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

▶ INTRODUCTION

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. With this research we aim to prompt national policymakers 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 are a 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. They often contribute towards global development priorities as set out in the UN Sustainable Development Goals – particularly with regards to:

- » the provision of quality education
- » the elimination of poverty through creating jobs via sustainable economic growth
- » 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. It 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 prompted 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 – Botswana, South Africa, Uganda, India, Nepal and Sri Lanka – for research into the contribution that ITPs played, or could play, within their TVET systems – systems that we felt were broadly representative of a spread of emerging economies. It 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 often 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 skills 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 (i.e. commercial-only) 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 expertise 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, with the experience of the UK being an important and comprehensive exemplar.

► 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 nations that 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 all the countries we studied in one form or another, 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.

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