

# News story: The First Twelve Institutes of Technology Announced

Twelve Institutes of Technology will be set up across the country to boost young people's skills and set them on a clear path to a high skilled, high wage career, Education Secretary Damian Hinds has announced today (10 April 2019).

The Institutes will be unique collaborations between universities, Further Education colleges, and leading employers including top firms Nissan, Siemens and Microsoft. They will specialise in delivering quality higher level technical training (at Level 4 and 5) in STEM subjects, such as digital, advanced manufacturing and engineering that will provide employers with the skilled workforce they need.

Institutes of Technology form a key part of the Government's biggest shake up to technical education in a generation. This includes introducing new T Levels from 2020 – the technical equivalent to A Levels – and more high-quality apprenticeship opportunities.

Prime Minister Theresa May said:

I firmly believe that education is key to opening up opportunity for everyone – but to give our young people the skills they need to succeed, we need an education and training system which is more flexible and diverse than it is currently.

New technologies are transforming the world of work, and to harness the opportunities on offer we must equip our future workforce with the technical skills they need to thrive, and that the economy needs to grow.

These new Institutes will help end outdated perceptions that going to university is the only desirable route and build a system which harnesses the talents of our young people.

In December 2018 the Education Secretary set out his 10 year ambition to upgrade the nation's skills so more young people have the same high-quality training opportunities with clear pathways to skilled jobs as those in top performing technical education countries like Germany.

Research shows that only around 7 per cent of people in England aged between 18 and 65 are undertaking training at Level 4 or 5 – one of the lowest rates in the OECD. Only around 190,000 people are currently studying for qualifications at this level compared with around 2 million studying across Level 3 (A Level or equivalent) and Level 6 (Degree level).

Education Secretary Damian Hinds said:

These new Institutes of Technology will be the pinnacle of technical training – new collaborations between universities, colleges and business to make sure young people have the skills they need to build a well-paid rewarding, career, while the economy gains the skilled workers it needs to be more productive.

I'm determined to properly establish higher technical training in this country – so that it's recognised and sought after by employers and young people alike. These Institutes are a key part of delivering this. We are transforming technical education including introducing new T Levels from 2020 and more high-quality apprenticeship opportunities. But we want more young people to progress and get the higher level qualifications that lead to high skilled, more rewarding jobs.

Institutes of Technology will help employers to get the skilled workforce they need, especially in much sought-after STEM skills and will offer young people a clear path to a great, well paid career.

The twelve Institutes will be backed by £170 million of Government investment so they have access to state-of-the-art equipment and facilities and will tap into the latest research from their university partners to anticipate the skills needs of the future workplace. They will also benefit from additional support from local employers and partners, who will contribute valuable resources such as further investment, seconded teaching staff and equipment.

Institutes will build on and complement the further and higher education on offer in the areas where they are located but will have their own distinct identity and physical presence. Some will be located in refurbished buildings, others will build new facilities on new or current sites.

They will provide a natural progression route for young people taking T Levels or A Levels (Level 3) enabling them to take the next step up to higher level technical education and training (Level 4 or 5) – like Foundation Degrees and higher level apprenticeships in STEM subjects – helping to upskill the next generation and ensure employers can access a high-quality pipeline of talent.

According to the CBI, the biggest growth in jobs in the years ahead is expected to be in management and professional and technical roles. These roles will require the specialist skills which a higher technical training course could provide.

The Institutes include innovative collaborations such as: Milton Keynes College, Cranfield University and Microsoft Ltd; and New College Durham, Newcastle University and Siemens.

Matthew Fell, CBI Chief UK Policy Director, said:

Expanding high-quality technical education and training is a top

priority for employers who will welcome this extra investment.

Institutes of Technology help bridge the gap between A-Levels or T-Levels, and a bachelors or degree apprenticeship – providing higher-level skills, especially in STEM, that businesses tell us time and again they need to succeed. These new Institutes must also help ensure T-Levels are a long-lasting part of our education system and open the door to great careers or further training.

David Hughes, Chief Executive of the Association of Colleges, said:

It is pleasing to see this new investment in technical education and skills going to colleges and universities working together to meet local and regional skills needs. Our prosperity and success as a nation requires greater focus on boosting productivity and providing more opportunities for people to have skills which support them in the labour market. Colleges will play a significant part in every Institute by building on their track record of delivering higher technical education, ensuring the pipeline of people able to progress to higher level skills and through their strong relationships with employers.

Ian Green, Senior Controller/Section Manager at Nissan said:

This is great news for the region. Nissan Motor Manufacturing UK is pleased to be a leading partner in an initiative which will not only help to provide higher level skills for manufacturing companies, but also to inspire people of all ages to invest in their own skills and knowledge. Working with our partners in industry, business and education, our aim is to increase productivity, improve competitiveness and future proof the skills offering in our region. The Institute of Technology will be at the heart of a new skills revolution on the North East.

Derrick McCourt, General Manager, Customer Success Unit at Microsoft said:

In a world being transformed by technology, today's students have a wealth of opportunity to create and solve problems through learning and applying computer science. The new Institute of Technology we are announcing today will help to provide a much-needed pathway for students to develop their digital skills and practical expertise, which are vital in bridging the shortage in digital skills across the nation.

Microsoft's collaborations with Milton Keynes College and Cranfield University are helping to develop the next generation of digital experts. This announcement is a hugely positive step forward in

ensuring that students and employers are armed with the digital skills they want and need – both now and in the future

The Government is carrying [out a review of qualifications at Level 4 and 5](#) so that more people have access to a wider choice of high quality options as an alternative to a university degree. [Initial findings from the review](#) have revealed that these qualifications could be the key to unlocking the skills demanded by employers and lead to rewarding, well-paid jobs. The benefits of studying a qualification at Level 4 or 5, include increased earning potential and employability and a growing demand for qualifications at this level from employers in key sectors such as Engineering.

The Level 4 and 5 review will complement the Government's review of post-18 education and funding to ensure the system is joined up, accessible to all and encourages the development of the skills the country needs. This is central to the Government's modern Industrial Strategy, which aims to make sure everyone is equipped for the jobs of the future.

[Today's announcement signals the end of a rigorous two stage competition](#). The pre-award stage will now commence where the detail of each Institute's licence agreement and capital funding will be agreed. Following this, Institutes of Technology will receive their licence to operate and start to access their capital funding so that they can develop the buildings and facilities needed. The first Institutes are expected to open from September 2019.