

# Expression of interest

# Title: Labour Market and Skills Demand Horizon Scanning and Qualitative Scenarios

**Project reference: 20-21/014**

**Deadline for expressions of interest: 3rd February 2021**

## Summary

Expressions of interest are sought to assess the UK labour market over the next 15-20 years. The aim is to identify the key drivers and emerging trends in order to create several possible labour market scenarios that have broad implications for the future demand for skills.

We expect that the research will involve a review of existing evidence on the future of the labour market, interviews with key experts and qualitative scenario building, and several possible labour market scenarios that have broad implications for the jobs, skills, and qualifications.

We anticipate that an experienced contractor will undertake this work who is familiar with scenario development and futures methods.

## Background

Education and training should focus on providing skills that are of value to the economy, employers and individuals. However without understanding where the future of the labour market lies, it is very difficult to ensure that the skills that we invest in today, will be the skills that are needed in years to come. Current drivers such as technological advances, globalisation, an ageing population, migration and environmental change and transformational events such as EU Exit and Covid-19 are all very likely to shift the future of the labour market. Existing futures evidence has limited relevance in a post-Covid and post-EU Exit labour market. This research is needed to assess systematically and robustly what the future labour market might look like and what the challenges, opportunities and implications are, to help us to make better informed decisions about the Department’s skills strategy.

The Department recently (February 2020) published the [Working Futures 2017-2027: Long run labour market and skills projections for the UK](https://www.gov.uk/government/publications/labour-market-and-skills-projections-2017-to-2027) report which provides projections of the future labour market through a quantitative assessment of the demand for skills and employment prospects in the UK labour market over the next 10 years. This used a detailed multi-sectoral, multi-regional econometric model based on past labour market patterns and trends to illustrate possible future demand. It distinguishes employment by industry, occupation, qualification level, gender and employment status. However, these forecasts are subject to a number of risks and uncertainties given the methodological difficulties of modelling disruptive developments such as COVID-19.

This proposed research will complement the Working Futures data by taking a qualitative approach to identifying the current and emerging drivers of the demand for skills. Taken together, the Working Futures projections and the proposed project will provide a more rounded picture of the future of the labour market and skills needs.

## Research aims

The purpose of this research is to scan the horizon of the labour market over the next 15-20 years to identify the drivers and emerging trends (including accelerating technology, Covid-19, an ageing population, globalisation, net zero emissions target etc.) to create several possible labour market scenarios and to assess the broad implications of these scenarios for the jobs, skills, and qualifications that will be needed in adult and technical education.

In the short-term, the results of this research will help to shape the Department’s assessment of what mix of qualifications the Department should fund to meet the demands of the future labour market. In the longer-term it will help to inform what the Department’s ambition for the future should look like.

The research questions are:

* What are the global drivers and key trends of the labour market? How might these evolve over the next 15-20 years? Which of these are likely to be most important in defining the future of UK jobs and skills?
* How do global and local trends interact in the UK labour market?
* Given the key global and local trends, what are the different possible scenarios about how the labour market might develop over the next 15-20 years? What is the impact on different sectors likely to be?
* What are the implications of these scenarios for jobs, skills, and qualifications? How might the jobs, skills, and qualifications needed now change over the short term (0-5 years) and long term (15-20 years)?

To narrow the findings, it may be useful to focus on some specific sectors of high interest. How best to do this will be discussed with the contractor at inception stage.

In addition, we would like this research to critically assess the role of skills projections such as *Working Futures* given their limitations in the current economic environment and the degree of emphasis we should place on quantitative versus qualitative evidence.

## Methodology

We anticipate that an experienced contractor will undertake this work who is familiar with scenario development and futures methods. We will also seek the views of bidders during the commissioning process as to the most appropriate methods and scenario development sequence.

We anticipate that the methods are likely to include:

#### An evidence review

A review of the existing evidence will be required to map existing and emerging trends, drivers, and disruptions which impact on the labour market, and how these drivers will evolve over the next 15-20 years.

#### Interviews with key experts

To validate/refine the analysis of trends/drivers and impacts drawn from the evidence review, we anticipate that the contractors will conduct 16-20 interviews with key sector and policy experts to ensure a range of views are captured. This will also enable the research to be alert to emerging themes not yet captured in the literature.

#### Scenario development

The evidence from the desk-based work and interviews should be used to develop scenarios (including a business-as-usual scenario) of the labour market over the next 15-20 years. The scenario development could focus on specific sectors of interest. This is likely to also include drawing out the implications, challenges, and opportunities for each scenario for the jobs, skills, and qualifications needed for the labour and skills system. This is similar to the scenario development that was undertaken for [The future of work: jobs and skills in 2030](https://www.gov.uk/government/publications/jobs-and-skills-in-2030)

#### Workshop to test the scenarios

A workshop to test the scenarios and implications with experts and policy officials to reach a consensus (subject to COVID-19 restrictions).

## Timing

**Procurement**

* Deadline for EOIs is: 23:59 on 3rd February
* Invitations to Tender (ITT) will be issued to short-listed organisations w/c 8th February
* Deadline for tenders is 23.59 on 1st March
* Preferred bidder will be selected w/c 1st March

**Contract**

* Interim findings: Mid May 2021
* Final report: Early July 2021
* Contract end date: 31st July 2021

## Assessment criteria

* Evidence of suppliers’ understanding of the policy area
* Evidence of suppliers’ technical/professional ability to undertake the work
* Evidence of relevant research experience. This covers an assessment of the suppliers’ expertise and experience in scenario development and futures methods.

**CVs and references are not required at this stage**

**Please note there is a 1000-word limit for Expressions of Interest**

| **Closing date for EOIs: 23.59 on 3rd February**  **Send your EOI form to: Jobshare.BOLT-BELSMAN@education.gov.uk** |
| --- |

## How to submit an expressions of interest

You must submit an expression of interest (EOI) in order to be considered to be invited to tender. To do so, please complete the ‘NEW EOI form’ form which can be found under attachments in the ContractsFinder listing. A submission of an EOI does not guarantee an invitation to tender and the Department does not routinely advise organisations that they have not been successful in being invited to tender. Feedback is however available on request.

All contracts are let on the basis of the Department’s Terms & Conditions, a copy is available attached to the ContractsFinder listing. You are encouraged to check these before submitting your expression of interest, as these form part of your contractual obligations.

© Crown copyright 2021