trainers with ‘contemporary ... industrial experience’.

Notably, the Government of Uganda has defined the requirements of the world of work as its benchmark for its TVET programmes and qualifications, indicating the increasing importance of these elements within public policy, and the increasing confidence that private provision can contribute to fulfilling them. In a similar vein the fundamental importance of South African SETAs in directly channelling the funding garnered from the levy to delivery by private providers in occupationally-specific areas is another clear indication that the ground-level effect of ITP provision is directly relatable to the needs of employers and their ultimate productivity.

UK ITPs are at the forefront of the employer engagement movement, with an established government narrative for TVET that puts employers in the ‘driving seat’ of skills education and delivery. While there is some argument as to how well this policy translates into practice (Warner and Gladding, 2019), it cannot be denied that the overall concept is at the heart of a system that more than any other emphasises the advantages of ITP provision to the benefit of vocational learners in general, in particular by exploiting the ability of ITPs to relate to and reflect the needs of employers within their delivery models.

4.3 PARTNERSHIPS BETWEEN PUBLIC AND INDEPENDENT SKILLS PROVIDERS

Almost all of the countries we looked at have strategies that welcome public-private partnerships between employers, government and ITPs. Indeed, because as businesses ITPs are often bounded by their own commercial drivers which they have to operationally blend with the social drivers of state education and training, they are well-placed to act as a ‘bridge’ between the worlds of education and employment, providing a common ground or common language in which both educationalists and employers can co-operate.

Examples were found where ITP involvement in skills development initiatives demonstrated valuable benefits. For example, Uganda is in effect using private involvement to build its public system. The Skills Development Facility project specifically influences private TVET provision to widen the availability of training to those lacking formal academic education, while also supporting the Centres of Excellence initiative to offer competence-based training in economically important areas of the economy. In Botswana, the Strategic Plan explicitly links an increased private role in tertiary education with a desire to ensure that ‘labour market outputs are more closely aligned to future employment needs’, something which is being delivered through the brigade system and the willingness of the public system to support the delivery of private provision (as evidenced by the case study of the Botswana Chamber of Mines).

Partnerships between public and private providers in the UK are now so commonplace that their creation or consolidation or development is not seen as a discrete aim in its own right. Instead, the system has accepted that these exist and that they are needed, and instead regulates all providers in all permutations of partnership to ensure that outputs are in line with overall economic, social and political needs. This relates to an overall view that regulation should concentrate on formulating the outputs of learning rather than controlling the means by which those outputs are gained – output over process.

In all these cases it is very clear that the deliberate linking of private provision with the public system – or at the very least the removal of obstacles to this happening – can produce learning outputs that are more than the sum of their parts; that not only widen participation but focus the relevance of delivery on the skills needs of employers and thus the economy. Countries that are reluctant to pursue this policy line may wish to reflect on the lessons learned in our target countries and consider whether following a policy that actively encourages ITP participation within a TVET system could further enhance objectives to reduce poverty through the upskilling of individuals.

4.4 ITPs' NEED FOR CONTINUITY OF FUNDING

In the main, public skills providers tend to be underpinned by government grants, based on volumes of learners participating, which gives a degree of certainty of funding over successive years. The role of ITPs, however, is more towards serving and satisfying learners and employers, which makes them focused on outputs more than processes. To clarify, the nature of ITPs is to satisfy their 'customers' in terms of what they ultimately want, rather than how it is done. It is therefore understandable why ITPs tend to operate on a time-limited contract basis, especially as outputs can relatively easily be specified by funders (and the programme aims and recipients changed over time).

Short-term contracts can, however, cause major issues of responsiveness to market forces, sustainability and growth for ITPs. In both South Africa and Nepal, it was noted that the relatively short nature of much funding (often on one-year contracts of public funding from Sector Education Training Authorities – SETAs– or other time-limited schedules of donor funding in Nepal) can hinder the ability of private providers to plan ahead. If a TVET system is designed to produce outputs and results over a longer period of time, then there should be some extent to which the providers of that system can expect a degree of continuity in their funding, rather than just hoping it will be covered by a succession of short-term contracts.

The UK, for example, has seen a very marked shift away from time-limited financial allocations in recent years. Even where contract allocations are time-limited, there is normally a strong indication of how they may be extended under certain conditions, meaning that providers can plan to try and achieve these conditions with a degree of certainty that the funding will remain available if they do so. Contracts that automatically expire after (for example) one year with no indication of further funding mean that a substantial portion of the limited time available is spent either preparing to deliver, or winding down delivery, rather than delivering. This makes the output itself relatively more expensive because no economies of scale have time to kick in.

The advantages of time-limited allocations are nevertheless clear because they give certainty in the short term, without a commitment to further expenditure that may turn out to be unaffordable. It is also the case that the controls placed on time-limited grant allocations by some donor organisations can act as excellent models for financial management that national systems can look to when considering how best to manage their own TVET finances. This point was particularly raised by a number of our respondents when we were researching Nepal, although the principle is also recognisable in other countries where donor funding is still

prevalent. This would suggest that there are still lessons to be learned from the management of donor funding rather than merely assuming that any sudden switch to public funding should be the policy of choice if funds permit.

The length of funding flows to the front line of delivery was also raised in a number of our studies. Respondents in Uganda were clear that long funding flows through a variety of layers of regulatory and other bodies meant that the continuity and assurance of funding was often compromised, reducing the efficacy of final outputs. Where these flows are shorter – such as in direct donor funding or in more robust systemic infrastructures such as the South African SETAs – it appears easier to manage probity and flows within the financial system, giving greater value for money.

Although donor funding programmes generally tend to involve short funding flows, it would also seem from our research that it is combining this with indications of how a continuity of funding may be achieved that has the best results in terms of allowing ITPs to plan ahead and gain proper economies of scale in their delivery. Where the overall amount of public money to do this is not large, governments may be concerned that they may be committing themselves to unachievable levels of spending going forward. However, the experience of UK ITPs would tend to suggest that they are able to respond to limitations on the amount of money each year *if* they are confident that these levels can be maintained in the years following, which allows for efficient and effective investment planning. In other words, if faced with a finite budget, spending it all in a short time may be less effective and economic than spreading a smaller amount over several years. Because ITPs generally tend to have a smaller capital base than public colleges, they can react and respond to this with a better chance of remaining viable.

4.5 CONCLUSIONS

This chapter has identified a set of broad themes of particular relevance to the development of effective ITPs within national TVET systems. Internationally, ITPs have been seen to contribute to national policy priorities by widening participation in training and work-related learning, driving employer-centred provision and supporting economic productivity. We have also seen that there are certain conditions for success of ITPs, most especially access to continuous funding flows, development of ITP workforces with dual professionalism and government/employer willingness to include ITPs as a bridging link in public–private partnerships. At the same time, quality and reputational concerns surround ITPs, as they do with all aspects of TVET, which governments and ITPs need to take responsibility for. There are certainly opportunities for collaboration between ITPs in the UK and overseas, sharing their experience and expertise.

The next chapter sets out the overall conclusions and recommendations from this study which we believe are relevant to all the countries examined – and many others besides – if they are considering an expanded role for the ITP sector in their skills development system.

5. CONCLUSIONS AND RECOMMENDATIONS



5.1 INTRODUCTION

This research report has identified and described the independent training provider (ITP) sector in seven nations. It has found a clear link between high-level policy priorities and the contribution of ITPs through their focus on work-based training and skills development. This is distinct from much of the wider technical and vocational education and training (TVET) sector internationally, which has traditionally been (and still is) mainly defined by the teaching of classroom-based vocational qualifications.

5.2 CONCLUSIONS

This section presents the conclusions of the research. It then separately proposes recommendations to help take skills development forward for policy makers and for ITP leaders and practitioners.

Government-funded private provision of TVET exists across the world, yet it has a low status. As a key part of the TVET sector that specialises in meeting employers' skills needs and work-related learning, ITPs are helping to challenge this perception through the widespread use of employer-led, work-based delivery models. The commercial drivers behind ITPs are more in line with those of employers compared to the public service drivers underpinning traditional classroom-based TVET, and ITPs can thus focus on understanding and responding to employers' skills needs. This can make a real difference to skills for productivity, employment prospects and social mobility at a macro level.

As a sector, ITPs are quite poorly recognised because of their diversity and their distinctiveness from the better-known government-funded TVET institutions. For example, when talking to national experts and leading practitioners for this research, publicly funded private provision was not the first sub-sector of TVET to come into their minds.

However, it is important to recognise that ITPs are found internationally. Skills development matters for national economic productivity, business growth, social mobility and social inclusion. ITPs have been shown by this research to have effectively contributed to the skills development of all nations that we studied, but many are doing so using what is a relatively new model of delivery: identifying and meeting skills needs that are led by and derived from employer

5. Conclusions and recommendations

wants and needs, but delivered in mainly work-based settings by state-funded (but not state-run or state-owned) learning providers. This can lead to problems because existing systems of inspection and assurance (based as they are on traditional classroom-based delivery) can sometimes struggle to keep pace with both the developments of this new work-based pedagogy and how it is operationally applied. In turn, this has led to a perception that ITPs offer poor quality provision, bringing about a degree of caution in wanting to engage them. It is the employer-led content being delivered within a work-based model that they are putting forward that can cause a tension with existing educational system arrangements.

Our research has led us to the conclusion that ITPs are the manifestation of a new and emerging marketised response to a TVET system challenge – in many cases, the need to move from the skill levels required for an agrarian economy to those of ‘international standard’ industries. They are able to contribute to many different parts of the system, largely because of their innate flexibility, and are therefore in a position to fill some niches in public policy that the state and an unregulated market economy can have difficulty responding to – for example, in attracting and re-engaging disadvantaged youth into learning and employment.

However, if an existing system of classroom-based TVET is used as the basis on which to regulate and operate work-based ITP delivery, then there will always be a tension: putting a square skills system into a round classroom-based hole will inevitably mean that its benefits can never be fully recognised. Such systems and processes therefore need to consider how best to accommodate this new way of working rather than force ITPs to comply with regulations that do not harness their innate benefits, and indeed may negate them.

All countries covered by this study had well-developed and ambitious high-level skills strategies in place in order to increase productivity, social mobility, social cohesion and life chances. All are currently working on developing a more coherent (cross-departmental and agency) approach to TVET and skills development.

Most countries have started to give more responsibility and rights to employers and this opens opportunities for ITPs to contribute. Internationally, this research found, the main strength and defining characteristic of effective ITPs is their experience and expertise in managing and delivering employer-centred skills provision, driven through work-related learning, work-based training and employer relations. Further, ITPs are themselves commercial organisations and therefore often understand and/or relate to employers and their needs more closely than is often the case with public systems of education. To properly use these advantages within existing TVET systems, governments need to give consideration to prioritising ITP funding to deliver the areas of policy that the market would not itself necessarily pick up – for example, employers may not easily be persuaded to accept the costs of employing and training disadvantaged and socially excluded young people, but could be persuaded to offer

5. Conclusions and recommendations

the opportunities to do so if ITPs are funded to offer the support required to make it work. This levelling of the playing field widens the potential recruitment pool for employers, which can relate to a direct bottom-line impact: corporate social responsibility justifications, however worthy, do not help to pay the bills for the vast majority of employers, particularly in emerging economies, but widening the skills pool, and improving productivity overall as a result, very much does.

Whatever the size of the ITP sector compared to purely private and purely public training provision, ITPs contribute to wider TVET systems by collaborating with other providers and with employers – and, indeed, with governments. ITPs often bridge private and public sectors, strengthening links. Uganda has a mainly private system being used as the basis for building a public one, while elsewhere it is mainly public systems wanting to move to private models – and ITPs are the join in both cases. It is clear that there is no one right model of partnership working with ITPs. Rather, effective practice has come from clear shared goals and effective collaboration.

Because ITPs are funded by government they are also regulated by government. In the UK in particular, the government determines desired outcomes of skills development activity, allows access to ITPs to bid for a contract to deliver that activity and then measures the outcomes of that activity. Within specified quality boundaries, exactly how the training programmes are delivered is more often than not left for ITPs to decide. Governments publish performance measures and then measure outcomes. ITPs either perform so that they comply with these outcomes measures or lose their government contract. This commercial yet regulated operating environment has made ITPs highly responsive to changing government-set targets.

Governments and individual ITPs in all countries are seriously challenged when it comes to the consistent *implementation* of regulations and quality standards, including financial accountability. The impact on the system is great in terms of what it can achieve and its public credibility and status. It is worth reiterating here that ITPs are often not-for-profit or low-profit organisations and can therefore be seriously impacted by small reductions in funding received compared to funding expected. Indeed, this project confirms that the same set of policy implementation issues that affect ITPs as has been previously highlighted for the TVET system as a whole. For example, this research found the same broad issues of, on the one hand, high-level strategies prioritising skills, apex bodies and national frameworks to co-ordinate the system and, on the other hand, weak implementation systems for ensuring financial accountability and quality of delivery of training (see, for example, Asian Development Bank and Australia Aid, 2014).

One of the main challenges cited by interviewees internationally is the capacity and capability of the skills training workforce to deliver effective work-based and employer-relevant training.

Numerous examples were collected by researchers of apprenticeships in traditional trades being spent either passively (i.e. observing and doing menial tasks rather than being given opportunities to learn, practice and therefore develop new skills) or under an ‘old master’ who passes down out-of-date practices. Researchers concluded that competent skills workforces are therefore not in place at the scale required to meet national skills strategy ambitions. Those recruited from educational and civil service backgrounds additionally need to learn up-to-date technical skills and private business ways of working.

ITPs are often seen to be addressing this through ‘dual professionalism’ – recruiting their trainers from practitioners in the industry, meaning they are knowledgeable both about their particular industrial sector and how to deliver training in it. As noted in the previous chapter, the development of such dual professionalism can have great benefits and underpins many of the recommendations that follow regarding workforce development. Policy makers may therefore wish to consider how an active role in the development of such dual professionalism may help a wider cohort of learners than is the case through depending on ITPs to undertake this work themselves.

5.3 RECOMMENDATIONS

This section proposes recommendations to help take skills development forward for policy makers and for ITP leaders and practitioners.

For national policy makers

- 1. Recognise the extent and roles of ITPs that you already have, and consider how they can be used more effectively to meet policy goals.** ITPs exist in many countries and are increasingly being used by governments to address challenges and play an important and distinctive role for the economy and civic society. However, they may be able to do more with relatively small changes in regulation or funding.
- 2. Consider international examples of where ITPs have contributed positively to the development of TVET systems in order to learn from best practice in both policy and practice.** This can also help to raise the overall status of TVET generally as ITPs’ close employer links will tend to reinforce the relevance of technical education and training to the economy and bottom-line productivity.

3. Especially where resources are limited, **regulation should concentrate on ensuring that outputs are in line with policy priorities, rather than controlling the processes by which they are gained.** Policy makers should be clear in ensuring that targeted outputs are the right ones. Market forces within ITPs will ensure that the processes of delivery to produce these are the most efficient to make best use of the resources available.
4. **Focus on the quality of delivery, not on the process of measuring it.** ITP provision has been let down by its performance in the area of quality in the past, but poor experiences of this type should not deter governments from continuing to facilitate high-quality delivery from the sector. In many cases, the perception of poor quality has been reinforced by a system of quality measurement that is not built around work-based or employer-led models of delivery. As has been shown by the UK, even with increasingly limited resources it is still possible to produce high-quality delivery if the appropriate regulation and account management framework of provider delivery is in place.
5. **Build on expectations that employers should (and will) play a greater role in TVET provision.** TVET is often traditionally wedded to consolidating the types of institutions that have traditionally delivered it, but if employer-centred skills are what is required, then these are best delivered by the organisations that are best-placed to do this well. In many cases this may be through ITPs using innovative work-based and/or distance/blended learning delivery methods. Skills are unlikely to be delivered en masse in classroom-based settings but can be, and are, developed in work-based settings in which ITPs can flourish.
6. **Unlock human and physical resources by facilitating the move of TVET delivery from institutions to workplaces.** ITPs recognise that employers are where the most up-to date equipment is used, and where the relevant up-to-date skills are in place and being developed. This in itself can begin a process of developing employer-based expertise in oversight of learners, which will eventually feed the input of dual professionalism into the TVET system overall.
7. **Funding flows to ITPs should be as short as possible, ideally multi-year in nature and should at least carry the possibility of continuity if certain conditions are met.** This will allow for ITPs to make forward investment and for delivery to achieve a critical mass that can generate economies of scale – crucial in producing skills needs at the scale that an entire economy requires.

- 8. Encourage collaboration and working interaction between ITPs and public TVET providers.** There are many international examples of positive impacts of such work which can allow both sides to concentrate on what they do best, giving a better result for the learner. This can be encouraged through improved communication processes between the state and ITPs – by facilitating their involvement with governments in order to consider their views and input when formulating overall policy and its implementation.

For ITP sector leaders

- 1. Establish workforce support strategies for ITPs.** The need for skills development does not stop with the employer's learners: it is equally, if not more important, in the teaching and training of ITP staff. ITPs have the links with employers to be able to make the most of up-to-date equipment and processes, and it is vital that they capitalise on these to drive their own workforce development. Alongside government authorities and sector leaders, groups of ITPs and their representative bodies and employer networks should plan for and facilitate workforce skills acquisition to improve the quality of skills training activity on the ground. Such strategies may be supported by a formal practical support programme or could take place through interaction and collaboration between ITPs and employers themselves. In any event, such strategies could usefully focus on three main strands:
 - Understanding employers' needs for productivity as a basis for engaging employers in skills delivery. This means learning new ways to deliver both the relevant job-specific technical training and also the transversal skills (interpersonal skills, problem-solving, critical thinking, self-evaluation, etc.) that employers demand. It also means developing flexible models of delivery to meet different employers' needs.
 - Understanding the management of work-based learning in employer settings.
 - Methods of self-evaluation of practice to ensure continuous improvement in delivery.

- 2. ITPs should continue to use their strong employer links to recruit from industry and develop dual professionalism in their workforce.** It should be recognised that dual professionalism is an attractive proposition for individuals as well as at the systemic level, as it encourages progression and social mobility and can act as a trade-off where wages for ITP staff may be relatively less than they might receive in the public sector. It can be done by continuing to support the development of the teaching and training techniques of employer staff in order to both provide additional capacity in the delivery of learning, and build a progression stream of new practitioners. This may include exchange programmes between ITPs in different countries to learn from and experience best practice.
- 3. Sector leaders should consider international examples of where ITPs have contributed positively to the development of TVET systems** in order to learn from best practice in both policy and delivery, and thereby maximise the opportunities that may be presented by international collaboration.

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