

British Academy response to the Education Committee's call for evidence on Further Education and Skills

7th March 2025

Background

This submission is in response to the Education Committee's inquiry on Further Education and Skills in England.

The British Academy, the UK's national academy for the arts, humanities and social sciences, welcomes the opportunity to submit evidence to this inquiry. Our response has been informed by our existing policy work. This includes our SHAPE (Social Sciences Humanities and Arts for People and the Economy) skills programme, our work on education pathways and our longstanding languages programme, as well as the discussions and outputs of an expert working group of Fellows, academics and policymakers that the Academy convened to investigate the role of skills in UK economic strategy. Our response will also build and elaborate on the Academy's previously submitted responses to the 2024 Curriculum and Assessment Review and other related consultations.

The following submission will respond to the Committee where the Academy is best able to do so and according to the inquiry's terms of reference.

Summary

As the national academy for humanities and social sciences, the British Academy recognises the vital contributions the further education (FE) sector in England makes in providing learners with the skills, knowledge and opportunities they need to flourish and thrive. This includes offering important and meaningful encounters with the SHAPE disciplines, subjects which provide skills and knowledge essential for regional and national economic growth and to meet the increasingly urgent challenges in society and in our changing world.

The Academy also recognises the scale of the present challenges facing the FE system. These are longstanding and deep-seated. The independent Augar Review (2019) described the story of the FE sector as one of neglect: steep, steady funding decline, high barriers to teacher recruitment and retention, and an enduring mismatch between the qualifications and training on offer and the kind of post-16 education that learners – and society – really need. Meanwhile credible forecasts suggest that the £300 million allocated to the sector in the Autumn budget, though welcome, will not alleviate the heavy financial pressure on providers. 1

Greater investment in the system is certainly needed. Yet, as the Augar Review suggested, refunding is only part of the solution. There is also need for system reform. There is a strong case for better integrating FE into a broader post-16 system of education provision, one that is not driven solely by market forces but steered by government for greatest economic, social and cultural benefit. Doing so may help to widen opportunity, tackle regional disparities in provision, address skills shortages and meet learners' needs. An integrated post-16 system would be easier to navigate for students and enable them to make better choices, including those with higher education as their destination. Further and higher education providers could operate as part of a much more collaborative and integrated system that delivers high-quality education and training, flexible and diverse pathways, equality of opportunity and greater opportunities for life-long learning.

This review into further education and skills invites evidence on four key priorities: curriculum and qualifications; system delivery; skills and apprenticeships and widening participation/equality of opportunity. As such, the Academy has supplied evidence against the areas requested by the Committee, making evidence-based recommendations and guidance to strengthen policymaking in this area where applicable. We are very willing to engage with any proposed reforms which may follow.

As we set out in <u>Section 1</u>, some of the challenges currently facing FE providers inevitably lie with curriculum and qualifications available at level 3. Access to a broad and balanced curriculum – broad in both curricular content but also in the flexible and diverse qualification pathways on offer - is not working as it should. As it stands, learners' statutory entitlement to curricular breadth ends abruptly at Key Stage 4. In England, the curriculum and qualification pathways available at level 3 are among the narrowest in the OECD. Recent research commissioned by the British Academy suggests that England's already narrow curriculum post-16 is getting narrower still.² Moreover, learners' ability to combine a diverse

² Scott, M., Julius, J., Tang, S., and Lucas, M. (2024) <u>Subject choice trends in post-16 education in England</u>. National Foundation for Educational Research (NFER). Commissioned by the British Academy.

¹ Institute for Fiscal Studies (2025), <u>Annual report on education spending in England: 2024-25.</u>

array of subjects from the STEM and SHAPE disciplines, and from across academic and vocational pathways, is limited in practice.

The Academy would like to see any proposed reforms to curriculum and qualification pathways prioritise breadth. This includes the ability to study academic and vocational qualifications alongside one another, meeting employer demand and allowing learners to keep options for retraining and reskilling open later down the line. It also includes alternative qualifications in Maths, English and Languages that seek to tackle skills shortages by delivering more applied curricular options to better meet the needs of all learners.

It is clear, however, that the specific financial challenges facing the FE sector risk exacerbating a trend towards curricular narrowing, leaving learners only having access to a limited range of qualifications [Section 2]. Despite the association of FE colleges with vocational pathways, a substantial minority (23%) of A level entries in 2024 were at Sixth Form and FE colleges.³ Other system-wide concerns – such as teacher recruitment and retention – pose a particularly acute challenge for FE.⁴ Real-terms cuts to funding and difficulties recruiting subject-specialists necessarily limit the offer providers can make to learners. This is directly impacting subject areas in which England has critical skills shortages. The knock-on effects on languages provision in FE, for instance, is particularly concerning.⁵ The Academy welcomes reinvestment in the FE system: making the funding formula more suited to learners' needs, especially lifelong learning, and incentivising teacher recruitment, particularly in subject areas where recruitment and retention are at critically low levels, such as in languages.

For FE to succeed, learners need — and deserve — access to a broader and more balanced curriculum post-16 and strengthened pathways into SHAPE disciplines. While we welcome the expansion of apprenticeships [Section 3], we also encourage a more expansive approach to identifying regional and national skills shortages/skills underutilisation from government, and to thinking more capaciously about the skills we need in the workforce and society of the future which encompass a broad, not narrow, range of skills. Apprenticeships are not a silver bullet. They are inevitably limited by the number of firms willing and able to provide them. It is important they are offered within a wider landscape of academic, vocational and mixed qualification options, that help ensure young people are competitive in the labour market, are prepared and resilient to changes in the economy, and do not close off their options for work, training and study too early. A broad and rigorous offer to learners in our FE colleges is vital if they are to have the options available that will prepare them for the labour market of the future.

The Academy is also clear that the attainment gap affecting learners from disadvantaged backgrounds, as well as certain regions, needs to be tackled as a matter of urgency [Section 4]. The UK is an outlier amongst similar countries in the extent of its regional disparities in educational attainment, while the Academy is also concerned by the unequal access to certain subjects, particularly SHAPE subjects, in different parts of the 16-19 system. Addressing these barriers to opportunity should be a priority of any proposed reforms to the FE system.

³ Ofqual (2024), 'Provisional entries for GCSE, AS and A level: summer 2024 exam series', [accessed March 2025].

Institute for Fiscal Studies (2025), <u>Annual report on education spending in England: 2024-25</u>.

⁵ Collen, I., Henderson, L., Liu, M., O'Boyle, A. and J. Roberts (2023) Languages Provision in UK Further Education. Commissioned by The British Academy.

We welcome further opportunities to engage on matters relating to FE and skills reform and would be very happy to assist the committee with any further enquiries regarding the evidence provided below.

1. Curriculum and qualifications in further education

The Academy remains concerned that England's post-16 curriculum is too narrow and fails to uphold learners' right to a broad and balanced curriculum.

Currently, the statutory entitlement to a broad and balanced programme of study, enshrined in the national curriculum up to age 16, ends abruptly at Key Stage 4. As a result, England has one of the narrowest post-16 curricula in the OECD: while learners in OECD countries typically study seven subjects, those in England usually take only three.⁶

The qualification pathways currently available to learners at level 3 significantly restrict subject choice. Recent research from the British Academy and the National Foundation for Educational Research (NFER) found that, across level 3 qualifications, fewer learners are choosing to combine subjects from different subject groups (STEM, Social Sciences, Humanities and Arts). In the case of A levels, the removal of the AS level and the 'decoupling' of AS and A levels in 2015/2016 led - inevitably - to learners typically studying fewer subjects, further reducing curricular breadth. Yet we also see this narrowing across other level 3 qualifications beyond A levels. Only 5% of learners were combining subjects from a STEM, Social Science and Humanities subject in the 2021/2022 cohort. This represents a drop of almost two-thirds from 2015/16, where around 14% of each cohort opted to study a STEM, Social Science and Humanities subject together. This pattern is visible not just at A level, but across all level 3 qualifications.

The Academy is particularly concerned by the declining take-up of the SHAPE disciplines at level 3. Data on student subject choice at level 3 also shows an overall decline in the number of learners taking Humanities and Arts subjects. This decline is not driven by one or two individual subjects. Instead, we see a decline in take-up across all Humanities subjects, particularly 'traditional' options like English, History and many Languages. Controlling for learners' characteristics – which have a considerable impact on learners' subject choice - the likelihood of a student studying a Humanities and Arts subject is around 21 and 15 percentage points lower in 2021/22 compared to 2003/04 respectively. Taken together, this research strongly suggests that fewer learners are benefiting from exposure to the varied disciplinary knowledge bases, skills and approaches than they were ten years ago, and that a broader post-16 curriculum would offer.

Without due caution, the expansion of T levels could entrench this tendency towards curricular narrowing and diminished exposure to the SHAPE disciplines for learners post-16. T-levels, generally structured as highly-specialised standalone qualifications equivalent to three A levels, offer learners a particularly narrow post-16 curriculum, instead of one which retains breadth. Whilst T levels might be appropriate for the minority of students who have a very clear idea of their occupational destination, they may mean learners close off options early, limit their exposure to other potential skills and knowledge bases, and restrict future opportunities for retraining or a change of pathway in later life.

While the structure of qualification pathways should not limit learners' access to a broad and balanced curriculum, neither should financial pressures on the FE system result in a constrained subject offer from providers. Learners' subject

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⁶ Department of Education (2023), 'New qualifications to deliver world class education for all' [accessed March 2025].

⁷ Scott, M., et all (2024) Subject choice trends in post-16 education in England, (NFER); British Academy (2025), Subject choice in post-16 education: a breakdown by student

characteristics, accessed [March 2025].

⁸ Scott, M., et all (2024) Subject choice trends in post-16 education in England (NFER) pp. 7-10.

⁹ *Ibid,* p.8.

and qualification choices are inevitably shaped by what providers can deliver. Yet the ability of providers to offer broad subject provision has been increasingly eroded by acute funding pressures and recruitment and retention challenges, particularly in FE colleges and in subjects facing high real terms funding cuts.¹⁰ Languages illustrate this challenge starkly. Recent research commissioned by the Academy found that a majority of FE providers struggle to recruit subject staff. This directly limits their ability to offer language courses post-16.11

We recognise that learners' subject choices are influenced by a number of factors, including prior attainment, enjoyment, teaching quality, future study or training plans and perceptions about labour market outcomes. 12 However, ensuring that learners are not forced into limited options due to provider constraints must be an urgent priority. Without action, financial and staffing challenges will continue to restrict learners' ability to develop the skills they need to succeed. We therefore urge careful consideration of how best to deliver breadth in provider offer for learners as a priority of any future reforms to curriculum and qualification pathways.

The Academy believes that learners should continue to have the opportunity to combine academic qualifications, such as A levels, with technical or vocational qualifications, such as BTECs, at level 3. Safeguarding this flexibility in post-16 education is particularly important given ongoing reforms to level 3 qualification. The Academy welcomes the provisional outcome of the Government's recent review, which paused the defunding of some qualifications and committed to using the Curriculum and Assessment Review to inform long-term qualification reform.¹³ While T levels are still being introduced across various subjects, we would urge caution against measures that could restrict learners' ability to combine qualification types. While expanding T level provision is important, care should be taken to ensure that this does not come at the expense of more flexible study pathways that allow learners to combine academic and vocational learning. The Academy is clear that an offer of high-quality qualification pathways, whether academic, technical or vocational, is vital for a flourishing post-16 system. Further entrenching the divide between these pathways risks greater fragmentation and harming learners' educational opportunities.

The Academy recognises the importance of all learners developing core literacy and numeracy skills and agrees with the government position that students should continue to receive teaching in literacy and numeracy if they do not receive a passing grade at the end of Key Stage 4. However, the evidence suggests that the GCSE resit as a vehicle for improving students' literacy and **numeracy is not working as it should be.** The high stakes nature of the GCSE examinations taken at the end of secondary education is driving post-16 education in unhelpful directions.14 Over a third of each cohort fails to achieve a pass in maths and English and resit success rates are low. This can be demoralising for learners, reducing engagement and limiting their overall progression. We are also concerned by evidence from

12 Mandler, P. (2017) 'Educating the Nation: IV. Subject Choice.' Transactions of the Royal Historical Society, 27.

¹⁰ Collen, I., et al (2023) <u>Languages Provision in UK Further Education</u>, pp. 44-47.

college leaders that minimum teaching hours in both maths and English - carrying financial penalty if not met – may risk making an already bad situation even worse. 15

Disadvantaged and SEND learners are disproportionately affected by these current system failures, as they are more likely to be required to resit English and maths post-16, exacerbating existing attainment gaps. 16 In FE settings, delivering GCSE resits is challenging due to funding constraints and acute recruitment difficulties, particularly of specialist maths teachers.

A one-size-fits-all approach will not solve these issues. The Academy stresses the need for a system-wide, joined-up strategy that provides diverse pathways for learners to develop essential literacy and numeracy skills.

As part of the response to these challenges, the Academy supports the expansion of Core Maths qualifications and introducing an equivalent for **English.** It is vital that learners leave full-time education with secure literacy and numeracy skills, which are highly valued in the labour market.¹⁷ These 'core skills' are essential for most workplaces. Individuals who possess them are better able to secure good job matches and adapt in the workplace. However, the UK faces significant weaknesses in these basic skills, with too many learners entering the workforce with only low-level qualifications. 18 A more effective approach to developing these skills will not only improve productivity and address skills gaps but also enhance social mobility.

The Academy also supports the introduction of alternative qualifications in other vital subjects facing skills shortages, such as languages. The Academy continues to advocate for alternative qualifications in languages as an important way of developing core language skills beyond narrow existing qualification pathways. In *Towards* a National Languages Strategy (2020), the British Academy and partners recommended introducing a new one-year language qualification at level 3. This would provide an alternative route for learners who do not continue GCSE languages to A level, allowing them to extend their language studies in a more flexible way.¹⁹

Provisionally named 'Applied Languages' or 'Using Languages', this qualification could be taken in either year of post-16 education alongside A levels or other level 3 qualifications. Expanding post-16 language pathways in this way would not only strengthen learners' intercultural agility but also enhance oracy and communication. These general skills are highly valued in the labour market, while evidence suggests language acquisition has considerable economic value, with multilingual individuals potentially having improved labour market outcomes.²⁰ The Academy is currently developing a detailed paper outlining our proposal for an alternative languages qualification and its supporting evidence and would be very pleased to share this material with the committee.

The Academy continues to be concerned about the status of languages in FE more broadly.²¹ The challenges facing languages provision in FE are not just limited to qualification type on offer. Research commissioned by the British Academy and undertaken

¹⁵ Education & Skills Funding Agency (2024), 'Guidance 2025 to 2026 academic year: 16 to 19 funding: maths and English condition of funding' [accessed March 2025]

¹⁶ Maris, R. 'Blog: Time for a resit reset?', Education Policy Institute [accessed February 2025].

¹⁷ Vignoles, A. (2016), What is the economic value of literacy and numeracy?, Institute for the Study of Labor (IZA), Bonn.

¹⁸ Farquharson, C., McNally, S., Tahir, I. (2022) Education Inequalities: IFS Deaton Review of Inequalities, Institute for Fiscal Studies

¹⁹ British Academy, Arts and Humanities Research Council, Association of School and College Leaders, British Council and Universities UK, 2020. Towards a National Languages Strategy: Education and Skills. (Recommendation 3.5).

²⁰ Ayres-Bennett, W., Hafner, M., Dufresne, E., & Yerushalmi, E. (2022) The economic value to the UK of speaking other languages, RAND Corporation.

²¹ Liu, Min-Chen, Ian Collen, Leanne Henderson, Aisling O'Boyle and Jennifer Roberts, (2024) 'Advancing Language Policy: A Comprehensive Analysis of Languages Provision in UK Further Education', Languages, Society and Policy

by Queen's University Belfast highlights the urgent need to review language qualifications in FE across the four nations. Current provision is overly narrow, both in the range of languages offered and the types of qualifications available. Greater support is needed for vocational language learning, particularly in fields where language skills are critical, such as travel, hospitality and communication, ensuring that languages are integrated into existing qualifications in these areas.²²

Severe grading at GCSE remains a major challenge for the health of languages in FE colleges, reducing the number of learners able to continue on with language study at level 3.23 While we welcome Ofqual's recent steps to address severe grading in GCSE French and German, we continue to advocate for adjustments across all languages subjects to safeguard pathways into language study in FE. We also continue to encourage Ofqual to examine severe grading at A level to prevent further barriers to progression into HE.

These examples demonstrate the Academy's view that the sector would benefit from more diverse recognition of qualifications, building greater flexibility into the 16-19 curriculum to tackle skills shortages. For example, the Academy believes that the FE sector should do more to recognise and expand provision for Home, Heritage and Community Languages, which are currently underserved in present the curricular and qualification offer to learners. There is a highly variable offering for individual students to gain qualifications in these languages as well as issues with the value attributed to qualifications in these languages in some cases.²⁴

²² Collen, I., et al (2023), <u>Languages Provision in UK Further Education</u>, p.70.

²³ British Academy, Arts and Humanities Research Council, Association of School and College Leaders, British Council and Universities UK, (2020). Towards a National Languages Strategy: Education and Skills. p.10.

²⁴ Collen, I., et al (2023), <u>Languages Provision in UK Further Education</u>, p.69; p.117.

2. Delivering further education

As part of the Academy's commitment to strengthening pathways into our disciplines, we are concerned that FE providers have faced the largest real-term funding cuts of any part of the education system. Despite nearly half of learners in England attending FE colleges after Key Stage 4 in England, real-terms funding remains well below 2010 levels.²⁵ The additional £300 million for FE colleges announced in last year's budget is expected to amount to a real-terms freeze per student, failing to address longstanding funding shortfalls.²⁶ Historically, there have been some issues relating to the structure of funding in FE for adult (post-19) education, while there is a national formula for 16-19 education funding allocated annually by the Education and Skills Funding Agency (ESFA).²⁷ We note the recent decision to move the funding of FE back into the Department for Education, following the closure of ESFA. It remains vitally important to resolve issues with both the quantum and mechanism of funding in FE.

Teacher recruitment and retention is a particularly acute challenge for FE **providers.** Average pay for FE college staff remains 18% below pay for schoolteachers, and high exit rates make it difficult to recruit and retain subject specialists at level 3.28 Pay disparities with industry, particularly in areas experiencing national skills shortages – such as Digital industries – further exacerbate staffing challenges. While pay is a key issue, broader reforms are also needed, including action on excessive workload, career progression and sector-specific barriers to recruitment and retention. 29

The Academy is concerned that persistent funding challenges are preventing the resolution of wider systemic issues in FE. For example, teacher shortages must be addressed before ambitious projects - such as major curriculum reform - can be successfully implemented. The sector needs additional support to be able to deliver in a number of areas, including effective provision for the rising numbers of learners with an education, health and care plan (EHCP) or identified as having special educational needs or disabilities (SEND).30 Without sustained investment, these challenges will continue to limit the sector's ability to deliver high-quality education and training.

The Academy would welcome substantial re-investment in the FE college network in England. A substantially increased funding settlement, coupled with investment in the workforce to increase recruitment and retention, would both alleviate pressures on the system and signal a commitment to strengthening the sector after years of substantial funding neglect. As a general principle, funding levels per student should be more comparable across vocational and academic routes, and across schools and FE colleges, reflecting the greater socioeconomic disadvantage of the average student in FE settings.

Nevertheless, refunding must be accompanied by a reformed approach to FE as a crucial part of a broader, more integrated post-16 system of education provision committed to developing vital skills and tackling barriers to **opportunity.** The Augar Review called not only for parity of esteem between FE and HE,

²⁵ Tahir, I. (2025), 'Why 2025 is a crucial year for FE funding', Institute for Fiscal Studies.

Institute for Fiscal Studies (2025), <u>Annual report on education spending in England</u>: 2024-25.
 Lewis, J., Bolton, P., Sandford, M., (2025), <u>Further Education Funding in England</u>, House of Commons Library Briefing.

²⁸ Sivieta, L., Tahir, I. (2023), 'What has happened to college teacher pay in England?,' Institute for Fiscal Studies.

²⁹ Flemons, L., McLean, D., Straw, S. and Keightley, G. (2024) Building a stronger FE college workforce: How improving pay and working conditions can help support FE college teacher supply. Slough: National Foundation for Educational Research (NFER).

³⁰ McLean, D., Worth, J. and Smith, A. (2024) Teacher Labour Market in England: Annual Report 2024. National Foundation for Educational Research (NFER); Department of Education (DfE), 2024. 'Special educational needs in England.' [accessed March 2025].

but also a more collaborative and integrated system of post-16 education that delivers high-quality education and training, offers flexible and diverse pathways, and ensures equality of opportunity for learners regardless of background and age.³¹ The Academy is clear that for the majority of students, early specialisation should be avoided, with an integrated, flexible post-16 system enabling movement across and between pathways, with a flexible accreditation system to support this movement. We would welcome an approach to post-16 education that recognises the FE system's valuable contribution to skills development and training in partnership, and not in opposition, to HE provision.

FE is a vital component of local skills ecosystems and is key to tackling skills demand and shortages, which vary by sector and region. This includes providing opportunities for adults to reskill, in a broader context where investment in adult training and education has been in decline in recent decades.³² There is a strong case for considering education and training together, and how both could benefit from increased regional devolution, giving local authorities the ability to better match supply and demand for skills in their region. This can include devolution of skills policy to local areas with better knowledge of these issues.³³ Relatedly, there is also a case for closer partnership between FE and HE to allow pathways through to university level study for all learners, regardless of location and socio-economic circumstances. ³⁴ Those from low-income households are less likely to be geographically mobile: FE is therefore an important way for many of these learners to access pathways through to university study, giving them the chance to develop the kind of higher-level skills that participating in HE provides.³⁵

³¹ Department for Education, (2019), Independent panel report: post-18 review of education and funding (Augar Review)

³² Tahir, I. (2023), 'Investment in training and skills', Institute for Fiscal Studies.

³³ Li, J., A. Valero, Ventura, G. (2020), <u>Trends in job-related training and policies for building future skills into the recovery</u>, CVER Discussion Paper 33, Centre for Vocational Education Research, London School of Economics.

³⁴ Shattock, M. 'The case for unifying higher and further education and decentralising to regions' in Wolf. A and Cohen, E. (eds) (2024), Higher, further or tertiary? Lessons for the future of education from across the UK nations. Kings College London Policy Institute.

3. Skills and apprenticeships

The Academy is generally supportive of the expansion of apprenticeships, as part of a wider landscape of academic, vocational and mixed qualification pathways for learners. The Department for Education's recent announcement of up to 10,000 additional apprenticeships through shorter, more flexible models is welcome. However, we would caution that any changes to English and maths requirements should not undermine the development of core literacy and numeracy skills.³⁶ Evidence shows that apprenticeships can provide an effective school-to-work transition, offering valuable, employer-driven training that helps to address skills shortages.³⁷

There is a lack of apprenticeship opportunities for young people. In recent years, apprenticeship numbers have declined significantly, particularly at Levels 2 and 3 and completion rates remain well below government targets.³⁸ While the expansion of higher and degree apprenticeships is welcome, the majority of these are undertaken by those aged over 25.39 It has been suggested that some employers are re-categorising continuous professional development as apprenticeships to access Apprenticeship Levy funds. 40 Ring-fencing part of the Apprenticeship Levy for young people could incentivise firms to provide more of these opportunities.41

Nevertheless, the evidence shows apprenticeships are not a silver bullet for tackling skills shortages and preparing learners for future employment. Despite a positive 'folk memory' of apprenticeships, there is considerable variability in their returns for individuals, based on sector and apprenticeship type and with women generally seeing lower returns.⁴² While an effective transition to the workplace for young people, some studies suggest benefits to apprenticeships may reduce later in an individual's lifecycle.⁴³ Furthermore, while apprenticeships are an important component of the suite of post-18 education pathways available to learners, there should be caution regarding over-reliance on apprenticeships as a post-16 pathway. There is not clear evidence that young people's experience of apprenticeships will be as successful if started at age 16 rather than after two additional years of full-time education to 18, as is the typical route for apprenticeship entrants.44 The Academy would stress the importance of a broad 16-18 curriculum that allows learners to access a mix of qualifications and keeps their options open. While for a minority of young people with a clear idea of their occupational destination, for whom an apprenticeship at 16 may be the right choice, enforcing a choice between academic and vocational pathways at the age of 16 for the majority of young people should be avoided.

The Academy welcomes Skills England's role in identifying skills gaps nationally and working with providers and devolved bodies at regional and local level. For example, the Academy has been working with Skills England to assess how a roadmap for AI skills policies in England could be developed.⁴⁵ As AI reshapes industries in

 ³⁶ Department for Education, '<u>Apprenticeship Funding Rules</u>', [accessed March 2025].
 37 Cavaglia, C., McNally, S., Ventura, G. (2020), 'Do Apprenticeships Pay? Evidence for England' Oxford Bulletin of Economics and Statistics 82(5) pp.1094-1134.

³⁸ Field, S. and Tahir, I. (2022), 'What happened to youth apprenticeships?' FE News; Department for Education, Apprenticeships: Academic Year 2023/24, Release date 28 November 2024 [accessed January 2025].

³⁹ Cavaglia, C., McNally, S., Ventura, G. (2022), 'The Recent Evolution of Apprenticeships: Participation and Pathways', CVER Discussion Paper 39, Centre for Vocational Education Research, London School of Economics.

⁴⁰ Frayman, D. (2024), <u>The Apprenticeship Guarantee'</u>, CEP Occasional Paper. No. 64, Centre for Economic Performance, London School of Economics.

⁴¹ Layard, R., McNally, S., Ventura, G. (2023), Applying the Robbins Principle to Further Education and Apprenticeships, Resolution Foundation; Frayman, D. (2024), 'The Apprenticeship <u>Guarantee'</u>, CEP Occasional Paper. No. 64, Centre for Economic Performance, London School of Economics.

⁴² Cavaglia, C. et al (2020). '<u>Do Apprenticeships Pay? Evidence for England</u>', p.1122.

⁴⁵ British Academy (2025), British Academy & Skills England Roundtable: Building a roadmap for Al skills policies in the UK Summary of discussion

unpredictable ways, FE providers must be supported to offer broad and transferable skills, ensuring learners can adapt and upskill their careers.⁴⁶

Skills policy should not be made in a vacuum, as skills are integral to economic **strategy.**⁴⁷ The UK faces significant regional gaps in skills and attainment, particularly between London and other regions. These gaps exacerbate existing social inequalities.⁴⁸ Skills underutilisation by employers – similarly, particularly outside of London and the South East of England - is also a major challenge. Addressing this requires regional solutions, with decentralisation playing a key role. Further developing Local Skills Improvement Plans could enable providers, local government, and businesses to work together to align skills provision with regional economic need. A strong example of this kind of collaboration is the Oldham Economic Review, which integrated skills into a wider economic strategy.⁴⁹ Deficits in specific skills - for example, languages - also affect other areas of policy, with evidence suggesting that an increase in language acquisition and skills in the UK economy could increase UK exports.50

This highlights the importance of partnerships between FE and HE providers in England, with those operating elsewhere in the UK as potential models. There have been increasing calls for a more integrated tertiary system in England, following examples in Wales and Scotland. 51 In Wales, Medr – The Commission for Tertiary Education and Research – oversees FE, apprenticeships, HE and adult learning.⁵² In Scotland, 'articulation' pathways allow learners to transition from Higher National Qualifications at FE colleges to university, playing a key role in widening access to HE.⁵³ England could benefit from encouraging greater cooperation between FE and HE, for example in addressing the 'missing middle' of qualifications at level 4 and level 5.54 Despite strong earnings premiums, uptake of these qualifications remains low.55 Often encompassing vocational and academic routes, this could be an appropriate area for FE and HE to work together effectively to meet local, regional and national skills needs.

As the Academy's SHAPE Skills programme has demonstrated, there is strong employer demand for the skills developed by studying the SHAPE disciplines: communication, collaboration, research and analysis, independence, creativity and adaptability.⁵⁶ These align closely with the six most vital 'essential employment skills' that NFER predicts will be most in demand by 2035.57 SHAPE graduates play a critical role in the economy, including in high-growth industries and in socially vital public sectors such as education.⁵⁸ To ensure these essential skills continue to be developed and supplied, it is vital that all learners in FE are equally able to access SHAPE subjects as part of any future curriculum and qualification reforms.

⁵⁴ Field, S and Tahir, I. (2022), '<u>The missing middle of higher technical learners</u>', FE News.

⁴⁶ Schultheiss, T., Backes-Gellner, U. (2023) 'Different degrees of skill obsolescence across hard and soft skills and the role of lifelong learning for labor market outcomes', Industrial Relations 62(3) pp.257-287.

⁴⁷ Blundell, R., McNally, S., Birkinshaw, J., (2025) 'A Joined Up Approach to Skills Policy British Academy Policy Programme on Economic Strategy: Skills Working Group', British Academy (forthcoming); Costa, R., Liu, Z., McNally, S., Murphy, L., Pissarides, C., Rohenkohl, B., Valero, A., & Ventura, G. (2023) Learning to grow: How to situate a skills strategy in an economic strategy, Resolution Foundation.

⁸ Evans, S., Egglestone, C., Treneman, S. (2024), Worlds apart: skills and learning inequalities in the UK, Learning to Work Institute

⁴⁹ Oldham Economic Review Board (2022), Levelling Up Oldham: The Oldham Economic Review of Economic Transformation and Civic Pride. ⁵⁰ Ayres-Bennett, W., et al (2022) The economic value to the UK of speaking other languages.

⁵¹ Shattock, M., 'The Case for Unifying Higher and Further Education and Decentralising to Regions' in Wolf, A. and Cohen, E. (eds), (2024) Higher, further or tertiary? Lessons for the future of education from across the UK nations, Kings College London Policy Institute, pp. 54-59 Medr, 'What we do', [accessed March 2025].

⁵³ Scottish Funding Council, 'Report on Widening Access 2021-22', p.27.

⁵⁵ Espinoza, H., Speckesser, S., Tahir, I., Britton, J., McNally, S., Vignoles, A. (2020), 'Post-18 education – who is taking the different routes and how much do they earn?', CVER Briefing Notes 013, Centre for Vocational Education Research.

⁵⁶ The British Academy (2020) Qualified for the Future: Quantifying

Dickerson, A., Rossi, G., Bocock, L., Hilary, J. and Simcock, D. (2023). An analysis of the demand for skills in the labour market in 2035. Working Paper 3. Slough: NFER. 58 The British Academy, (2020) Qualified for the Future: Quantifying demand for arts, humanities and social science skills

4. Supporting young people, widening access, and narrowing the attainment gap

The Academy is concerned about the attainment gap affecting learners from socioeconomically disadvantaged backgrounds, as well as regional disparities.

While the policy focus on closing the attainment gap in Early Years education is important for this, Key Stage 5 should not be overlooked. This is especially critical for FE colleges, which often serve a higher proportion of learners from disadvantaged backgrounds. Research shows that learners eligible for Free School Meals are less likely to attend Sixth Form Colleges compared to their peers and more likely to attend an FE College.⁵⁹ However, in the current funding climate, FE colleges are allocated less resource to teach these learners, who on average have greater needs. 60 As a result, an adequate funding settlement for FE will contribute to ensuring wider access to greater education and training opportunities for learners, as well as narrowing the attainment gap. FE also plays a particularly important role in supporting adults who have poor skills to retrain and upskill, in a context where the UK has seen a significant decline in adult education and training in recent decades. 61 Adequate funding and accessible qualifications are essential to delivering for this group.

The Academy is also concerned about access to certain subjects in FE, particularly SHAPE subjects, and the impact of this on learners' pathways to HE, further training and employment. Research from the British Academy and the National Foundation for Educational Research (NFER) indicates that socioeconomic status strongly influences subject choice at level 3.62 Additionally, there is a worrying emergence of 'cold spots' in HE provision of SHAPE subjects. 63 A lack of access to SHAPE subjects, such as languages, in their local area can limit the skills and opportunities for learners looking to progress from FE to HE, especially those from disadvantaged backgrounds who are less likely to move away from their area to study. The Academy is concerned that without broad regional prevision in HE, attempts to build a strong post-16 education across the piece, that tackles regional skills gaps and inequalities, will flounder.

The UK is an outlier among OECD countries, with younger generations exhibiting worse literacy skills than older generations.⁶⁴ While some of the responses to this problem lie outside the education system, in addressing wider economic inequalities, there is much that can be done in FE to improve outcomes. Key steps include providing clear information and guidance on academic, vocational, and technical qualification routes. Expanding Core Maths qualifications and introducing an equivalent qualification for English would help build essential skills in literacy and numeracy, with the potential to significantly improve outcomes for learners form disadvantaged backgrounds.

⁵⁹ Lisauskaite, E., McIntosh, S., Speckesser, S., and Espinoza, H. (2021), Going Further: Further education, disadvantage and social mobility, Sutton Trust

Tahir, I. (2025), 'Why 2025 is a crucial year for FE funding', Institute for Fiscal Studies.
 Tahir, I. (2023), 'Investment in training and skills', Institute for Fiscal Studies.

⁶² Scott, M., et al. (2024) Subject choice trends in post-16 education in England, (NFER).

⁶³ British Academy (2024), Mapping SHAPE Provision in UK higher education [accessed March 2025]. ⁶⁴ Farquharson, C., McNally, S., Tahir, I., (2022), 'Education Inequalities', IFS Deaton Review of Inequalities.