

Comparing policies, participation and inequalities across UK post-16 Education and Training landscapes

by James Robson, Luke Sibieta,
Shruti Khandekar, Mariela Neagu,
David Robinson and
Susan James Relly

February 2024



About the authors

James Robson is Director of the Centre for Skills, Knowledge, and Organisational Performance (SKOPE) and Associate Professor of Tertiary Education Systems at Oxford University

Susan James Relly is Head of School of Education at the University of Adelaide

Luke Sibieta is a Research Fellow at the Education Policy Institute

Shruti Khandekar is a Senior Researcher focussed on Higher Education at the Education Policy Institute

Mariela Neagu is Research Associate at the Centre for Skills, Knowledge and Organisational Performance (SKOPE) at Oxford University

David Robinson is the Director of Vulnerable Learners and Post-16 at the Education Policy Institute

Acknowledgments

This report has been produced as part of a project funded by the Nuffield Foundation.



The Nuffield Foundation is an independent charitable trust with a mission to advance social well-being. It funds research that informs social policy, primarily in Education, Welfare, and Justice. It also funds student programmes that provide opportunities for young people to develop skills in quantitative and scientific methods. The Nuffield Foundation is the founder and co-funder of the Nuffield Council on Bioethics, the Ada Lovelace Institute and the Nuffield Family Justice Observatory. The Foundation has funded this project, but the views expressed are those of the authors and not necessarily the Foundation. Visit www.nuffieldfoundation.org

About the Centre for Skills, Knowledge and Organisational Performance (SKOPE)

SKOPE is a multi-disciplinary research centre based at the University of Oxford. Established in 1998, SKOPE was originally one of the ESRC's designated research centres, receiving an unprecedented three-rounds of centre funding. Our central aim is to examine the links between education and training and work, focusing particularly on the acquisition and use of skills and knowledge, policy, productivity, product strategies, and economic performance of individuals, organisations, and nations. Our research applies a wide range of interdisciplinary lenses and systems-based thinking to examine global skills systems, education and training, research and innovation, and the implications for policy, practice, and learners. We work with a wide range of international organisations and governments to link our research with real world challenges. Current research projects cut across: the political economy of tertiary education systems; the intersection of skills, research, and innovation; green skills, green jobs, and education and training for the climate; and education and training policy and regulation. All of our work is underpinned by core values of social, epistemic and climate justice.

About the Education Policy Institute

The Education Policy Institute is an independent, impartial, and evidence-based research institute that promotes high quality education outcomes, regardless of social background. We achieve this through data-led analysis, innovative research and high-profile events.

Education can have a transformative effect on the life chances of young people, enabling them to fulfil their potential, have successful careers, and grasp opportunities. As well as having a positive impact on the individual, good quality education and child wellbeing also promotes economic productivity and a cohesive society.

Through our research, we provide insight, commentary, and a constructive critique of education policy in England – shedding light on what is working and where further progress needs to be made. Our research and analysis span a young person's journey from the early years through to entry to the labour market. Our core research areas include:

- Benchmarking English Education
- School Performance, Admissions, and Capacity
- Early Years Development
- Social Mobility and Vulnerable Learners
- Accountability, Assessment, and Inspection
- Curriculum and Qualifications
- Teacher Supply and Quality
- Education Funding
- Higher Education, Further Education, and Skills

Our experienced and dedicated team works closely with academics, think tanks, and other research foundations and charities to shape the policy agenda.

Contents

- Executive Summary 5
- Section 1: Introduction 14
- Section 2: Understanding the UK E&T policy context 17
- Section 3: Comparing routes and choices 35
- Section 4: Comparing educational and labour market outcomes..... 71
- Conclusion..... 90
- Appendix: Narrative Descriptions of Four Nation E&T Policy 94

Executive Summary

This interim report shares emerging findings and recommendations from a collaborative project between Oxford University Centre for Skills, Knowledge and Organisational Performance (SKOPE) and the Education Policy Institute (EPI). Funded by the Nuffield Foundation, the project examines post-16 Education and Training (E&T) in the UK. It is focused on analysing the divergent approaches to E&T policy across the four devolved nations to understand more deeply the key policy issues and challenges facing E&T and the kinds of structures that support young people's transitions from education to employment and help them live fulfilling lives. We, therefore, focus on the interplay between policies, participation, and outcomes across the four nations, particularly examining issues of inequality for young people.

Through the combination of detailed comparative policy analysis and comparative quantitative analysis of a range of nation-specific datasets, we aim to address the following key questions:

- **Mapping the UK E&T policy contexts:** In what key areas is post-16 E&T policy in the four nations converging and diverging?
- **Comparing routes and choices:** How are differences in post-16 institutions and policies reflected in participation and pathways for learners?
- **Outcomes and inequalities:** How are differences in post-16 institutions and policies reflected in learner outcomes?

Mapping the UK E&T policy contexts

Since the formal introduction of devolution in the late 1990s, post-16 E&T in the UK now looks significantly different in each jurisdiction in terms of underpinning aims, approaches, structures, pathways, funding models, qualifications and regulation. We identify six key areas of policy convergence and divergence through analysis of policy documents, reports, and commentary. Note, there is a growing trend for Scotland, Wales and Northern Ireland to converge in their policy approaches, while diverging from England. The key areas are:

- **Purpose:** across the four nations, the purpose of post-16 E&T, particularly FE, is articulated in different ways. In Scotland, Wales and, to a lesser extent, Northern Ireland, there is a tendency to emphasise a broad range of purposes, including developing labour market-relevant skills, meeting the needs of the economy, developing citizens, and supporting individual wellbeing. In England there is a more overt emphasis on 'skills for jobs'. However, across all contexts, even where broad purposes are emphasised, there is a tendency in documents focused on policy implementation to emphasise and regulate for economic purposes linked with skills formation.
- **Coordination and governance:** E&T systems are coordinated differently across the devolved nations with the role of the government and the role of market logic conceptualised differently in each context. In Scotland and Wales there is an explicit emphasis on taking a 'systems-based approach' to coordination of E&T. This refers to efforts to link FE and HE, as well as research and innovation, within a holistic tertiary sector in a way that emphasises the distinctive and complementary nature of both academic and vocational pathways. In

England, and to a lesser extent Northern Ireland, there is an explicit emphasis on market logic. The government's role is seen as managing the market and maintaining market conditions through regulation with minimal centrally managed coordination. This positions FE and HE (and the constituent organisations) in competition with each other as a way of responding to both consumer (students) and economic needs. However, our analysis suggests coordination of E&T is often more complex and shaped more by local/regional dynamics than top-level policy suggests.

- **Funding:** funding E&T, particularly in a challenging economic environment, has been a key policy issue and driver in all four jurisdictions. However, linked with different approaches to coordination, the four UK nations are increasingly taking diverging approaches to funding post-16 E&T and dealing with economic challenges. In England funding has tended towards fragmentation across FE and HE, risking a zero sum game between key E&T sectors. In Scotland and Wales, where, as part of a broader focus on creating a holistic tertiary sector, a wider strategic approach to funding has been adopted that includes research and innovation as well as education and training.
- **The relationships between FE and HE:** while key debates around the parity of esteem between FE and HE are a constant feature of all UK nations there are increasingly diverging structural relationships between the sectors in the post-16 E&T space. These are shaped by different approaches to coordination. In England and to a lesser extent Northern Ireland, where a market-based approach to coordination is taken, the relationship between HE and FE is positioned as one, largely of competition, with implications for relations between colleges and universities. In Scotland and Wales, where a more systems based approach is taken to coordination with more centralised management through a tertiary approach, the relationship between FE and HE is constructed as one of complementarity and cooperation. However, at the regional level things are more complex, with pockets of complementarity within market-based approaches and pockets of competition within the systems-based approaches.
- **Employer engagement:** across the four nations, the role of employers in post-16 E&T varies significantly. England and Northern Ireland tend to emphasise an employer-led E&T system, focused on ensuring employer skills-needs are understood and reflected in E&T. Scotland and Wales are increasingly focusing on developing an employer-engaged system, attempting to bring employers into the process of skills formation and linking them with occupational standards.
- **Qualifications:** increasingly different kinds of qualifications and qualification structures exist in each of the four nations. This has resulted in a complex array of post-16 qualifications across the whole of the UK that is challenging for employers to understand and for young people to navigate, particularly if they decide to seek opportunities in another nation. Given a growing interest across all the UK nations in promoting lifelong learning and the need for portable, stackable credentials, there is a real policy challenge to provide some sense of long term stability and coherence to post-16 qualifications through collaborative cross-jurisdictional approaches.

Overall, the policy context across all four UK nations has been marked by policy churn and instability. Over the last two decades, each jurisdiction has sought to overhaul its post-16 E&T system in a variety of different ways, attempting to engage with economic challenges, changing skills needs, and social necessities. However, such policy churn can also be linked to more political and ideologically driven motivations and a sense of ‘change for its own sake’ as well as the inevitable budgetary pressures and attempts to develop E&T solutions at a low cost. This has all resulted in instability in each jurisdiction, complex E&T pathways, complicated regulatory mechanisms, and confusing or reductive understandings of the purpose of E&T.

Comparing routes and choices across the four nations

Differences in policy choices regarding post-16 provision, as well as variation in pre-16 provision, students’ backgrounds and preferences, and local context mean that students in each of the four nations can expect quite different experiences of post-16 education. Here we highlight similarities and differences in the types and nature of education and training undertaken by young people (and adults, in the case of apprenticeships). To ensure a complete and consistent comparison, most of the analysis runs to 2022.

- **Post-16 participation is generally high across all four nations** – About 92-93 per cent of 16- and 17-year-olds are continuing into some form of education and training across all four nations in 2022.
- **Higher share of pupils ‘Not in Education, Employment or Training’ (NEET) in Wales.** Nearly 11 per cent of young people aged 16-18 in Wales were classified as NEET in 2022-23, compared with 8 per cent in England, 9 per cent in Scotland and 5 per cent in Northern Ireland. We also see a bigger recent rise in Wales, with NEET rates for this age group up from 6 per cent in 2021-22.
- **High level of school sixth form provision in Scotland and Northern Ireland** – In Scotland, 79 per cent of 16–17-year-olds studied in school sixth forms, as did over 60 per cent of 16-17-year-olds in Northern Ireland in 2022 (including partnership agreements with colleges in both cases). These figures were much lower in England (45 per cent) and Wales (35 per cent). This is likely to lead to more young people studying academic qualifications in Scotland and Northern Ireland, given that schools are much more focused on academic qualifications than colleges.
- **Much greater provision in colleges in Wales and England** – Amongst 16 and 17-year-olds, a much larger share of young people studied in colleges in Wales (53 per cent) and England (42 per cent) than in Scotland (26 per cent) and Northern Ireland (c.25 per cent) in 2022. A large amount of college participation in Scotland and Northern Ireland also represents partnerships between schools and colleges, which occurs much less in Wales and England.
- **Increasing focus on Level 3 in colleges in England and Wales** – In England, about 13 per cent of 16-17-year-olds in colleges were taking A Levels in 2022 and about 43 per cent were taking other Level 3 qualifications, such as BTECs. In Wales, 44 per cent of qualifications taken in colleges by 16–17-year-olds in 2021-22 were A Levels or other Level 3 qualifications.

In both nations, the numbers taking vocational Level 2 qualifications in colleges has declined over time. We are unable to provide a similar comparison for Scotland and Northern Ireland.

- **Apprenticeships increasingly focused on adults in England, Wales and Scotland.** In England and Wales, over 50 per cent of apprenticeship starts were amongst adults aged 25 or over in 2021-22, as were about 40 per cent in Scotland. In Northern Ireland, the share has been approximately 15 per cent for most of the last decade, following a decision to focus adult apprenticeships only on priority economic areas.
- **Apprenticeships only taken by a minority of young people across all four nations** – Across all four nations, only about 3-7 per cent of 16–17-year-olds go into apprenticeships or work-based learning. In England and Wales, only about 20 per cent of apprenticeships are taken by 16–18-year-olds. Despite representing a small share of young people, apprenticeships amongst 16-18/19-year-olds make up a larger share of total apprenticeships in Scotland (37 per cent) and Northern Ireland (52 per cent).
- **Increasing focus on Level 4 apprenticeships in England and Wales** – Following increases in recent years, 30 per cent of apprenticeship starts in England in 2021-22 were at Level 4 or higher, as were 17 per cent of apprenticeships in Wales. A lower share of apprenticeships are at Level 4 or above in Scotland (8 per cent) and Northern Ireland (12 per cent). This partly reflects the fact that apprenticeships are more focused on young people in Scotland and Northern Ireland, and more directed at adults in Wales and England.
- **Achievement and completion rates have been falling for apprenticeships across most nations** – Whilst measured in slightly different rates, achievement rates for apprenticeships have fallen to 53 per cent in England, 66 per cent in Wales and 48 per cent in Northern Ireland. This may reflect challenges during the pandemic. In Scotland, achievement rates have remained around 70-80 per cent for most of the last decade.
- **Lowest higher education participation in Wales** – Higher education participation has risen across all four nations, with 37 per cent of 18-year-olds going on to higher education in England in 2023 and 38 per cent in Northern Ireland. In contrast, only about 30 per cent of 18-year-olds go on to higher education in Wales. For Scotland, a higher share of 20-year-olds attended higher education (49 per cent) than in England (46 per cent) in 2019-20 (this is a slightly different measure of participation in higher education, which is only available for Scotland and England).
- **Large gender gaps in higher education participation across all four nations, with Welsh boys least likely to go to university.** In England, about 42 per cent of 18-year-old girls went to university, compared with 30 per cent of 18-year-old boys in 2022-23. In Northern Ireland, 47 per cent of 18-year-old girls went to university, compared with 30 per cent of 18-year-old boys in 2022-23. In Scotland, 48 per cent of female school leavers went to higher education in 2021-22, as compared with 35 per cent of male school leavers. In Wales, about 36 per cent of 18-year-olds girls went to higher education, and only about 24 per cent of 18-year-old Welsh boys in 2022-23. Indeed, there has barely been any growth in higher education participation amongst boys in Wales and Northern Ireland over the last 15 years.

- **Lower socio-economic gaps in higher education participation in England** – In England, Wales and Scotland there has been an increasing share of higher education enrolments from students from the most deprived areas. In England about 20 per cent of 18-year-olds in the most deprived areas of England attend higher education, as compared with about 15-16 per cent in Scotland and Wales. Over the last decade the corresponding figure for Northern Ireland has remained at around 13 per cent.

Outcomes and inequalities

To examine the implications of the different education routes and pathways across the four nations, we analysed the educational and labour market outcomes of young adults in their early career phase (ages 22-30). We also examined the extent to which outcomes differ by socio-economic background (proxied by parental occupation groupings). This covers data between 2014 and 2022. It will therefore reflect a combination of the trends in education routes and choices observed in the previous chapter, together with longer run differences in provision and institutions.

- **Higher share of young adults with Level 3 qualifications in England and Scotland.** The share of young adults with Level 3 qualifications (A Level or equivalent) has risen over time across all four nations, but persistent differences remain. About 80 per cent of young adults in England and Scotland had a Level 3 qualification or higher in 2022, compared with about 70 per cent in Wales and Northern Ireland. This is likely to reflect historically higher levels of education participation in England and Scotland.
- **Strong effects of parental background on likelihood of gaining Level 3 qualifications.** In England, Wales and Northern Ireland, about 85 per cent of young adults from a professional background achieve Level 3 qualifications or higher. This compares with about 72 per cent for those from intermediate backgrounds in England and Northern Ireland, and about 60 per cent for those from working class backgrounds. These figures were lowest in Wales for those from intermediate backgrounds (68 per cent) and working-class backgrounds (56 per cent). Similar gaps were evident in Scotland, except that children from all backgrounds were 7-9 percentage points more likely to achieve Level 3 qualifications or higher for all parental occupational backgrounds. This again reflects the generally the high levels of participation in education in Scotland.
- **Young adults more likely to achieve Level 3 or higher through academic routes in England and Northern Ireland than in Wales and Scotland.** Around three quarters of young adults in England and Northern Ireland achieved Level 3 (or higher) qualifications through academic routes in 2022. This reflects the greater use of school sixth forms in Northern Ireland and the fact that most provision in colleges in England (until recently) was at Level 2 or below. A lower share (about two thirds) achieved Level 3 or higher through academic routes in Wales and Scotland. In Wales, this is likely to reflect greater use of colleges, which have tended to focus on Level 2 qualifications. The low share of academic qualifications in Scotland is more surprising, given the high focus on schools. It is possible that many young people remaining in school in Scotland are not gaining Level 3 or equivalent qualifications.
- **Young adults in England and Scotland more likely to hold degree-level qualifications.** Nearly 50 per cent of young adults in England and Scotland held degree-level qualifications in 2022, which compares with about 40 per cent in Wales and Northern Ireland. This reflects

the differences in university participation we saw in analysis of routes and choices. As one would expect, there were also big effects of socio-economic backgrounds. Young adults from professional backgrounds were about 30 percentage points more likely to hold degree-level qualifications or higher than those from working-class backgrounds. Conditional on socio-economic background, young people from Wales and Scotland were the least likely to hold degree-level qualifications, with less than 25 per cent of young people from working-class backgrounds from these two nations holding degree-level qualifications.

- **Higher levels of employment in England, and particularly low employment levels in Northern Ireland.** Overall employment levels amongst young adults were about 80 per cent in England and Scotland in 2022 and 75 per cent in Wales. With the exception of a brief uptick in 2022, employment levels amongst young adults have been 75 per cent or lower in Northern Ireland. Employment levels are notably lower in Wales and Northern Ireland across all parental backgrounds. This is particularly stark for those from working class backgrounds, with employment rates of 74 per cent in Northern Ireland and 71 per cent in Wales, which compares with 77-78 per cent for England and Scotland.
- **Lowest earnings amongst young adults in Wales, even after accounting for parental background.** Young adults from professional and intermediate backgrounds in Wales earn about 10 per cent less than those from professional backgrounds in England. There is greater similarity for those from working class backgrounds.
- **NEET levels highest for disadvantaged young people in Wales.** Across the four nations of the UK, the share of young people aged 16-22 classed as NEET is about 10 per cent (all relating to a slightly wider age group than our earlier analysis). However, levels are higher for young people from working-class backgrounds in Wales (12 per cent).
- **Large levels of social immobility across all four nations.** Amongst those from professional backgrounds, young adults were much more likely to be in professional jobs (53 per cent in England, 47-49 per cent in the rest of the UK) than those from working-class backgrounds (28 per cent in England, 25-26 per cent in the rest of the UK). Those from working-class backgrounds are much more likely to be in working-class jobs themselves (38 per cent in England, 42-43 per cent in the rest of the UK) than those from professional backgrounds (18-25 per cent across the four nations).

Key Conclusions

Significant policy divergence

Policymakers across the four nations have made significantly different choices in how to organise their post-16 E&T systems, particularly since devolution in 1999. A much larger share of young people are in school in Scotland and Northern Ireland after age 16 than in England and Wales, where there is greater reliance on colleges. There is also greater partnership between schools, colleges and universities in Scotland and Northern Ireland and, increasingly in Wales, with some pupils jointly registered. This partly reflects different philosophies on how to run the system, with a much greater focus on cooperation and coordination in Scotland and Northern Ireland, and a more market-orientated system in England. Wales is increasingly moving towards a systems-based model of

coordination through the newly created Commission for Tertiary Education and Research with the goal of a more coordinated and cooperative approach.

There are also large differences in qualifications. Scotland has long had a different system, but more recently post-16 qualifications in Wales and Northern Ireland have also begun to diverge from England. Differences in higher education funding are widely debated, particularly the Scottish model. However, we also see differences in apprenticeships, with a high focus on higher level and adult apprenticeships in England, and a deliberate decision in Northern Ireland to focus funding on younger people.

Multiple and changing goals

There is the vast range and changing set of goals that post-16 E&T systems are expected to achieve. This includes individual labour market returns, preparing individuals for the world of work and individual well-being. At a societal level, they include meeting skill needs and driving economic growth, social mobility and social justice, citizen formation and meeting wider challenges such as Brexit and net zero. It is understandable that policymakers across the four nations will have different goals, and this has partly driven some of the policy divergence we have observed. However, the vastness and constantly changing nature of the goals makes it extremely difficult for post-16 E&T systems to set priorities.

A high level of policy churn

The level of policy churn experienced within UK E&T is enormous and potentially damaging for all the individuals and institutions involved. Constant policy churn emphasises the view that the E&T system is at best flawed and at worst failing. This has the potential to harm the morale of staff and stakeholders involved in the system as well as negatively shaping the aspirations of young people and their families and their perceptions of different E&T pathways. Importantly, if parity of esteem between FE and HE is to be achieved, FE needs to be built up as a stable and valid institution in society. It is arguable that the levels of policy churn experienced over the last three decades have had a detrimental impact on that process.

Poor state of data

Official Statistics exist to give citizens a view of society and of the work and performance of government, allowing them to assess the impact of government policies and actions. However, despite the importance of post-16 education provision, one theme running throughout our analysis is just how hard it is to effectively compare levels of post-16 education participation and routes with existing data across the four nations. Often, our comparisons were hampered by different definitions or incomplete data, such as focusing on school leavers, splits in data sources for college and school students, or cases where data is split across government departments. Data can sometimes be organised around the latest focus of policy, which, as we know, can frequently change. We weren't able to look at socio-economic differences in 16-18 participation at all across the four nations. Comparisons were slightly better for apprenticeships, but these could also be improved too. In principle, the four nations could be used for policy learning across the UK. In reality, a lack of comparable data severely limits these opportunities.

Inequalities are large everywhere

When we were able to look at socio-economic inequalities in access and outcomes, we observed gaping differences in educational outcomes from choices. Those from more disadvantaged backgrounds were less likely to achieve A level or equivalent qualifications, and less likely to achieve degree-level qualifications. As a result, they are then less likely to be in employment, will have lower earnings and less likely to be in professional occupations when they do enter the labour market. These inequalities are of similar size across all four nations, with just slightly higher university attendance amongst the most disadvantaged students in England.

Outcomes look particularly concerning in Wales

One recurring theme is the lower levels of education participation and outcomes amongst young people in Wales. We see this in the form of a high and increasing share of young people who are not in education, employment or training in Wales. We also see it in low levels of higher education participation, with Welsh boys having the lowest levels of higher education participation. This is visible in lower shares of young people achieving A level or equivalent qualifications, degree level qualifications and lower labour market outcomes for young people in Wales. This even remains true when focusing on those from poorer backgrounds, suggesting this is not just about higher levels of poverty in Wales. This concerning picture can also be seen in the recent PISA results, showing relatively low levels of reading and numeracy scores in Wales. Educational outcomes and inequalities are a source of major concern in Wales. It is not possible to isolate exactly which policies or institutions are driving this concerning picture in outcomes. However, it is worth saying that it is unlikely to be having a school leaving age of 16, compared with an education leaving age of 18 in England. The poor set of outcomes in Wales appear to be longstanding, the education leaving age was only recently raised to 18 in England, and the school leaving age remains 16 in Scotland and Northern Ireland, where outcomes look better.

Interim Recommendations

Based on these themes, we make a set of four interim recommendations. These are intended to be general recommendations on the overall direction of post-16 education and training systems across the four nations. Our final report, due later in 2024, will make further policy recommendations to build upon these.

- **A new stable settlement is needed.** In the short run, a new vision and policy approach for post-16 E&T may be needed. This will require political consensus within each nation on goals and ambitions that can be realised, well-funded institutions and structures, and a stable set of qualifications. Following that, a period of policy stability should be overtly enshrined in both the governments' and opposition parties' post-16 E&T priorities to allow the sector to recover. This may sound fanciful within the UK's adversarial political system, but the main political parties are not actually that far apart on their aims and policies for post-16 education and training. The instability has been occurring within governing parties over time and due to short attention spans. Despite its faults, the Butler Act of 1944 was a clear example of political consensus across parties that enabled policymakers to achieve ambitious goals for schools, and it created a system that remained in place for decades. The same is needed now for further education.

- **Data and statistics should be better, more comparable and more focused on inequalities.** The UK government and devolved administrations should make more effort to produce data in ways that allow for comparisons, particularly in terms of inequalities. New linked administrative data represents a clear way in which data, statistics and our understanding of inequalities could be improved.
- **A greater policy focus on inequalities is needed.** Equipped with better data on inequalities, policymakers across the four nations should be better placed to address the inequalities in post-16 access and outcomes. This may require policy action in both post-16 education and also earlier in the system.
- **More active and urgent action is required in Wales.** Policymakers in Wales should be taking more urgent and active steps to understand and improve post-16 educational outcomes and inequalities.

Section 1: Introduction

James Robson

This report examines post-16 Education and Training (E&T) in the UK. It is focused on analysing the divergent approaches to E&T policy across the four devolved nations to understand more deeply the key policy issues and challenges facing E&T and the kinds of structures that support young people's transitions from education to employment and help them live fulfilling lives. We, therefore, focus on the interplay between policies, participation, and outcomes across the four nations, particularly examining issues of inequality for young people.

Through the combination of detailed comparative policy analysis and comparative quantitative analysis of a range of nation-specific datasets, we aim to address the following key questions:

- In what key areas is post-16 E&T policy in the four nations converging and diverging?
- How are differences in post-16 institutions and policies reflected in participation and pathways for learners?
- How are differences in post-16 institutions and policies reflected in learner outcomes?

1.1 Background

In the UK, the post-16 education and training (E&T) landscape, particularly at levels 2-4, is a complex space, covering a wide range of different offerings that cut across academic and vocational classroom-based education, as well as including apprenticeships and employer-provided training. Across the four devolved nations, traditional boundaries between Further Education (FE) and Higher Education (HE) are becoming increasingly blurred, with post-16 E&T policy moving towards more holistic approaches, framed within an overarching 'tertiary education' sector. Such policy trajectories are often rooted in narratives that emphasise a holistic tertiary sector as a way for reducing barriers between FE and HE, diversifying pathways, democratising access to E&T, 'levelling up' poorer areas, providing a key mechanism for intergenerational social mobility, and meeting evolving skills demands and economic needs. However, at the same time, political discourses often position vocational and academic routes in conflict with each other and particularly frame macro-level funding decisions as a zero-sum game between FE and HE (see for example the recent 2023 report - 'New Conservative Plan to Upskill Britain'¹ – that argues that HE funding should be reallocated to FE).

Within this complex landscape, E&T policy and structures are increasingly diverging between the four nations. Provision is shaped by different policy choices rooted in different political, social, and economic contexts and underpinned by different labour market structures and agendas. This means that each national system has increasingly different configurations of constituent institutions and E&T organisations, varying relationships with market logic, diverse localised eco-systems, multiple student pathways, and different roles for employers. Devolved E&T policies and system structures are also being shaped by differing responses to COVID-19, the drive towards net zero, Brexit,

¹ Gullis J., Nici L., *The New Conservatives' plan to upskill Britain*. https://www.thenewconservatives.co.uk/wp-content/uploads/2023/09/upskill-report-2023-v4_web.pdf

technological development and major concerns about low levels of productivity in the UK. All these challenges are changing the nature of work, remaking vocational and occupational identities, and shifting qualifications and skill requirements, with some industries being particularly affected. This is resulting in changes in educational aspirations, school-to-work transitions, and E&T outcomes, often at a local or region level and manifesting in different approaches to E&T within the devolved nations.

Diverging policy approaches and complex E&T structures can hide inequalities and tensions, with different organisations competing for students, funds, and prestige. Evidence suggests that, for young people, these kinds of tensions, structures, and stratification within E&T systems can entrench rather than reduce inequalities of access, retention, experience, educational outcomes, and long-term labour market success based on class, gender, age, and ethnicity.² However, there is only limited research on the impact of these diverging policy approaches and E&T structures and the relationship between emerging policy structures, E&T systems, and the implications for young people involved in post-16 E&T. There is an urgent need to understand divergent policy trends across the UK and the challenges and implications for systems, organisations and individuals involved in post-16 E&T. While cross-jurisdictional E&T policy learning remains relatively rare, the diverging approaches taken by the four devolved UK nations presents a unique opportunity to compare differing policy approaches to understand the implications for E&T structures, participation rates, student experiences and outcomes, potential inequalities, and the broader economy. The UK is a policy laboratory and by undertaking this comparative analysis of the devolved nations we aim to provide critical commentary that will contribute to future policy making.

1.2 Structure of the Report

This interim report is the first main output from a collaborative project between the Oxford University Centre for Skills, Knowledge and Organisational Performance (SKOPE) and Education Policy Institute (EPI) focused on the post-16 E&T landscape in the UK. A final report will be published in Autumn of 2024.³ The report is divided into five main sections:

- *Section 2: Understanding the UK E&T Policy Context* – we describe the key post-16 E&T policy trajectories and highlight divergent approaches across the four nations;
- *Section 3: Comparing routes and choices* – we provide quantitative analysis of educational routes and inequalities across the four nations;
- *Section 4: Comparing Outcomes* – we provide quantitative analysis of both educational and labour market outcomes across the four nations; and

² Raffe, D. (2015) 'First count to five: some principles for the reform of vocational qualifications in England', *Journal of Education and Work*, 28:2, 147-164; Fuller, A. and Unwin, L. (2012). *Banging on the Door of the University: the complexities of progression from apprenticeships and other vocational programmes in England*. Monograph 14. Cardiff and Oxford: SKOPE; Higham, J. and Yeomans, D. (2007), 'Policy Memory and Policy Amnesia in 14-19 Education: learning from the past?' in *Policy Making and Policy Learning in 14-19 Education*, Edited by D. Raffe and K. Spours, 33-60, London: Bedford Way Papers

³ The final report will present findings from a series of industry specific case studies (including documentary analysis of six selected sectors and interviews with key stakeholders), and a range of perspectives from young people involved in E&T to further examine emerging policy issues and develop additional recommendations. Analysis of the differences in school leaving ages across the four nations, considering the impact of school leaving ages on future education and employment outcomes, will support the case studies. Finally, we will undertake a deeper analysis of educational inequalities across England and Wales, considering the contribution of differences in provision and student characteristics to inequalities in employment outcomes.

- *Conclusion* – in concluding we bring together a range of key policy issues that emerge from our descriptive mapping of policy trajectories and quantitative analysis of E&T pathways and outcomes.

Section 2: Understanding the UK E&T policy context

James Robson, Mariela Neagu, Susan James Relly

2.1 Introduction

Since devolution in 1999, post-16 E&T has been subject to divergent reforms across the four nations. Despite a growing body of research over the past two decades, there has been little detailed comparative analysis of the numerous policy initiatives across the four nations, limiting the potential opportunities for cross-jurisdictional learning. This section, therefore, presents a comparative analysis of UK E&T since devolution. It discusses the evolution of E&T policy in each of the nations and aims to identify the key points of policy convergence and divergence. We focus primarily on the FE sector although also include the trajectory (particularly in Wales and Scotland) towards a more holistic tertiary approach. Given the enormous amount of policy churn, reports, and commentary, a complete and systematic overview of the huge range of policy documents, legislature, and relevant reports is unachievable. Instead, this section outlines key points of policy convergence and divergence across the four nations, the core drivers of these policy trajectories, the ways different challenges across local, UK and global contexts have shaped different UK E&T structures, and some of the most significant implications for future E&T policy.

2.2 Methodological Approach

This discussion is based on a detailed analysis of relevant policy documents, academic literature, and grey literature. The criteria used for the search was based on the terms 'further education and skills' and 'policy' and 'UK' in SCOPUS (1271 results), ProQuest Social Science (1,260 journal articles), Medline (50 results), and EBSCO (20 results). Over 100 documents - government documents, reports, and academic articles specific to at least one of the four nations or undertaking comparison between nations – were analysed in NVIVO.

Analysis focused on systematising key points of E&T policy convergence and divergence across the devolved nations. We initially undertook a narrative analysis of relevant policy documents and developed detailed policy narratives, charting the historical development of E&T in each nation (See Appendix 1). We then undertook a cross-jurisdiction analysis and identified the following key cross-cutting themes that highlight areas of policy convergence and divergence across the four nations:

- **Purpose:** the different understanding of the purpose of post-16 E&T, including the ways in which different missions, values and aspirations are embedded in each policy context.
- **Coordination and governance:** the different approaches taken to managing, coordinating and governing the E&T sector, including regionalisation of FE and the relationship between central (state/government level) and local coordination.
- **Funding:** the different approaches to funding post-16 E&T, particularly linked with the diverging approaches to co-ordination and wider economic considerations.
- **The relationships between FE and HE:** the diverging structural relationships between the sectors in the post-16 E&T space, including shifts in some contexts towards a tertiary approach, debates around parity of esteem, and whether FE and HE are working in complementary ways or in competition for students and resources.

- **Employer engagement:** the different roles employers play in the E&T sector, including whether systems are employer led (driven by skills demands) or employer engaged (with employers actively involved in the process of education and training, setting standards etc).
- **Qualifications:** the different kinds of qualifications and qualification structures that exist in each of the four nations.

These key themes are manifested in key policy moments, issues, debates, and trajectories. We have identified them as representing areas of tension within UK E&T and critical to future policy internal and cross-jurisdictional discussion.

2.3 Post-16 E&T Policy Divergence and Convergence Across the Four Nations

As part of our policy analysis, we have written detailed narrative-based descriptions of E&T policy developments in each of the four UK nations. This is included in Appendix 1. Here we present the key areas of policy divergence and convergence in more detail.

It is important to note that while some of the nations may be diverging in key policy areas, others are converging. For example, policy approaches to issues of governance, co-ordination, purpose and the relationship between FE and HE are overtly aligning in Wales and Scotland, but the approach taken by England in these areas is increasingly different. We try and highlight these complex tendencies towards both divergence and convergence between nations in the following discussion.

2.4 Purpose of Post-16 E&T

In each of the four nations, E&T provision is shaped by similar, re-emerging debates:

- the place of FE and vocational education and training in a broader E&T system;
- funding and resourcing issues;
- meeting skills demands and broader economic needs in local, national and globalised economic contexts;
- the links between different student and parent aspirations; and
- social mobility.

However, the past decade has been particularly dynamic, marked by upheavals with profound social and economic consequences: the UK's decision to leave the EU; Covid-19; net zero commitments; an aging society; rapid technological developments; and a significant drop in productivity over the last decade. In such a rapidly changing world and in the face of these economic difficulties, post-16 E&T, skills formation and skills supply are frequently positioned as playing key roles in how economies respond to local and national priorities.

Across all the four nations, the economic purposes of post-16 E&T are consequently particularly emphasised in a range of policy approaches, with E&T being expected to respond to the economic demands of the labour market, including filling skills gaps and shortages. This has resulted in policy interventions focused on increasing the number of learners accessing Level 2-5 qualifications, improving quality of provision, reframing education as a lifelong learning process rather than one limited to young people, and developing a closer relationship between skills demands and skills supply.

This focus on economic purposes of post-16 E&T is particularly emphasised in England where the Skills for Jobs White Paper (2021) frames the ‘new core purpose’ of FE as ‘to give people the technical skills they need to get good jobs and boost the UK’s productivity.’⁴ James Relly and Robson have highlighted how many key stakeholders in the FE sector view this focus as reductive, and failing to take into account the broader range of economic, social and even environmental contributions the sector can make.⁵

However, Northern Ireland, Wales and Scotland have increasingly highlighted a diverse range of purposes of post-16 E&T that emphasise the economic importance of the sector at both the macro and micro levels. For example, in Northern Ireland, the recent public consultation on the principles of vocational education (2023) concluded that the purpose of vocational qualifications encompasses the following: to provide practical learning and a competent, technically skilled workforce; to improve productivity and work-related readiness and anticipate future skills needs; and to instil lifelong learning and opportunities to reskill and upskill. While these express national rather than individual aspirations, the 14-19 Framework ‘Developing a more Strategic approach to 14-19 Education and Training – a framework to Transform Education and Training Provision’ sets as a goal an ‘efficient and effective system’ that meets the needs of young people to fulfil their potential and contribute to society, the economy and the environment.

Similarly, Scotland’s National Strategy for Economic Transformation⁶ articulates the connection between skills, economic development and a flourishing life and it aims, ‘to ensure that people have the skills they need at every stage of life to have rewarding careers and meet the demands of an ever-changing economy and society’.

In Wales, the Hazelkorn review of FE highlighted contrasting views within society and within the educational system about the role and purpose of FE. While emphasising the importance of skills formation and ensuring that FE be more responsive to the labour market’, the review and new Commission for Tertiary Education and Research emphasise the broad role of post-16 in citizen formation and social mobility.⁷

For a long-time FE has struggled to find its mission and purpose within the education system and historically this has been exacerbated by a lack of clarity or reductive conceptualisations of the purpose of post-16 E&T within policy.⁸ However, commentators within the sector and academic analysis tends to emphasise that the purposes of post-16 E&T are multiple and varied. These cut across multiple individual and public dimensions and economic and social goals.

⁴ Skills for Jobs - lifelong learning for opportunity and growth,(2021).

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/957856/Skills_for_jobs_lifelong_learning_for_opportunity_and_growth_web_version.pdf

⁵ James Relly, S. and Robson, J., Unpacking the tensions between local and national skills policy: employers, colleges and Local Enterprise Partnerships as collaborative anchors, *London Review of Education*. Vol. 20(1).

⁶ Scotland’s National Strategy for Economic Transformation, (2022), <https://www.gov.scot/publications/scotlands-national-strategy-economic-transformation/>

⁷ Hazelkorn, E, (2016) Towards 2030: A Framework for Building a World Class Post Compulsory Education System for Wales <https://www.gov.wales/sites/default/files/publications/2018-02/towards-2030-a-framework-for-building-a-world-class-post-compulsory-education-system-for-wales.pdf>, 6

⁸ Keep, E., Richmond, T., Silver, R. (2022). Honourable Histories, From the local management of colleges via incorporation to the present day: 30 Years of reform in Further Education 1991-2021

At the individual level these include:

- labour market returns for individual learners;
- job preparation and career development;
- individual wellbeing and human flourishing; and
- social mobility.

As a public good, E&T goals include:

- broader social equity and justice;
- citizen formation;
- meeting local skills needs;
- meeting macro level labour market need through targeted skills supply;
- driving productivity and economic growth;
- addressing short term skills gaps and shortages; and
- preparing future workers for long term labour market and economic needs.

While the most recent policy approaches in Northern Ireland, Scotland and Wales attempt to engage with this complexity, political discourse and modes of regulation can lead to reductive understandings of the purposes of E&T at a practical level and particularly focus on meeting short term skills needs. This is often at the expense of acknowledging the profound role Vocational Education and Training can play in the broader formation of individuals, identity construction, and enhancing agency (all areas that tend to be linked with academic rather than vocational pathways) as well as the role post-16 E&T can, and should, play in long term economic transformation.

Key policy decisions across all nations, therefore, require a deep holistic engagement with the multiple and diverse purposes of post-16 E&T. This should go beyond merely listing or acknowledging multiple, cross-cutting purposes in vision statements or policy introductions. Rather the diverse range of purposes should be actively and overtly embedded in all aspects of policy formation and sector regulation so they can be pressure tested against different goals and the diverse range of E&T purposes can be strategically enhanced and celebrated.

2.5 Coordination and Governance

Underpinning most E&T structures is the key question of how best to coordinate E&T and skills systems in a way that ensures E&T provision and the supply of skills are responsive to employer demands and broader economic needs, while also meeting wider social aims as appropriate. Across the four nations, the question of coordination is dealt with through two distinct approaches to coordination and governance in the UK: a market-based approach (England and to a lesser extent Northern Ireland) and a systems-based approach (Scotland and increasingly Wales).⁹

Market-based approaches to coordination are rooted in the logic of student choice and the idea that competition between institutions, particularly for students, will drive improvements in the quality of provision. This is viewed by market advocates as leading to an E&T model that can respond in a rapid manner to employer needs – institutions meeting employers' skills needs will lead to better labour market returns for learners and so drive student choice. The invisible hand of the market is seen as

⁹ Keep, E., Richmond, T., Silver, R. (2022). Honourable Histories, From the local management of colleges via incorporation to the present day: 30 Years of reform in Further Education 1991-2021

providing the mechanism for aligning skills supply with demand, with student choice and need for labour market returns ensuring E&T organisations adjust to provision to meet labour market skills demands. England E&T has been overtly driven by market logic since 2010, although it was also a key feature of New Labour's approach to coordination, as well as, of course, Thatcher's overt introduction of market logic and the broader political and social shift from an emphasis on a market economy to a market society.

The reliance on market logic as the mechanism of E&T coordination in England is clearly summarised in 'Students at the Heart of the System' (2011), produced by the then Department for Business, Innovation and Skills (BIS). Though focused on HE, it emphasises how competition between all institutions, including FE colleges and alternative providers (rooted in student choice), will align provision with economic needs:

'We are committed to opening up the HE market, including to Further Education colleges and alternative providers, to meet the changing needs of employers, individuals, and their communities... we want a diverse, competitive system that can offer different types of HE and FE so that students can choose freely between a wide range of providers'¹⁰

Although not always fully articulated, the philosophical conceptualisation of the role of the state in coordinating the E&T sector that underpins the market model is non-interventionist. Its primary function is ensuring market competition is maintained and market failure (e.g. through monopoly, oligopoly, or information asymmetry that might undermine consumer choice) is avoided. The primary mechanisms for state coordination of market conditions are legislative frameworks, regulation, and the provision of complete information (e.g. on student outcomes, skills needs etc) to ensure informed consumer (student) choice.¹¹

In contrast, Scotland under the management of the Scottish Funding Council (SFC)¹², and Wales since the Hazelkorn review (2016)¹³, the Tertiary Education and Research Act (2022)¹⁴, and the establishment the Commission for Tertiary Education and Research (September 2023) are seen as taking a 'systems approach' to E&T coordination. Systems-based approaches to coordination are closer to Nordic and German E&T models and are focused on building collaboration between different parts of the E&T sector, particularly vocational and academic pathways, and between different organisations. Complementarity, rather than competition, between different parts of the system is viewed as ensuring a diverse range of pathways for learners. This diversity is seen as the key mechanism for meeting individual E&T needs, economic needs, employer skills demands, and social aims. Systems-based E&T coordination and complementarity assumes a much more interventionism role for the state, particularly in overseeing quality and overtly managing the ways in which the E&T system responds to changing social needs and skills demands and it is this focus on

¹⁰ BIS (2011) 'Students at the Heart of the System', London: BIS (<https://assets.publishing.service.gov.uk/media/5a79900ce5274a684690a79c/11-944-higher-education-students-at-heart-of-system.pdf>)

¹¹ Keep, E. (2015) 'Governance in English VET: on the functioning of a fractured 'system'', *Research in Comparative and International Education*. 10:4, 464-475

¹² <https://www.sfc.ac.uk>

¹³ Hazelkorn, E. (2016) *Towards 2030: a framework for building a world-class post-compulsory education system for Wales*. Cardiff: Hefcw (<https://www.gov.wales/sites/default/files/publications/2018-02/towards-2030-a-framework-for-building-a-world-class-post-compulsory-education-system-for-wales.pdf>)

¹⁴ <https://www.gov.wales/tertiary-education-and-research-wales-act>

state management of a system that is driving the move towards the development of holistic tertiary sectors in Scotland and Wales.

This is a critical point of policy divergence across the UK nations with different regulatory structures in each of the four nations ultimately rooted in the ways in which the role of the state in the E&T system is conceptualised and the different emphases on the market or a system, on competition or complementarity, as the mechanism of coordination.

However, research is increasingly showing that underneath the broad policy logics of a market or a system there is a much messier reality. There are pockets of system-level coordination within quasi-markets and there are pockets of competition within systems.¹⁵ In England, for example, James Relly and Robson have shown how FE colleges can act as anchor institutions in their local communities, bringing together a range of E&T stakeholders, including employers, LEPs and Universities, in collaborative ways of working.¹⁶ Similarly Shattock and Hunt have highlighted areas where FE colleges and universities work together in complementary ways as a functioning tertiary system rather than a post-16 E&T market.¹⁷ In fact, Shattock and Hunt show that 89% of FE colleges (based on a survey of 45% of all colleges in England) have formal links with at least one university and that more than 50% of universities have formal agreements for joint activities with FE colleges. This suggests that, despite England operating a two sector market place at the level of policy discourse, in many areas the sectors are, at an operational level, not competing but acting in complementary ways as a de facto tertiary sector. In the Welsh and Scottish contexts, Hazelkorn has highlighted ways in which, even in systems-based approaches, E&T organisations (particularly universities) increasingly colonise FE spaces, creating localised markets rooted in competition rather than collaboration.¹⁸

This suggests that both policy and pragmatic approaches to coordination may need to be more agile, flexible and situated. The policy challenge is to engage with localised complexity in a way that acknowledges the social and economic needs on the ground, overtly engages with potential perverse incentives and unintended consequences of different coordination models and adapts to them flexibly. A key part of this must involve avoiding slipping into ideological driven approaches to coordination and rooting approaches in detailed analysis of relevant data. Shattock¹⁹ has argued that this should take the form of increased regional approaches to coordination with regional actors being placed in the driving seat. This is particularly exemplified in the metro mayor model, and the new approach to qualifications taken by Andy Burnham with the introduction of the Greater Manchester Baccalaureate for technical E&T.²⁰ Although regional approaches may risk the creation of patchwork of provision and qualifications, risking complexity and challenges for learner mobility,

¹⁵ Hazelkorn, E. (2023) *Is it time to rethink our model of post-secondary education? Progressing a tertiary education ecosystem*. CGHE Working Paper; Oxford: CGHE (<https://www.researchcghe.org/publications/working-paper/is-it-time-to-rethink-our-model-of-post-secondary-education-progressing-a-tertiary-education-eco-system/>)

¹⁶ James Relly, S. and Robson, J., Unpacking the tensions between local and national skills policy: employers, colleges and Local Enterprise Partnerships as collaborative anchors, *London Review of Education*. Vol. 20(1).

¹⁷ Shattock, M. and Hunt, S. (2021) *Intersectional relationships within HE: the FE/HE interface in the UK*. <https://www.researchcghe.org/publications/working-paper/intersectoral-relationships-within-higher-education-the-fehe-interface-in-the-uk/>

¹⁸ Hazelkorn, E. (2023) 'Is it time to rethink our model of post secondary education? Progressing a tertiary education ecosystem'. CGHE Working Paper 89, Oxford: CGHE

¹⁹ Shattock, M., (2022), Contribution to Tertiary Landscape workshop, SKOPE, 8 Dec 2022

²⁰ <https://www.greatermanchester-ca.gov.uk/news/mayor-of-greater-manchester-unveils-plans-to-create-two-equal-pathways-for-young-people-pursuing-technical-careers-and-those-applying-for-university/>

Shattock has argued that a regional, bottom-up approach may be not only more pragmatic for matching E&T with local needs but may also be more able to address the issues that central policy approaches to coordination are all too often linked with the ideological considerations of the government of the day rather than community needs.

2.6 Funding

Funding of post-16 E&T remains a major challenge across the four nations and is a key point of policy divergence. In England 16-19 E&T is funded by the Education and Skills Funding Agency (ESFA), which funds FE colleges, schools and independent providers. Institution-level funding is calculated based on a formula that brings together key issues related to student numbers, programme cost weighting, disadvantage funding etc. 19+ E&T funding is provided by ESFA through the Adult Education Budget, with 60% of the AEB going directly to the nine mayoral combined authorities and the Greater London Authority.²¹ However, additional sources of funding come from: the National Skills Fund (particularly for skills bootcamps); UK Shared Prosperity Fund (particularly for numeracy programmes); Advanced Learner Loans/ HE student finance (which fund certain qualifications at levels 3-5; to be replaced by Lifelong Loan Entitlement in 2025). Capital funding is allocated from the Treasury. This is a complex model, that cuts across multiple governmental departments and different policy agendas. The Association of Colleges (AoC, a representative group for colleges) has argued that the entangled nature of E&T funding in England, combined with a market-based approach and competition, sits at the heart of many of the financial challenges the FE sector and FE colleges face.²² A major recommendation from their 2020 analysis of the English FE market is that greater co-ordination from the state, more coherent systems thinking, and simpler centralised funding mechanisms would ensure that investment in E&T would be more efficient and more economically and socially effective.

Broadly speaking, rooted in a systems-based model of co-ordination, this is the approach taken to funding in Scotland and Wales. In comparison to the complex funding picture in England, funding post-16 E&T in both nations is managed by fewer funding bodies. In Scotland, funding is managed by the Scottish Funding Council (SFC). The SFC has responsibility for the whole of Scotland's Tertiary Education and research, managing an annual budget of approximately £2billion per year. This is focused on delivering: teaching and learning across HE and FE; skills and apprenticeships; student support and participation; research and innovation; data collection and dissemination; quality assurance; capital and digital infrastructure; strategic change and responsive provision. This is a holistic model of funding, linked to Scotland's holistic model of co-ordination of the system, that cuts across strategy and delivery of skills matching, E&T, and research and innovation across a broad range of social and economic goals.²³ A key point of divergence from England here is that the SFC is a non-departmental public body. This means that the allocation of funding can cut across departmental agendas rather than getting locked into departmental silos.

²¹ Lewis, J. & Bolton, P. (2023) *Further Education Funding in England*.

<https://researchbriefings.files.parliament.uk/documents/CBP-9194/CBP-9194.pdf>

²² AoC (2020) *The impact of competition in post-16 education and training*. <https://feweek.co.uk/wp-content/uploads/2020/12/AoC-report-sufficiency-efficiency-and-effectiveness-FINAL-publication-v2.pdf>

²³ SFC (2022) *Scottish Further and Higher Education Funding Council Framework Document*. <https://www.sfc.ac.uk/nmsruntime/saveasdialog.aspx?IID=23811&SID=5913>

Wales is on a similar trajectory to Scotland following the Hazelkorn review. HE is currently funded by the HE Funding Council for Wales (HEFCW) and FE is funded directly by the Welsh Government. However, with the increased focus on system-based co-ordination, the formation of a tertiary sector, and the establishment of the Commission for Tertiary Education and Research, funding both tertiary E&T and research and innovation will be managed by a single public body with a cross-departmental remit like the SFC.

The issue of E&T funding requires careful and detailed analysis that takes into account the complex range of factors. These include the dynamics between HE and FE, the structure of the apprenticeship levy, the amount of unpaid student debt, the narrow focus on the earnings returns and public subsidy of specific degrees, the stretched resources of FE, the regulatory pressures on HE through focus on graduate outcomes, the structure of fees, the implications of geopolitical tensions on overseas student fees, the impact of R&I investment, to name just a few factors. E&T faces enormous financial pressures across all four nations and policy makers face significant challenges in making decisions in a resource constrained context.

However, arguably, key to E&T funding policy is a fundamental need to balance complexity in a way that acknowledges the dynamic relationship between different parts of post-16 E&T systems with an approach that's simple enough to bring different parts of the system together underneath a holistic agenda. In a variety of different policy settings, there is a tendency to position post-16 E&T funding as a zero-sum game between FE and HE and between E&T and research and innovation. In some contexts, particularly England, these parts have tended to sit within different governmental departments and involve interdepartmental competition for funding.²⁴ This can result in a zero sum game for funding and is often framed as a policy emphasis on the need to reduce the burden HE places on the public purse through a reduction in overall participation rates, particularly in courses that fail to provide individuals with adequate financial returns to repay student loan debt. Often embedded in much of this discussion is an assumption that simply reducing the expected state contribution to HE will automatically free up resources for FE. However, this fails to engage with the inherent complexity of the different post-16 E&T systems in the four nations, the increasingly blurred boundaries between FE and HE, and institutional relationships between relevant organisations in the tertiary systems that are rooted in both complementarity and competition.

2.7 Relationship between FE and HE

The relationship between FE and HE is fundamentally linked with the diverging understandings of the purpose of post-16 E&T and the different approaches to coordination and funding across the four nations. Historically, the four nations have maintained a divided system that rests on a categorical distinction between academic and vocational knowledge and skills. This is rooted in entrenched class division and a perception of HE as a gateway to privilege, contributing to an esteem deficit for FE and negatively influencing young people's choices (and their families' perceptions of the sector) when considering available pathways to a good future. Arguably this restricts access and

²⁴ It is important to note that HE and FE now both sit within the DfE, although research and innovation remains in DSIT (previously BEIS)

progression and emphasises differentiation and social selection at the expense of social inclusion and the needs of individual learners.²⁵

The issue of ‘prestige’ and ‘parity of esteem’ for FE is a recurrent theme, especially so in a liberal market economy with a historical divide²⁶ and one which, by and large, policy has failed to address successfully. This is despite Secretaries of State for Education regularly emphasising the need to ensure vocational pathways are seen as equally valid compared with HE and political calls for parity of esteem persisting for more than 70 years.²⁷ However, the relationship between FE and HE has become increasingly blurred over the last decade. Universities have been increasingly encroaching on FE spaces through a variety of sub-degree level provision, including, but not limited to, foundation degrees while degree level qualifications are offered by some FE colleges, with degree apprenticeships sitting in a hybrid vocational-academic space.

As discussed above, in market-based coordination models, this blurring of traditional boundaries between FE and HE can arguably be seen as an inevitable consequence of organisational competition, with universities and colleges competing for a finite set of students and resources. However, the blurring of the boundaries between FE and HE can also be seen as accentuating the competitive relationship between the sectors and the organisations within them. As each attempts to operate in the others’ space, competitive behaviours are increased and colonisation, rather than quality or diversity of provision, becomes the de facto driver.²⁸ In systems-based coordination models, the blurring of the boundaries between FE and HE arguably represents the potential of system failure. It suggests that complementarity between the different parts of the system is breaking down and diversity of provision is becoming narrower. If vocational and academic pathways occupy the same operational spaces, the relationship between the two will turn into competition.

In England, and to a lesser extent Northern Ireland, within a market-based approach, the relationship between FE and HE is one of competition. In Scotland and Wales, in a systems-based model of coordination, the relationship is one of complementarity and cooperation. However, as highlighted above, there are a range of complexities beneath the policy frameworks of each nation, with collaboration taking place in some regions of England and competition taking place in some areas of Scotland and Wales. This suggests that despite diverging policy frameworks and political philosophies in each nation, there are areas of operational convergence: England manifesting pockets of systems-based approaches and Scotland and Wales showing areas of competition. Operational convergence in terms of the relationship between FE and HE towards some kind of middle ground between competition and complementarity may well be linked to processes of institutional homogenisation and the power of isomorphism. However, the issue for policy makers will be to determine the extent to which the increasing tendency of sectoral boundaries to blur and

²⁵ Robson, J (2023) ‘The Skills Revolution – can lifelong learning save the economy’, *SKOPE working paper*.

<https://skope.ox.ac.uk/wp-content/uploads/2023/11/SKOPE-Working-Paper-skills-revolution.pdf>

²⁶ Chankseliani, M., James Relly, S., and Laczik, A., Overcoming Vocational Prejudice: How Can Skills Competitions Improve the Attractiveness of Vocational Education and Training in the UK? *British Educational Research Journal* 42.4 (2016): 582-99; James Relly, S. (2021) The political rhetoric of parity of esteem. *Oxford Review of Education*, 47 (4), 513–28.

²⁷ James Relly, S., (2021) The political rhetoric of parity of esteem, *Oxford Review of Education*, 47:4, 513-528, DOI: [10.1080/03054985.2020.1866522](https://doi.org/10.1080/03054985.2020.1866522)

²⁸ Ertl, H. (2020) ‘Dual Study Programmes in Germany: blurring the boundaries between HE and vocational training’. *Oxford Review of Education*. 46:1

organisations to become homogenised represents a significant policy challenge or can be used as an opportunity to improve E&T provision and raise prestige for the vocational sector.

2.8 Employer Engagement

Despite the fact that different nations emphasise a range of different purposes for post-16 E&T, economic aims sit at the heart of all the devolved jurisdictions' approaches to E&T policy. All nations face a range of similar challenges that are reshaping employer skills demands and so emphasise the critical importance of employers within E&T. Recent policy initiatives in all nations have aimed to give employers a more prominent role in shaping the FE offer, particularly at local or regional level. In England this has been through the formation of Local Enterprise Partnerships (LEPs), business-led partnership between local authorities and the private business sector, which contributed to the provision of information about local economic and skills needs for FE colleges to ensure appropriate skills supply. From April 2024 LEP work will be transferred to combined and local authorities and the skills functions will be transferred to Local Skills Improvement Plans (LSIPs) led by Employer Representative Bodies (ERBs) who will be responsible for designing and implementing the plan.²⁹ This approach is part of the broader English model of marketized coordination that aims to place employers at the heart of post-16 E&T as the mechanism, providing information on skills need so the supply side (particularly FE colleges) can align provision.

However, this approach to employer engagement and skills matching has been critiqued for positioning employers as 'customers', tasked simply with supplying a 'wish list' of skills, but failing to meaningfully engage in E&T provision. The expectation from employers that the E&T system should provide work-ready employees has also been linked with the significant reduction in investment in work-based training for adults and a broader crisis in adult education. Importantly, embedded in this model is an understanding of skills matching or alignment that sees matching as ensuring educational output meets employer demands, implicitly adopting the idea that the volume of students with particular skills should be roughly equal to the number of job vacancies that require those skills. However, the reality is that few employers want single applicants for a job opening. It's economically rational for firms to overestimate demands as an oversupply of skilled labour will reduce upward pressure on wages.³⁰ At the same time, as highlighted clearly by Shadbolt, employers, even in the same industry or sector, have very different skills needs and rarely agree on specific skills demands.³¹

Although within England's career guidance framework (and the Gatsby Benchmarks) there's an onus on employers to engage with young people through the provision of work experience, the English model of employer engagement is fundamentally tied to the market-based approach, positioning employers as the mechanism for skills alignment and as a 'customer' – demanding but essentially detached from the actual process of skills formation. As Hodgson et al write:

While national government policies continue to build employers into the design and delivery of technical and vocational education and training, the approach has been primarily through exhortation, moral appeal and financial incentives rather than through legal frameworks. In

²⁹ Department for Education, (2021). Jobs for Skills White Paper

³⁰ Keep, E. (2022) 'Skills alignment and matching – easy to specify, hard to deliver' SKOPE Working Paper.

<https://skoep.ox.ac.uk/wp-content/uploads/2023/06/SKILLS-ALIGNMENT-AND-MATCHING-PAPER-PLYMOUTH.pdf>

³¹ Shadbolt, N. 2016. *Shadbolt Review of Computer Sciences Degree Accreditation and Graduate Employability*. London: DBIS/HEFCE.

this voluntarist environment, it is unsurprising that employer–college partnership building remains challenging and something that is often piecemeal and must be built systematically at the grass roots level. This is particularly the case in relation to small and medium-sized enterprises which predominate across the UK.³²

In contrast, under the more systems-based approach in Scotland and increasingly in Wales, employers are positioned more as integral partners or co-producers in the skills formation working both alongside and within E&T.³³ There is an overt emphasis within the Scottish and Welsh tertiary models on bringing employers into E&T as partners which includes taking active responsibility in provision through work placements, active and ongoing contributions to vocational standards, and investment in adult education. This is reflected in the role employers play in the governance structures in each of the four nations and the policy language used to discuss these roles. In England, there is increasing emphasis on providing employers with more 'purchasing power' over E&T, ensuring a sense of ownership, with governance structures (through LEPs and a LSIPs) focused on employers taking the role of mapping skills needs. In Wales and Scotland there is more of a focus on the 'responsibilities' of employers, with organisations taking an active role, not just in mapping skills demands, but also in participating in skills supply and E&T provision. Importantly, the relationship is viewed overtly as a partnership with other voices contributing to skills mapping and skills alignment, ensuring that longer term social and economic needs can be included in shaping E&T provision.

The Apprenticeship Levy is a good example of divergence across nations. The levy is collected across the UK but the criteria based on which it can be used varies across nations making it particularly challenging for businesses whose workforce is located in more than one nation. It has been criticised for lack of flexibility, for changing the nature of apprenticeships and 'for distorting employer incentives to engage with training.'³⁴ While it can be used more flexibly in Scotland, in Northern Ireland, the money is returned to general taxation and can be spent in any policy area.

The different approaches to conceptualising employer engagement in post-16 E&T is a major point of policy divergence in the UK. There are two broad models that are best summarised as the 'employer as customer model' (England and to a certain extent Northern Ireland) and the 'employer as partner model' (Scotland and increasingly Wales as it takes a more holistic tertiary approach). There is general acceptance that a partnership model is best. This point was made clearly in the Wakeham review: 'greater collaboration between business and HE is vital to ensuring appropriately educated and skilled graduates. The implied partnership endows each partner with responsibilities that should be explicitly accepted. The importance of this partnership is not a new revelation'.³⁵

However, each model of employer engagement is closely, if not fundamentally, tied to the mode of coordination of E&T. As such, it is difficult to see how a partnership model of employer engagement could be introduced into a market or quasi-market based approach without moving closer to an

³² Hodgson, A., Spours, K, Gallacher, J., Irwin, T., James, D., (2019) FE and skills – is the 'UK laboratory' open for expansive policy learning? *Journal of Education and Work*, 32:3, 277-291

³³ Scottish Government, (2022). Skills: Shared Outcomes Framework, <https://www.gov.scot/publications/shared-outcomes-framework/pages/6/>; Digital 2030: A Strategic Framework for post-16 digital learning in Wales, <https://www.gov.wales/digital-2030-strategic-framework>; Principles for Vocational Qualifications in Northern Ireland: <https://consultations.nidirect.gov.uk/dfe/principles-for-vocational-qualifications-in-northe/>

³⁴ The Chartered Institute of Personnel and Development, 2023, Devolution and Evolution in UK Skills Policy, <https://www.cipd.org/uk/knowledge/reports/devolution-evolution-skills-policy/#:~:text=The%20UK's%20skills%20systems%20across,finding%20common%20ground%20between%20nations.>

³⁵ Wakeham, W. 2016. *Wakeham Review of STEM Degree Provision and Graduate Employability*. London: DBIS/HEFCE.

overarching coordination model rooted in complementarity and collaboration rather than competition.

2.9 Qualifications

Vocational qualifications in the UK have been subject to frequent rounds of reforms. In a context of frequent ‘tinkering’ and policy churn, it is unsurprising that there has been significant divergence in the vocational qualifications offered in each of the devolved nations.

The age for compulsory education in England is 18. Like Wales and Northern Ireland, qualifications in England are classified by levels (2-9). At age 16, young people can opt for continuing their academic route (A levels/International Baccalaureate), take a technical/vocational route (T levels/BTECs) or opt for apprenticeships can offer an alternative pathway to higher education (note young people can, and do, mix qualifications). Apart from A levels/IB and BTECs which are classroom based, there are many more work-focussed options which young people can take from age 16 or 18: apprenticeships (degree, intermediate, advanced or higher apprenticeships), NVQs, T levels, traineeships, Higher Technical Qualification (HTQs), or, for young people over 18 Higher National Certificates (HNCs) or Higher National Diplomas (HNDs). English and Maths are compulsory subjects on the curriculum for all pupils up to age 16. Students who did not achieve a GCSE in English and Maths at Grade 4 or higher at 16 must continue to study these subjects alongside other qualifications until they achieve this level.

Qualification Level	Academic	Vocational	Work based/ Apprenticeship
Level 2	GCSE (grades A*-C /9-4)	BTEC Nationals T levels Cambridge Technical Traineeship	Intermediate apprenticeship NVQ2
Levels 3	A levels	BTEC Nationals T levels Cambridge Technical	Advances apprenticeship NVQ3
Level 4	HE Certificate/BTEC	Higher National Certificate (HNC)	Higher Apprenticeship/NVQ4
Level 5 (age 18+)	Foundation degree	Higher National Diploma (HND)	Degree Apprenticeship/NVQ 5
Level 6+ (age 18+)	Bachelors degree and above		Degree Apprenticeship/NVQ 6+

Table 1: England Qualifications

As illustrated in the table above, young people over 16 in England may choose to stay in full-time education to undertake A levels, T levels, technical and vocational qualifications or follow applied qualifications or study for exam retakes. They may continue their studies at school, sixth form college, further education college or University Technical College (UTC) or they may opt for part-time education or training which include traineeships, apprenticeships and school leaver schemes which allow learners to train with a large company and earn a wage. Depending on the circumstances,

young people may be eligible for 16-19 Bursary Fund (support for books, equipment, transport, etc) for young people to stay in education. Extra support such as Pupil Premium Plus (a pilot scheme run by the Department for Education in 2021-2023) is available for young people who are looked-after or who have an Education and Health Care Plan. A recent study undertaken by the Gatsby Foundation indicates that A levels are best understood by young people (70% of college students and 59% of school students), while BTECs, Apprenticeships Degrees or other degrees are less known to them.³⁶

Traineeships are another pathway young people may embark on. This is a skills development programme for 16-24 that includes a work placement. Traineeships help 16 to 24-year-olds to prepare for an apprenticeship or job. Higher Technical Education (HTE) and Higher Technical Qualification (HTQ) which provide qualifications at levels 4 or 5 (for over 18-year-olds) and include work placements, may cost £7,000-£9,000 for a 1–2-year course but are eligible for loans. HTEs approved standards are employer led. Learners (aged 19 and above) who do not access courses which are fully funded can take an Advanced Learner Loan to cover the costs of a course at a college or training provider in England. Essential Digital and Levels 2 and 3 are free for all adults who are lacking these qualifications, in selected subjects.³⁷

In 2022, DfE announced its intention to unify the adult education budget (AEB) and the ‘free courses for jobs’ scheme into a single “skills fund”, while removing 3,500 post-16 qualifications from its adult education programme, specifically courses at level 2 (GCSE equivalent) and below.³⁸ This will introduce new changes in the choices of opportunities young people in England have.

³⁶ <https://www.gatsby.org.uk/uploads/education/careers/pye-tait-gatsby-benchmark-7-research-into-school-and-college-relationships.pdf>

³⁷ <https://www.qualifications.education.gov.uk/>

³⁸ DfE, 2.03.2022, Review of post-16 qualifications at level 2 and below, Consultation outcome, <https://www.gov.uk/government/consultations/review-of-post-16-qualifications-at-level-2-and-below>

In contrast to England, the leaving age for compulsory education in Northern Ireland is 16. Learners can follow The Entitlement Framework, The Problem-Based Learning Curriculum or other alternative approaches.³⁹ After GCSEs, students over 16 can continue to take A Levels (Year 13/Year 14) or AS levels, or work related or vocational qualifications (apprenticeships, T levels or HNCs). They may opt for OCR Nationals, entry level qualifications or foundation degree courses. National Vocational Qualifications (NVQs) for level 1-3 or Higher National Certificate or Higher National Diploma for Level 4 and above.⁴⁰ Students may access Education Maintenance Allowance (for under 20-year-olds) or student loans.

Qualification Level	Academic	Vocational	Work based/ Apprenticeship
Level 2	GSCE	BTEC	Traineeship
Levels 3	A levels (AS and A2 units)	Level 3 Diploma Vocational courses BTEC OCR Nationals	Traineeship Advanced Apprenticeship
Level 4	Higher National Certificate HNC	Certificate of Higher Education (HNC) Lever 4 Diploma/NVQ	Higher Apprenticeship
Level 5 (age 18+)	Foundation degree	Higher National Diploma (HND)	
Level 6+ (age 18+)	Bachelors degree and above		

Table 2: Northern Ireland Qualifications

³⁹ <https://www.nidirect.gov.uk/articles/universities-and-colleges-northern-ireland>,

⁴⁰ NI Direct, Options after Year 12, <https://www.nidirect.gov.uk/articles/options-after-year-12#toc-3>

Young people in Scotland may leave school at the summer holiday of the year they turn 16 or may continue school to age 18 (S5 or S6 seniors), choose to go into further education or sixth form college, or take an apprenticeship as alternative pathways to HE.

Scotland has 12 levels of qualifications SVQ which may provide pathways to higher education through national progression awards (progression, advanced progression or advanced standing), a process known as articulation. SVQ Level 1 is equal to Skills for Work National 4, SVQ 2 to Skills for Work National 5, SVQ3 to Skills for Work National Higher or HNC, SVQ4 to HND or Ordinary Degree, while SVQ5 is equal to Masters Degree. Routes in vocational education are based on SVQs which may lead to National Certificates, National Progression Awards, Higher National Certificate or Diploma, or Apprenticeships. Apprenticeships can be Foundation Apprenticeships when young people are still in school in the fifth or sixth year, or Modern Apprenticeships, including STEM or higher level or Graduate Apprenticeships which are degree-level study for those in employment, or who want to go straight into work, offering learners alternative pathways.⁴¹

Qualification Level	Academic	Vocational	Work based/ Apprenticeship
Awards/ Skills for Work 2-5	S5 Seniors/Highers	QCFs/NVQs National Certificate/ National Progression Award	Foundation apprenticeship Modern Apprenticeship SVQ1 and SVQ 2
Levels 6 Higher/Awards Skills for Work Higher	S6 Seniors/ Advanced Highers Scottish Baccalaureate	BTEC Skills Challenge Certificate (SCC) QCF/NVQs	Apprenticeship SVQ 2
Level 7 Advanced Higher Award, Scottish Baccalaureate	Higher National Certificate	Certificate of Higher Education	Modern Apprenticeship SVQ3
Levels 8	Higher National Diploma	Diploma of Higher Education	Higher Apprenticeship Technical Apprenticeship SVQ 4
Levels 9-12 (age 18+)	Bachelors / Ordinary Degree, Graduate Diploma/Certificate Master's Degree Doctoral Degree		Graduate or Professional Apprenticeship SVQ 5

Table 3: Scotland Qualifications

⁴¹ Scottish Government, 14.12.2021, Young Person's Guarantee - Employment and Education Landscape: Current Evidence - Overview

<https://www.gov.scot/publications/young-persons-guarantee-overview-current-evidence-employment-education-landscape-young-people-scotland/pages/6/>

Unlike England, Wales has maintained age 16 as the leaving age for compulsory education. Similar to England, 16-year-old young people in Wales may opt between academic, vocational or occupational routes. From age 14, young people may access ‘essential skills’ (previously known as ‘basic’ or ‘key’ skills) which are number skills, communication skills, digital literacy and employability skills.⁴² They can continue to sixth form or opt for college or apprenticeships. At age 16, they can access secondary schools, colleges or training providers or apprenticeships.

Qualification Level	Academic	Vocational	Work based/ Apprenticeship
Level 2	GCSE (grades A*-C /9-4)	BTEC Skills Challenge Certificate (SCC) QCFs/NVQs	Foundation apprenticeship
Levels 3	A levels (AS and A2 units) Welsh Baccaulaureate	BTEC Skills Challenge Certificate (SCC) QCF/NVQs	Apprenticeship
Level 4	Year 1 Bachelor	Certificate of Higher Education (HNC) CertHE)	Higher Apprenticeship
Level 5 (age 18+)	Foundation degree	Higher National Diploma (HND)	Higher Apprenticeship
Level 6+ (age 18+)	Bachelor degree and above		Degree Apprenticeship

Table 4: Wales Qualifications

In 2004, Wales introduced 14-19 Learner Pathway frameworks, requiring schools for students age 14+ to provide them with a minimum of 30 choices of education or vocational education.⁴³ Wales has continued its Welsh Baccaulaureate (Foundation, National, Advanced), and has developed Regulated Framework Qualifications which are largely similar to those in England and Northern Ireland (level 2-8), with those from level 4 having equivalent in higher education. The pathways for post-16 education in Wales are School Sixth Form (Y12/Y13), Further Education or Sixth Form College or Apprenticeship. Apprenticeships lead to Level 2 (Foundation Apprenticeship, equivalent to GCSE A*-C level), Level 3 qualification (equivalent to A levels), or Skills Challenge Certificates, Level 4 and above (Higher apprenticeship, HNC/HND or Foundation Degree), or Level 6 (Degree Apprenticeship which combine working with studying part time at a university or college, leading to full bachelor’s degree).

Thus, despite many similarities in post-16 E&T qualification, there is significant divergence which has resulted in extensive complexity and what is frequently described as a ‘qualifications jungle’⁴⁴. This complex array of post-16 qualifications is challenging for employers to understand and for young people to navigate, particularly if they decide to seek opportunities in another nation. Given a

⁴² <https://careerswales.gov.wales/courses-and-training/find-out-about-qualifications>

⁴³ <https://www.gov.wales/sites/default/files/statistics-and-research/2019-07/131108-14-19-learning-pathways-review-learner-travel-en.pdf>

⁴⁴ Raffe, D. (2015) ‘First count too five: some principles for the reform of vocational qualifications in England’, *Journal of Education and Work*, 28:2

growing interest across all the UK nations in promoting lifelong learning and the need for portable, stackable credentials, there is a real policy challenge to provide some sense of long-term stability and coherence to post-16 qualifications through collaborative cross-jurisdictional approaches.

2.10 Cross-Jurisdictional Learning

Despite increasingly divergent E&T policy approaches across the UK devolved nations, the shared backgrounds and the common challenges that each face mean there is some degree of policy learning and even policy borrowing across the different jurisdictions. To a certain extent, this has been driven more by non-governmental stakeholders than policy makers themselves. For example, in 2019 the Association of Colleges set up the College of the Future Independent Commission, as a platform that brought together experts from across the four nations. Under the chairmanship of Sir Ian Diamond this was focused on what FE might look like in 2030. The College of the Future Independent Commission issued a report in October 2020 followed by specific reports across the four nations. These propose ‘a more joined-up, all-age education and skills system, which enables individuals ultimately to have greater agency and opportunities across their lifetimes.’⁴⁵ Specific recommendations included: promoting lifelong learning, backing business, driving innovation and addressing skills gaps by establishing a unique service for employers at their local colleges, creating an impactful post-16 education and skills system that addresses unproductive competition between institutions, and to upskill people across the UK as a whole.

Similarly, in 2019 the Association of Colleges published the ‘Developing a 4 Nation College Blueprint for a Post Brexit Economy’ paper in which it presents its response to the current threats by rethinking the social contract (based on the Diamond review in Wales), better job deals, college innovation fund, lifelong learning entitlement, and a common framework for apprenticeships and higher technical standards.⁴⁶ More recently, there have been increased efforts to cooperate with the Future of Skills Coalition (bringing together the Association of Colleges, The Association of Employment and Learning Providers (AELP) and City and Guilds) focusing specifically on the tertiary education challenges across the UK as a whole, aiming to create cross-party solutions, such as drawing more employer funding for adult learning into the system.⁴⁷

Historically, across the four nations, there has been a tendency for England to be a policy leader. However, in the last decade, as the devolved nations have taken increasingly divergent pathways, particularly breaking from the market-based approach, there appears to be more policy learning between Scotland and Wales. Like Scotland, Wales has attempted to take a distinctive approach to England through ‘14-19 Learning Pathways’ and resisted partly the English reforms of upper secondary education.⁴⁸ Both Scotland and Wales maintained an important role for local authorities and reject privatisation in tertiary education. Critically, the increasing divergence from English E&T approaches is rooted in deep differences in political philosophy that has been shaping the shift to a

⁴⁵ The Independent Commission on the College of the Future, (2020). The College of the Future, UK-Wide Final Report, <https://www.collegecommission.co.uk/final-report-uk>

⁴⁶ Association of Colleges, (2019). Post #Brexit success hinges on a world-class technical and professional education system. *FE News*. <https://www.fenews.co.uk/skills/post-brexit-success-hinges-on-a-world-class-technical-and-professional-education-system/>

⁴⁷ Hughes, D., (2019), How to create a truly tertiary funding model in England and beyond. *Wonkhe*. <https://wonkhe.com/blogs/how-to-create-a-truly-tertiary-funding-model-in-england-and-beyond/>

⁴⁸ Hodgson, A, and Spours, K. (2014) Heavy Fog in the Channel — Continent Cut Off’: Reform of Upper-Secondary Education from the Perspective of English Exceptionalism." *European Educational Research Journal EERJ* 13.6 : 683-98.

tertiary model rooted in systems thinking and collaboration rather than marketisation and competition.

Most of the divergent approaches to E&T policies across the four nations can be traced back to these profound philosophical differences and political assumptions about the best model of coordination and the role of the state and market logic. These assumptions all too often operate at the level of political ideology rather than being rooted in an impartial analysis of quality of provision. Until post-16 E&T can be separated from this kind of political ideology, it seems the opportunities from cross-jurisdictional policy learning will be fairly limited.

Section 3: Comparing routes and choices

Luke Sibieta & David Robinson

This chapter aims to provide an empirical overview of the share of young people in different post-16 education and training routes across the four nations of the UK, and the extent to which this reflects differences in policies and institutions. The overall focus here is largely on choices and routes, rather than outcomes, which is the focus of the next chapter.

We start by examining differences in education and training choices between ages 16 and 18, broadly corresponding to the type of education young people undertake after the end of compulsory schooling. This includes whether they continue in school or college, move into employment or training, or are not in employment, education or training (NEET). We also examine the level and types of course undertaken in colleges. These differences will partly reflect differences in the choices available to young people in each nation, such as types of academic and vocational qualifications, as described in the previous chapter. It will also reflect the constraints on young people, such as levels of student support, family income or young people's ability to support themselves. It will also partly reflect differences in school leaving ages. In England, young people must then stay in education or training (e.g. an apprenticeship) until their 18th birthday (though this is rarely enforced). In Wales, Scotland and Northern Ireland, young people must stay in education until the summer holiday of the school year they turn 16 (though with some small exceptions due to differences in school starting ages).⁴⁹

We then move on to examine differences in apprenticeships and other forms of work-based learning. This includes the overall numbers, the share taken by individuals of different ages, the level of these apprenticeships and differences in completion rates.

Lastly, we analyse differences in participation in higher education, including overall levels of participation, gender differences and the extent of socio-economic differences in access.

For this analysis, we mainly use data made available by the statistics agencies and education departments of the four nations of the UK. Reflecting the different institutions and policy priorities, this data is not always fully comparable. This means we cannot always make very precise statements about the differences across the four nations. However, we are able to use our understanding of the institutions and data definitions to provide a broad overview of the differences in the types of routes and choices undertaken across the four nations.

⁴⁹ In Northern Ireland, a school year group runs from July to June. As a result, young people born in July and August are already 16 before they start their GCSE year (Year 12 in Northern Ireland). However, they can only leave school the following summer (i.e. after they have sat their GCSEs or equivalent). In Scotland, a school year group runs from March to February. Those born between March and September can leave school in the summer of the year they turn 16. Everyone born October and February must stay on until Christmas (known as 'winter leaving rules').

3.1 16-18 education choices

This section details differences in the education choices of young people aged 16-18 across the four nations of the UK (sometimes this is extended to age 19 given differences in data and institutions). We start by setting out the overall choices on offer in each nation. We then examine the data available for each nation in turn and conclude with comparisons. Note that apprenticeships and work-based learning are covered in the next section.

In England, Wales and Northern Ireland, the main academic and vocational qualifications on offer are at Levels 2 and 3 of the Regulated Qualifications Framework (RQF). In Scotland, the Scottish Credit and Qualifications Framework (SCQF) is used, but there is a relatively close correspondence across the two frameworks for the broad types of qualifications that are analysed in this section.

Starting with academic qualifications, the main Level 2 qualifications on offer in England, Wales and Northern Ireland are GCSEs, which will be re-takes in most cases and are now explicitly incentivised by the funding system in England. The content and grading systems differ across the three nations, with England shifting from an A*-G to a 9-1 grading system from 2016 onwards. The main Level 3 academic qualifications on offer in England, Wales and Northern Ireland are AS/A Levels. As with GCSEs, these now differ slightly across the three nations, with England focusing on linear 2-year A levels from 2015, whilst Wales and Northern Ireland maintained modular AS/A levels.

In Scotland, the main GCSE-equivalent academic qualifications are National 5s (SCQF Level 5). There is, however, more fluidity in the Scottish system, with some young people taking National 4s when they are aged 15-16 in year group S4 and then taking National 5s when they are aged 16-17 in year group S5 (Jerrim and Sibieta, 2021). The main Level 3 academic qualifications are Highers (SCQF Level 6), which are mostly taken in S5 and S6. Young people can also take Advanced Highers (SCQF Level 7 and broadly equivalent to RQF Level 4 in the rest of the UK).

There are then a vast range of Level 2 and Level 3 technical and vocational qualifications available across England, Wales and Northern Ireland. This includes BTECs, OCR Nationals, Diplomas, Qualifications and Credit Frameworks (QCFs), National Vocational Qualifications (NVQs), Essential Skills, and many other Level 2 and 3 awards and qualifications. In England, the government is part way through rolling out T Levels, a new technical qualification that is hoped to replace other technical and vocational qualifications.

In Scotland, there is a more streamlined set of Scottish Vocational Qualifications (SVQs), which can be taken at a range of levels, though most young people take qualifications at SCQF Levels 5 and 6 (Level 2 and 3 in England, Wales and Northern Ireland).

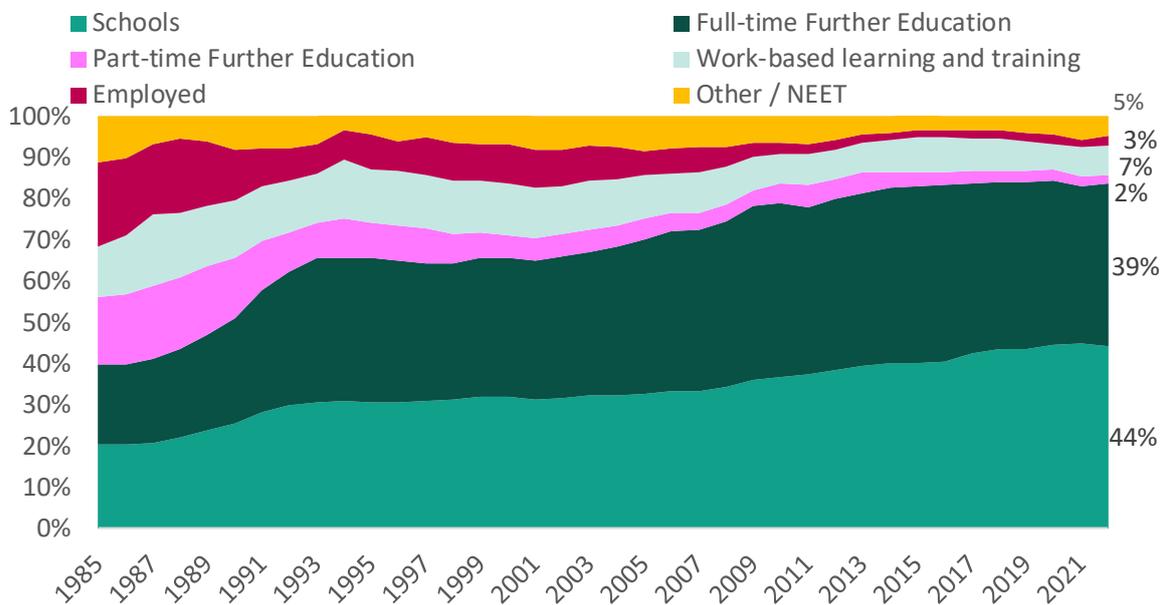
In addition, it is worth noting two additional points of difference. First, in Scotland and Northern Ireland, many young people can be on partnership agreements where they combine school and college, which is not really an option in England and Wales. This reflects greater cooperation between schools and colleges in Scotland and Northern Ireland. Second, in Wales, young people can also be awarded the Welsh Baccalaureate (Welsh Bacc) at Levels 1-3 if they manage to achieve the three necessary components. This includes minimum qualifications levels at A Level and GCSE, English/Welsh and Maths/Numeracy skills, and a standalone Skills Challenge Certificate (which includes an individual project, enterprise and employability challenges, global citizenship challenges and community challenges).

3.1.1 England

In Figure 3.1, we show the share of 16- and 17-year-olds in England in different forms of education and training from 1985 through to 2022 (the latest data available at the time of writing). This includes young people who were 16 or 17 at the beginning of the academic year. As can be seen, there has been a long-term rise in the participation of young people in full-time education, with the share of 16- and 17-year-olds in full-time education rising from around 40 per cent in the mid-1980s to about 84 per cent for the most recent data. This has been accounted for by a rise in the share of young people in school sixth forms (up from 20 to 44 per cent) and in colleges (up from 20 to 39 per cent). The share of young people in colleges includes both general further education (about 32-33 per cent) colleges and sixth form colleges (about 7 per cent). Recently, there has been an apparent decline in the reported share of young people in sixth form colleges (down from 11 per cent in 2016 to 7 per cent today) and a rise in the share of young people in school sixth forms (up from about 41 to 44 per cent between 2016 and 2022). This is largely down to the fact that sixth form colleges could convert to academy status from 2017 onwards and were reclassified as school sixth forms.

This rise in full-time education participation has come at the expense of a reduction in part-time education (down from about 16-17 per cent in the mid-1980s to about 2 per cent today) and apprenticeships or work-based learning (down from about 14-15 per cent in the late 1980s to about 6-7 per cent today). There has also been a big drop in the share of 16- and 17-year-olds in employment (without any education or training), which has fallen from about 20 per cent in the late 1980s to about 2-3 per cent in present day.

Figure 3.1. Participation in education and training for 16- and 17-year-olds in England over time



Sources: Department for Education, Participation in education, training and employment: 2022 (and previous years), <https://explore-education-statistics.service.gov.uk/find-statistics/participation-in-education-and-training-and-employment>

Encouragingly, there has also been a long-term drop in the share of young people who are NEET, which has fallen from about 9-10 per cent of 16- and 17-year-olds in the mid-1980s to about 5 per cent today.

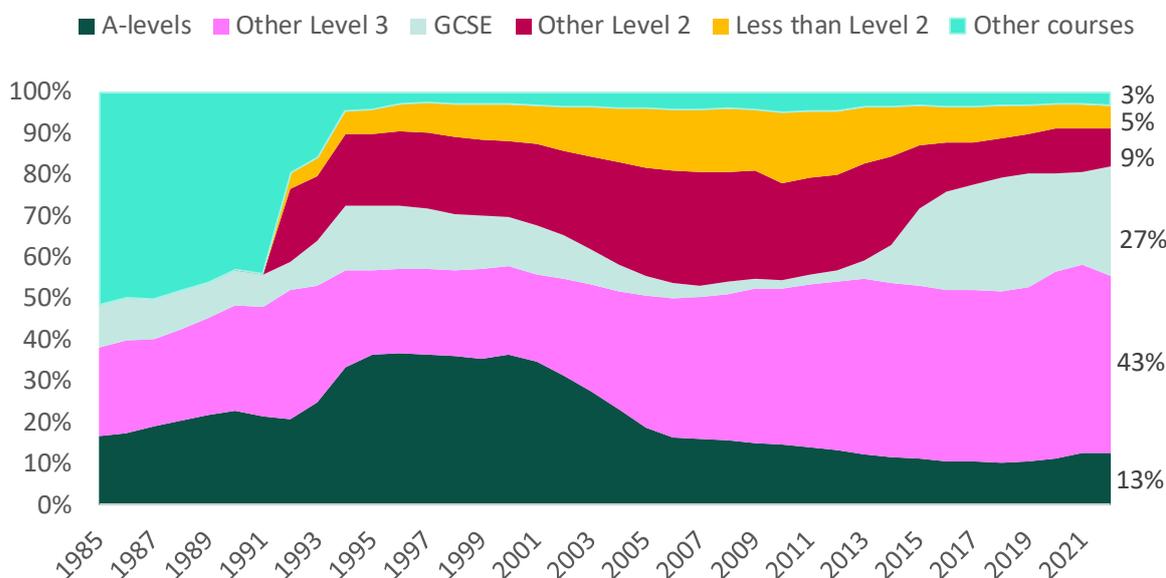
One more recent phenomenon that is perhaps more concerning is the declining share of 18-year-olds in education or training, which has fallen from 65 per cent in 2015 down to 62 per cent in 2020, and even further down to 58 per cent in 2022. At the same time, there has been a rise in the share classed as NEET, which has risen from 10-11 per cent in 2015 up to 16 per cent in 2022.

In terms of the qualification routes taken in schools and colleges in England, the majority of young people in school sixth forms or sixth form colleges take academic qualifications. This is mostly made up by A Levels, with a small number taking GCSEs. Very few young people in sixth forms take vocational or technical qualifications.

There is more of a mix in further education colleges. Figure 3.2 shows the share of 16- and 17-year-olds in general further education colleges taking different levels and types of qualifications. As full-time participation in education rose during the 1990s, a rising share of young people in colleges took A Levels. This has since declined, with only 13 per cent of young people in further education colleges taking A Levels in 2022. Instead, most young people in further education colleges in England take Level 3 technical and vocational qualifications, such as BTECs, with 43 per cent taking other Level 3 qualifications. In recent years these qualifications have increasingly been used to access higher education (Figure 3.2).

Since 2014, young people who failed to achieve grade C/4 or above in GCSE maths and English must resit these courses in order to be eligible for funding for other programmes. Unsurprisingly, we therefore see a rise in the share of young people taking GCSEs in further education colleges (up to 27 per cent in 2022).

Figure 3.2. Highest qualifications taken by students aged 16 and 17 in further education colleges in England over time



Sources: Department for Education, Participation in education, training and employment: 2022 (and previous years), <https://explore-education-statistics.service.gov.uk/find-statistics/participation-in-education-and-training-and-employment>

A falling share of young people aged 16- and 17-years old are taking Level 2 vocational or technical qualifications or below as their highest qualification. This group accounted for nearly half of all young people in colleges in the mid-2000s, but now accounts for 17 per cent and more than half of these are at Level 2. This is highly likely to have been shaped by reforms and recommendations in the Wolf Review of Vocational Education, which emphasised that Level 2 qualifications had relatively low returns in the labour market.⁵⁰

3.1.2 Northern Ireland

In Figure 3.3, we show the share of 16-17-year-olds in Northern Ireland in schools over time back to 2003-04, together with recent figures for the share in colleges.

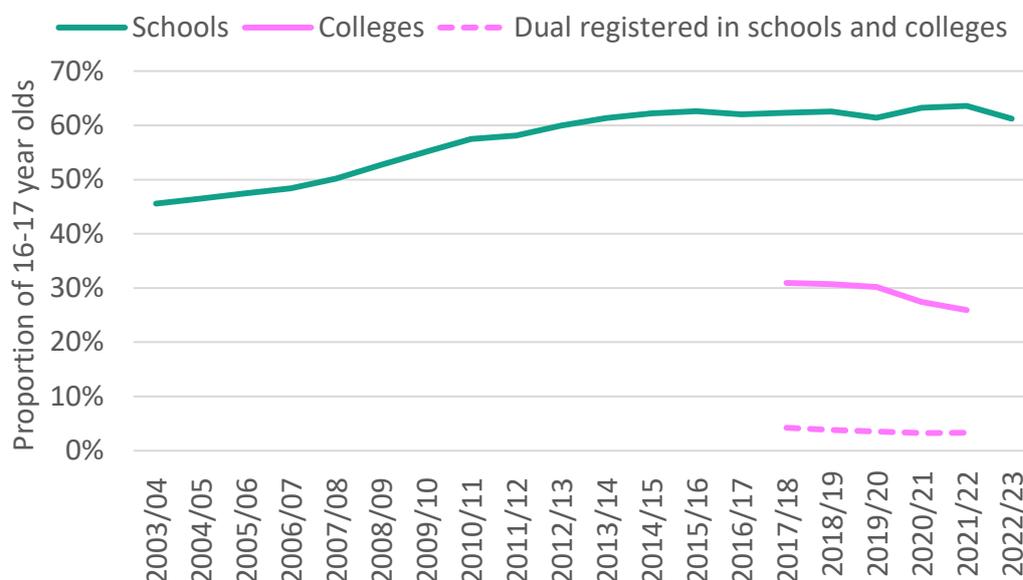
As can be seen, the share of young people in schools has risen over time, from about 47 per cent of 16–17-year-olds in 2003-04 up to over 60 per cent by 2013-04. Since then, it has remained largely constant, at just over 60 per cent. Most recently, the share of 16–17-year-olds in schools stood at about 61 per cent in 2022-23. This is relatively high as compared with England and Wales, but not quite as high as Scotland.

Also shown in Figure 3.3 is the share of 16-17-year-olds in colleges between 2017-18 and 2021-22. This shows a fall from about 31 per cent in 2017-18 down to 26 per cent by 2021-22.

Importantly, these figures cannot be added together as about 3 per cent of 16-17-year-olds are on partnership agreements and thus enrolled at both schools and colleges.

Unfortunately, statistics are not available on the share of 16-17 year-olds taking different types and levels of qualifications in Northern Ireland. The available statistics focus on 16-19-year-olds overall.

Figure 3.3 – Share of 16-17-year-olds in Northern Ireland in schools and colleges



Sources: Figures supplied by the Department of Education and the Department of the Economy in Northern Ireland.

⁵⁰ <https://www.gov.uk/government/publications/review-of-vocational-education-the-wolf-report>

3.1.3 Wales

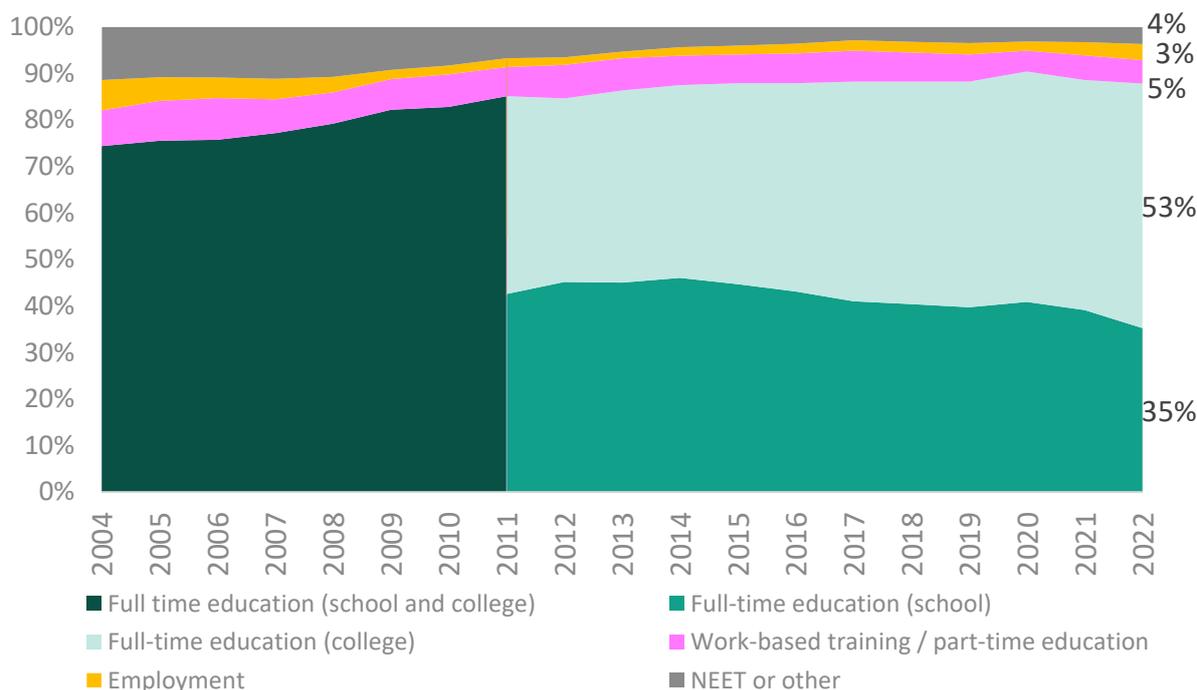
In Figure 3.4, we show the destinations of pupils leaving year 11 in Wales over time. This is slightly different to the data shown for England, which showed the education and training choices of 16- and 17-year-olds over time. As pupils tend to drop out of education and training over time, the net effect will be to inflate the education participation levels in Wales relative to England over time. The reason we chose to focus on this data for Wales is that it gives the best coverage of the different choices made by 16-year-olds. However, the data cover a shorter time period than we showed for England, only extending back to 2004, and we can only split education decisions by college and school sixth forms from 2011 onwards.

This illustrates that 35 per cent of young people in Wales are in school sixth forms. This is clearly a lot lower than 45 per cent in school sixth forms in England and also represents a substantial decrease on the 46 per cent seen in Wales in 2014. Instead, a large fraction of 16-year-olds in Wales start off in colleges (about 53 per cent in 2022). This represents an increase on the 40 per cent going into colleges ten years earlier. Clearly, there has been a big shift towards colleges and away from school sixth forms over time in Wales.

In total, just under 88 per cent of 16-year-olds in Wales stayed on in schools or colleges in 2022 on a full-time basis. Excluding a brief increase during the pandemic, participation in education has remained at this level since about 2013. This followed on from a big increase during the 2000s, with staying on rates only at about 74 per cent as recently as 2004. The 88 per cent staying-on rate in Wales in 2022 is slightly lower than the 89 per cent of year 11 leavers in England who went on to sustained education in schools or colleges in England in 2021.

Looking at training choices, we see that a further 5 per cent of year 11 pupils in Wales moved into part-time education, apprenticeships or work-based learning. This makes for a total of 93 per cent of year 11 pupils in Wales going to education or training.

Figure 3.4. Participation in education and training amongst year 11 leavers in Wales over time



Source: Stats Wales and Careers Wales

There are about 3 per cent of year 11 pupils in Wales who move into employment and then a further 4 per cent who are not in education, employment or training (NEET). Encouragingly, this is down from 7 per cent in 2011 and from 11 per cent in 2004. However, due to the effects of drop out, the share of pupils classed as NEET is higher when we look at all 16-18-year-olds. Official statistics suggest that 10.5 per cent of 16-18-year-olds were classed as NEET in Wales in 2022-23. This is the highest rate across all four UK nations, and compares with 8 per cent in England, 9 per cent in Scotland and 5 per cent in Northern Ireland. We also see a bigger recent rise in Wales, with NEET rates for this age group up from 6 per cent in 2021-22.⁵¹

As in England, the vast majority of young people in Wales in school sixth forms study for A Levels (though the qualifications are not identical to England’s A levels). The only real difference is that young people in Wales can also take the Welsh Baccalaureate in addition to A Levels.

Figure 3.5 then shows the share of different qualifications taken by young people (aged 16-17) in Further Education colleges in Wales. This is different to figures for England as figures relate to numbers of qualifications, rather than numbers of students in England, and young people often take multiple qualifications (e.g. 3 A Levels).

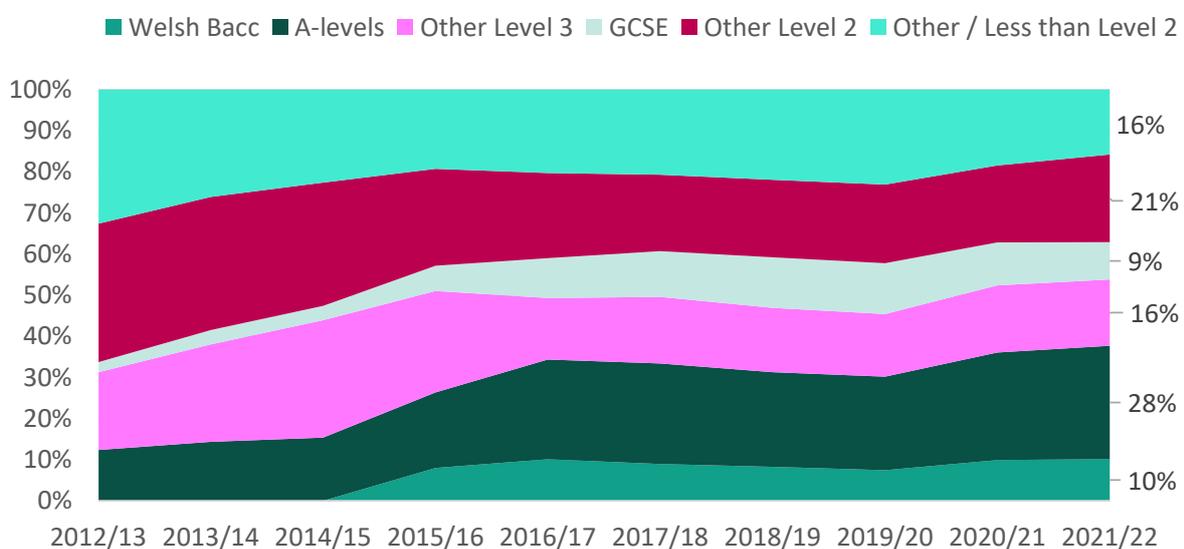
The most important change to note is that the number of qualifications taken by young people in Wales has declined from about 171,000 in 2012-13 down to about 90,000 in 2021-22. This was principally driven by an 80,000 decline in the number of Level 2 qualifications (other than GCSEs) and in the number of qualifications below Level 2. As a result, the share of Level 2 and lower qualifications taken by 16-17-year-olds in Wales has declined from 66 per cent in 2012-13 down to

⁵¹ <https://www.gov.wales/young-people-not-education-employment-or-training-neet-july-2022-june-2023>

37 per cent in 2021-22. There has been a consequential and gradual rise in the share of at higher levels. This includes Level 3 qualifications other than A levels, such as BTECs and Level 3 awards.

As of 2021/22, A Levels represented about 28 per cent of qualifications taken by young people, with other Level 3 qualifications representing about 16 per cent. In addition, the Welsh Baccalaureate represented about 9 per cent, but will have been combined with other qualifications. GCSEs represented a further 9 per cent of qualifications. Despite the large fall in their number over the last decade, we still see a large share of qualifications taken by young people in Wales made up of other Level 2 qualifications (21 per cent) and qualifications below Level 2 (16 per cent). This may be providing appropriate pathways for young people leaving school without Level 2 qualifications.

Figure 3.5. Qualifications taken by students aged 16 and 17 in further education colleges in Wales over time



Sources: Stats Wales, Further education (gov.wales)

The key features of the post-16 education and training system in Wales therefore seem to be similar overall levels of education participation to England just after age 16 (about 87-88 per cent), but a much larger share of 16-18-year-olds end up as NEET in Wales (10 per cent). A large element of post-16 education participation is undertaken in colleges (about 53 per cent of 16-year-olds in Wales) and a relatively large share of qualifications taken in colleges is at Level 2 or below (46 per cent, including GCSEs).

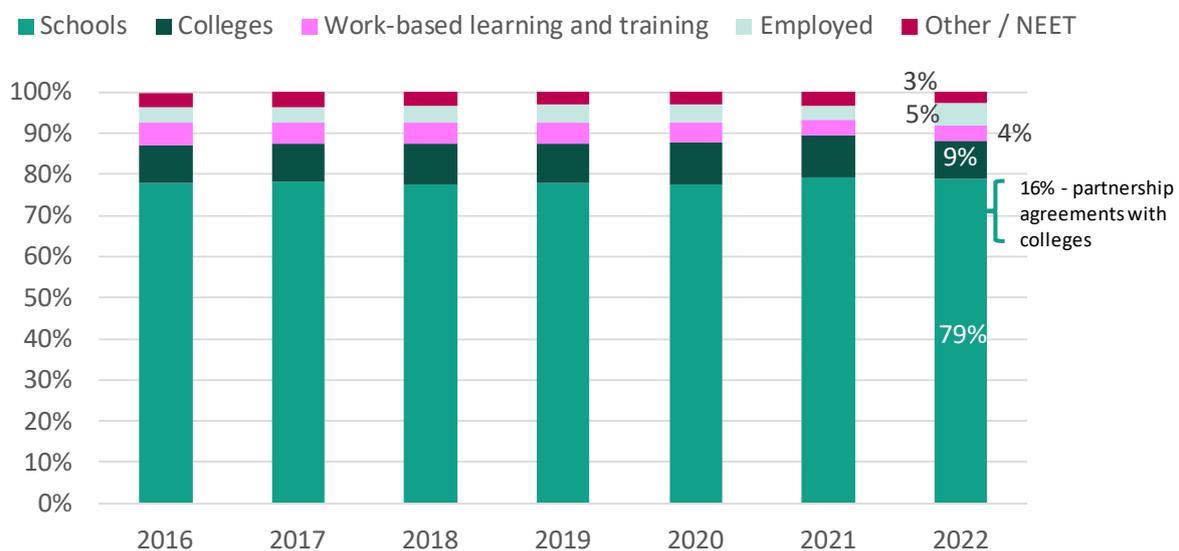
3.1.4 Scotland

The Scottish school system has a number of important differences as compared with the rest of the UK. The main equivalent year group to year 11 in England and Wales is S4 in Scotland, where pupils start the year between ages 14 ½ and 15 ½. Most pupils in Scotland then take National 5 exams at the end of S4, with pupils who haven't reached that level taking National 4s or below. As outlined earlier, the options available to pupils after age 16 are broadly similar to the rest of the UK, with students able to continue with academic qualifications in their fifth and sixth years of secondary

schooling (mainly Highers and Advanced Highers), study for (mainly) vocational qualifications in colleges, move into an apprenticeship or other work-based learning, take up employment or not be in any form of education, training or employment. Unlike England and Wales, students can combine study in school and college as part of their senior phase through partnership agreements between schools and colleges.

Figure 3.6 shows the share of 16- and 17-year-olds in different forms of education and training in Scotland over time, according to their primary registration (in the case of partnership agreements). As can be seen, the vast majority of 16- and 17-year-olds remain in school, with about 78-79 per cent in school between 2016 and 2022. This is partly inflated by the fact that Scottish statistics focus on individuals aged 16-17 at the end of March each year, which will include a small number of pupils still in S4. However, this can't explain the scale of the difference compared with other nations.

Figure 3.6. Participation in education and training for 16- and 17-year-olds in Scotland over time



Sources: Skills Development Scotland, [Annual Participation Measure | Skills Development Scotland](#). Colleges includes both further and higher education. Relates to primary registration only.

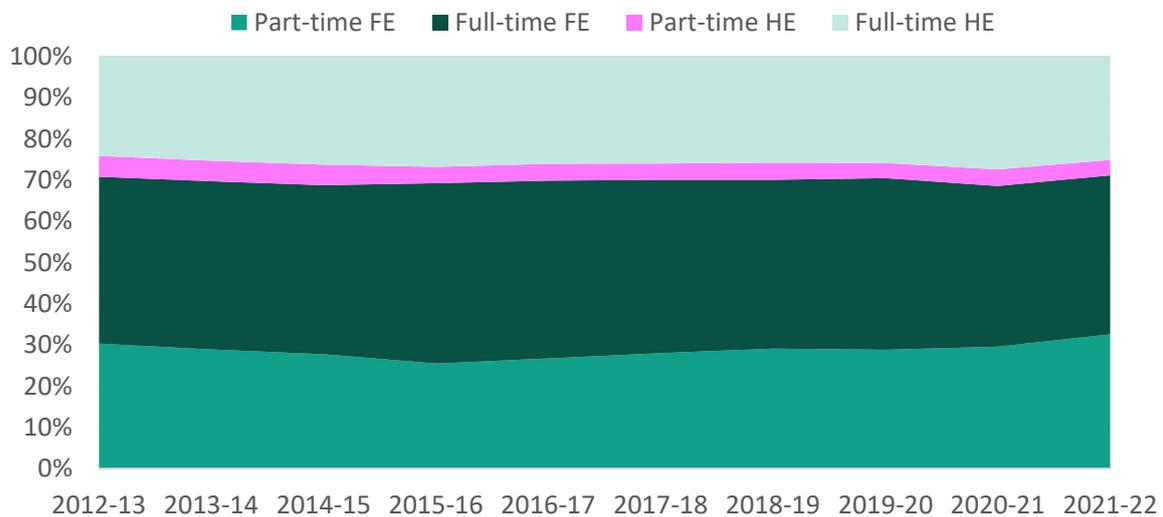
Only about 9 per cent are primarily registered in colleges (including about 1-2 per cent on higher education courses). Even smaller numbers than England and Wales are in some form of work-based learning (4 per cent in Scotland) and, as with England and Wales, a comparatively small number are in employment. A smaller share are classed as NEET or other in Scotland (3 per cent) than was the case for England (5 per cent) and Wales (over 9-10 per cent).

This doesn't tell the full story, however, particularly given that pupils in the senior phase in Scotland can be registered in both schools and colleges as part of partnership agreements. The College Development Network estimates that about 20 per cent of pupils in the senior phase in schools (S4 to S6) are enrolled on partnership agreements between schools and colleges.⁵² Based on this figure, we estimate that a further 16 per cent of 16- and 17-year-olds in Scotland are in colleges as part of partnership agreements, making for a total of 25 per cent when combined with primary

⁵² [School-College Partnership Report - Co-Creating the Learner Journey - College Development Network \(cdn.ac.uk\)](#)

registrations. This correlates well with other data showing that 23 per cent of school leavers in Scotland moved into further education and that about 20 per cent of 18-19-year-olds were studying full-time in further education colleges in Scotland.⁵³

Figure 3.7. Qualifications taken by students of all ages in colleges in Scotland over time



Sources: Scottish Funding Council, [College Statistics 2021-22 \(sfc.ac.uk\)](https://www.sfc.ac.uk/College-Statistics-2021-22)

Unfortunately, we are not aware of statistics showing the specific qualification mix of young people in colleges in Scotland. Instead, we are only able to show the share of students in colleges of all age taking further and higher education level courses (Figure 3.7). Higher education courses are those at SCQF Levels 7 and above, from advanced higher to doctorates, broadly equivalent to RQF Levels 4 and above in England. Further education courses are those at SCQF Levels 6 (e.g. Highers) and below, broadly equivalent to A levels and below in England. This shows that 70 per cent of student in colleges take further education qualifications, with 30 per cent taking higher education level courses.

3.1.5 Comparisons across nations

Figure 3.8 summarises the differences in 16-18 provision across the four nations of the UK. In particular, it shows the share of 16-17 year-olds in schools, colleges and those who are jointly registered (in the case of Scotland and Northern Ireland) in 2021-22.

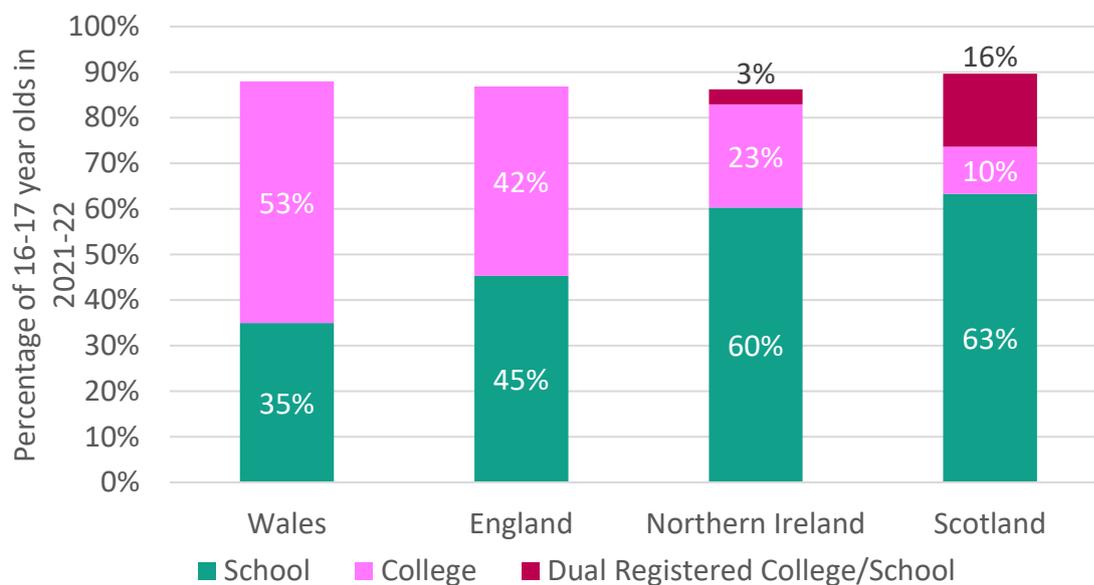
This illustrates that the share of young people in schools or colleges is very similar across the four nations is very similar, at about 86-90 per cent of 16-17 year-olds. However, the split between schools and colleges is very different. There are large shares of young people in colleges in Wales (53 per cent) and England (42 per cent), with smaller or similar numbers in schools in Wales (35 per cent) and England (45 per cent). By contrast, there are larger shares of young people in schools in Northern Ireland (60 per cent) and Scotland (63 per cent) and smaller numbers in colleges in

⁵³ [College Statistics 2021-22 \(sfc.ac.uk\)](https://www.sfc.ac.uk/College-Statistics-2021-22), [Summary Statistics for Attainment and Initial Leaver Destinations, No. 3: 2021 Edition - gov.scot \(www.gov.scot\)](https://www.gov.scot/Summary-Statistics-for-Attainment-and-Initial-Leaver-Destinations-No-3-2021-Edition)

Northern Ireland (23 per cent) and Scotland (10 per cent). In addition, there are students who are dual registered in schools and colleges in Scotland (16 per cent) and Northern Ireland (3 per cent).

It is not clear that one approach or mix is necessarily better or worse. However, this difference in provision will have implications for the types of qualifications young people are likely to gain, given that schools are much more likely to be focused on academic qualifications.

Figure 3.8. Comparing the share of 16-17-year-olds in schools and colleges



3.2 Apprenticeships

In this section, we provide an overview of the number of apprenticeships across the four nations of the UK, including breakdowns by level of apprenticeships, age group, gender splits, the targeting of apprenticeships by level of deprivation and overall achievement rates. As with other areas of post-16 education and training, differences in policy, institutions and priorities mean that statistics are not always fully comparable. However, they do still provide a useful guide on the focus and nature of the apprenticeship programmes across the four nations of the UK.

All four nations have apprenticeship programmes. However, they differ quite a lot in terms of how they are spread across different ages, and the level of public subsidies. In what follows, we start by detailing the arrangements in place for each nation and the overall numbers. We then undertake greater comparisons across the four nations.

3.2.1 England

Modern apprenticeships were introduced in England in 1993, and rolled out over two years. There was initially an age limit of 24, but this was removed in 2004, allowing adults aged 25 and over to complete an apprenticeship. Higher apprenticeships at Level 4 and above were introduced in 2010. The coalition government also made a strong commitment to increase the number of apprenticeships and met a target for more than 2 million apprenticeship starts between 2010 and 2015. The incoming government in 2015 made a further commitment for 3 million new apprenticeships starts between 2015 and 2020, but this has not been met and was quietly dropped.

In England, there have been two different types of assessment schemes for apprenticeships – frameworks and standards. Frameworks have a greater focus on qualifications, whilst standards, which were rolled out from 2014 onwards, are more focused on the skills, knowledge and behaviours required in specific occupations. Frameworks are now almost obsolete.

In 2017, the UK government introduced the apprenticeship levy, with all employers across the UK paying 0.5 per cent on paybill expenditures over £3 million. However, this only affects the system of apprenticeship funding in England, which was changed at the same time. Before 2017, the government funded all apprenticeship costs for 16 to 18-year-olds, half the costs for 19 to 23-year-olds and up to half for apprentices aged 24 and over. Extra support was also available for those who lived in more deprived areas. Currently, levy-paying firms can use their apprenticeship levy payments (with a 10 per cent government contribution) and then must make a contribution of 5 per cent for any training costs above their levy payments. Smaller, non-levy-paying, firms must pay only 5 per cent of the training costs.

Figure 3.9 shows the apprenticeship starts in England by level over time. Due to the introduction of a Single Individualised Learner Record (ILR) data collection system in England in 2011/12, data from earlier years is not directly comparable to 2011/12 and thereafter.

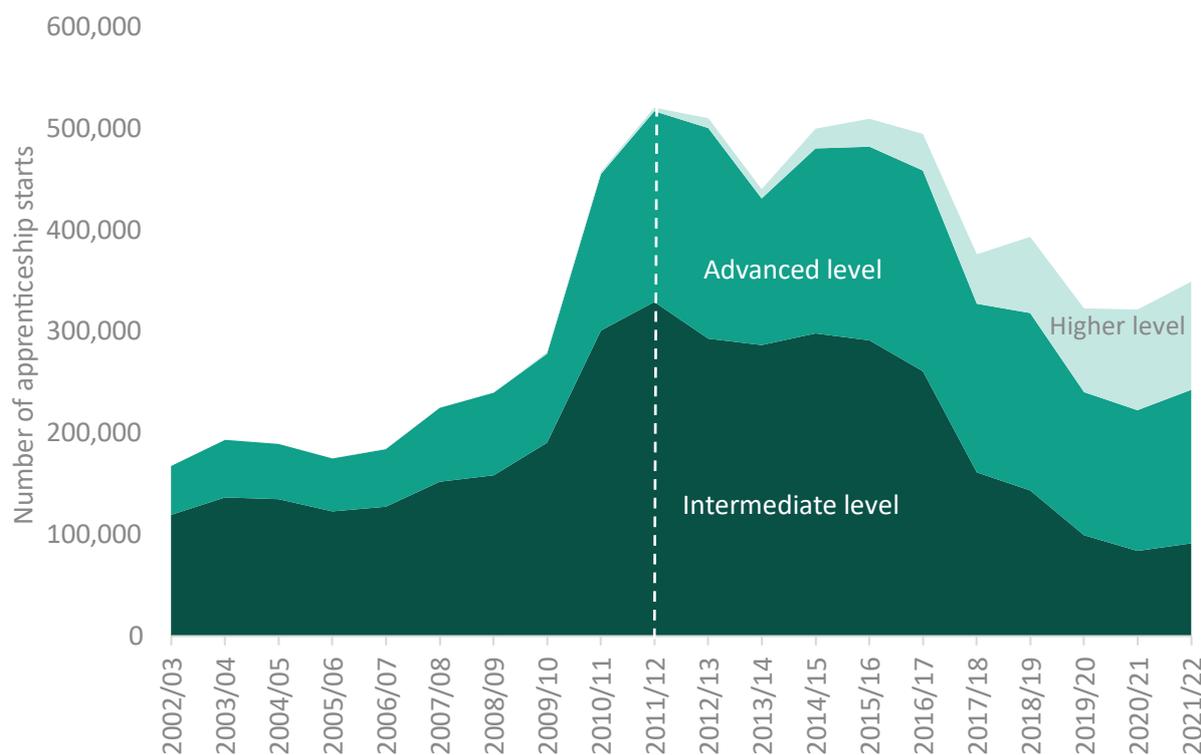
The number of apprenticeship starts increased steadily from 2002-03 (170,000) to 2009-10 (280,000), a 67 per cent increase. There was then a sudden increase of 63 per cent in 2010-11 to 460,000 apprenticeship starts. This almost entirely reflects the fact that individuals enrolled in the Train to Gain training scheme were migrated on to apprenticeships instead. From 2010, higher apprenticeships were introduced, but these were initially very small in number.

Between 2010-11 and 2016-17, the number of apprenticeship starts remained around 450-500,000 across most years (with the notable exception of 2013-14). Since 2016-17, the number of apprenticeships has dropped to around 300-350,000. This drop began around the same time that standards began replacing frameworks and occurred despite the more generous funding system introduced from 2017 onwards.

Most of this decline over time has been driven by falling number of intermediate (Level 2) apprenticeships. Prior to 2011-12, the majority of apprenticeships were made up of intermediate level (Level 2) apprenticeships, with around two thirds of apprenticeship starters beginning an intermediate apprenticeship and around a third of starts taking advanced level (Level 3) apprenticeships. Since 2011-12, the number of intermediate level apprenticeships starts has declined by 72 per cent, from 330,000 starts in 2011-12 to 90,000 starts in 2021-22, and now account for just over one quarter of starts.

The number of advanced level (Level 3) apprenticeships has also declined, but at a slower rate of 19 per cent between 2011-12 and 2021-22. As a result, they now make up 43 per cent of all apprenticeship starts.

Figure 3.9 – Number of starts of Apprenticeships by level, England, 2002-2022



Source: Department for Education and Department for Business, Skills and Innovation

In contrast, from 2011-12, there has been an increase in the number of higher level apprenticeships (Levels 4 to 7). In 2011-12, less than 1 per cent of starts were for higher level apprenticeships, but by 2021-22, this proportion has increased to over 30 per cent, with over 100,000 higher level apprenticeship starts.

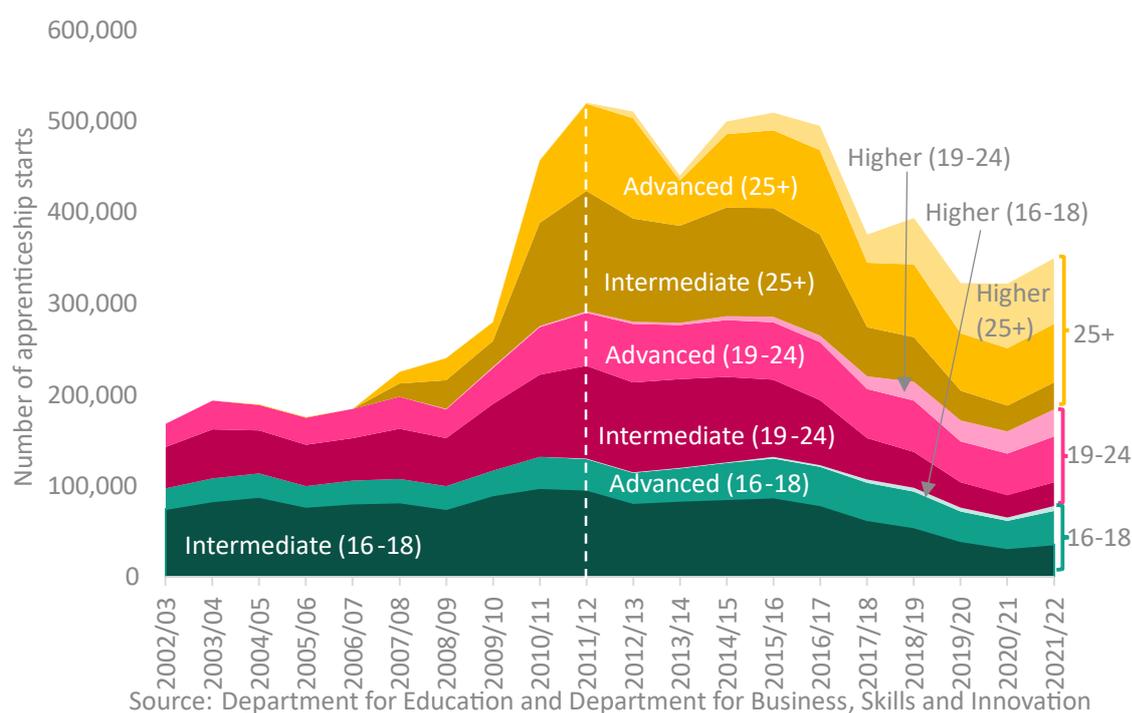
Figure 3.10 further breaks down the number of apprenticeship starts by age and level. This clearly shows the increasing share of apprenticeships taken up by older workers over time. In 2009-10, 16 to 18-year-olds and 19 to 25-year-olds each made up about 40 per cent of apprenticeship starts, with over 25s accounting for about 20 per cent of apprenticeship starts. Since then, the number of 16 to 18-year-old apprenticeship starts has declined by one third (from 120,000 in 2009-10 to 80,000 in 2021-22) and now account for 22 per cent of apprenticeship starts. The number of 19 to 25-year-olds starting apprenticeships has held steady at about 110,000 and account for about 30 per cent of starts. The number of over 25s starting apprenticeships has more than tripled (from 50,000 in 2009/10 to over 160,000 in 2021-22) and now account for nearly 50 per cent of all apprenticeship starts.

There have also been changes within age group by level. Prior to 2007-08, more than half of those who started an apprenticeship were aged 16 to 18, and over 70 per cent of apprenticeship starts within this age group were of intermediate level. Intermediate level remained the most popular choice for those aged 16 to 18 until 2021-22, when slightly more advanced level apprenticeships were started by this age group than intermediate level apprenticeships.

Intermediate level apprenticeships had also been the most popular for those aged 19 to 24, with around 60 per cent of learners starting an intermediate level apprenticeship up until 2015-16. However, both advanced and higher apprenticeships have become more popular in recent years, and in 2021-22, just under half of 19 to 24-year-olds start an advanced apprenticeship, with the rest of learners split fairly evenly between intermediate and higher.

Learners aged 25 and over also were originally more likely to start an intermediate apprenticeship up until 2016-17. Now, in 2021-22, 43 per cent of learners aged over 25 start a higher apprenticeship.

Figure 3.10 – Number of starts of apprenticeships by age and level, England, 2002-2022



3.2.2 Northern Ireland

Northern Ireland introduced the ApprenticeshipsNI programme in 2007-08, as a replacement for the JobSkills programme, providing Level 2 and Level 3 apprenticeships. From August 2012, adult apprenticeships have been restricted to priority economic sectors.

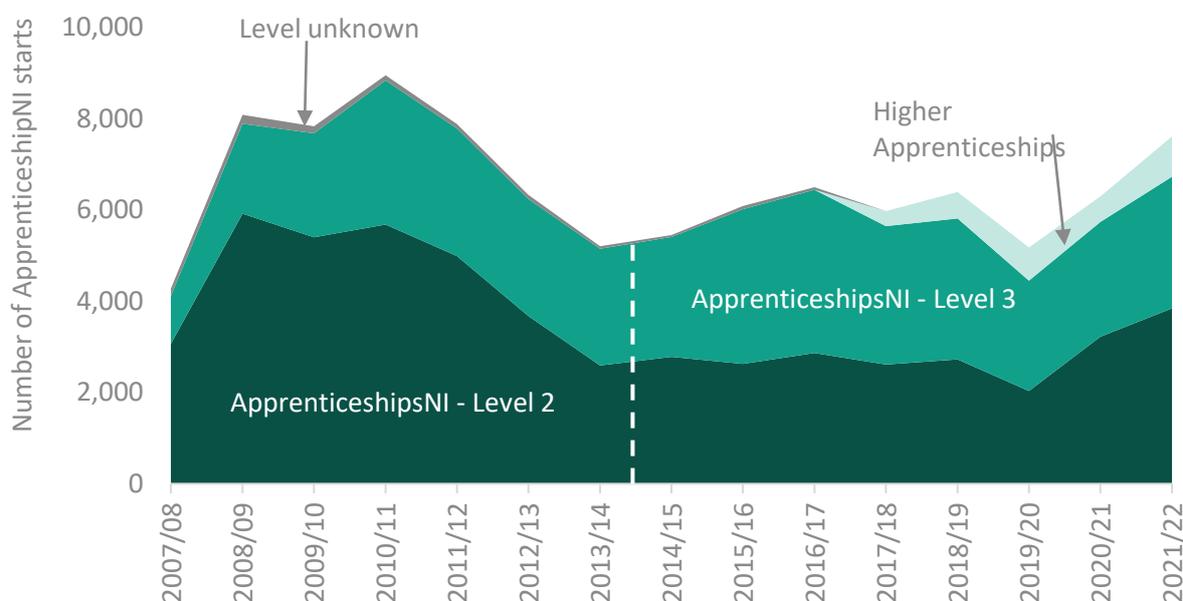
Higher Level Apprenticeships (HLAs) began relatively recently. From 2017-18, HLAs were made available at Levels 4 and 5 (with off the job training at colleges), swiftly followed in 2018-19 by Levels 6 and 7 (with off the job training in higher education institutions).

For under 25s, all of the off-the-job training costs are paid for by the Department for the Economy and the European Social Fund. For over 25s, only half of the costs are covered through government subsidies, and only for priority economic areas.

Figure 3.11 shows the number of apprenticeship starts over time, split by qualification level. Between 2010-11 and 2013-14, there was a large drop in apprenticeship starts, from 9,000 down to just over 5,000. Apprenticeship starts then grew by 25 per cent between 2013-14 and 2016-17, from about 5,000 to 6,500. During the pandemic, there was then a drop in the number of apprenticeships

as employers paused schemes due to uncertainty. Since then, there has been a recovery in the number of apprenticeship starts, which are now back up to over 7,500, nearing levels last seen in 2011/12. The recovery of apprenticeships could have been partly encouraged by the apprenticeship recovery package from the Department for the Economy, which provided up to £3,000 to employers for each new apprenticeship opportunity created between 1st April 2020 and 31st March 2022.

Figure 3.11 – Number of starts of ApprenticeshipsNI by level, Northern Ireland, 2007-2021



Source: Department for the Economy, NI

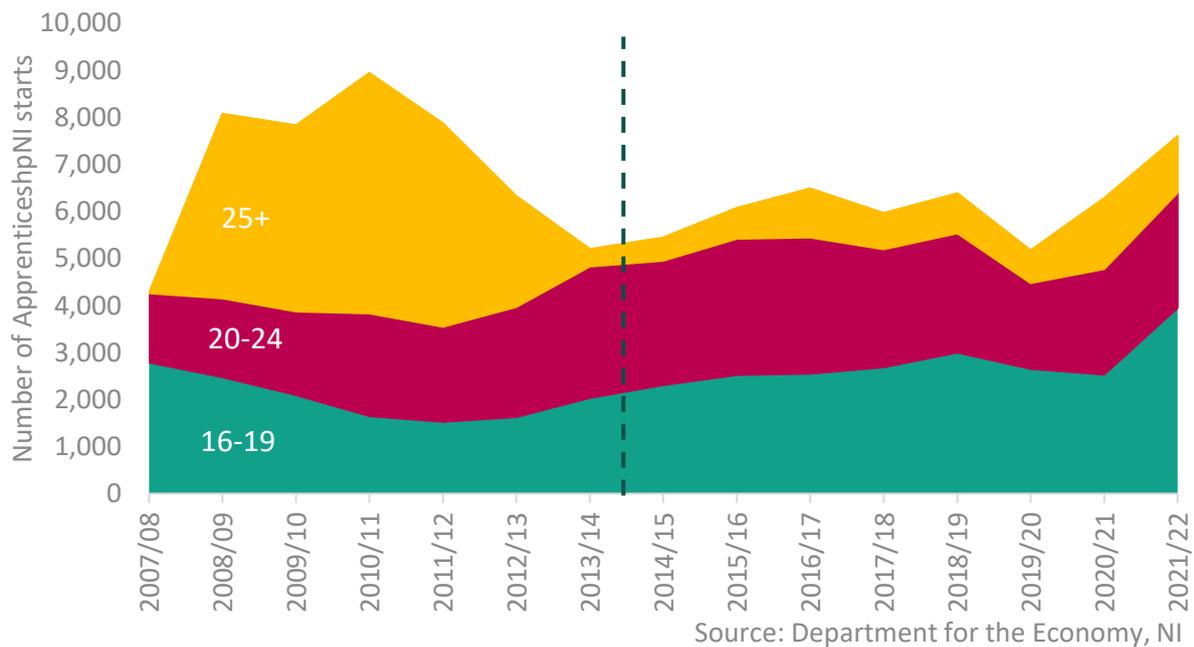
Between 2013-14 and 2016-17, there was about an even split between apprenticeships at Levels 2 and 3. From 2017-18, higher level apprenticeships were gradually rolled out. So far, uptake of these higher apprenticeships is fairly small – currently around 12 per cent of all apprenticeships in 2021-22. The majority of apprenticeships remain at Level 2 (51 per cent) or Level 3 (38 per cent).

Figure 3.12 shows the share of apprenticeship starts by age group. In 2007-08, apprenticeships were aimed at those aged 16-24 but they became open to all age groups from 2008-09 onwards.

From 2008-09 until 2012-13, the group with the most starts were those aged over 25, peaking at 57 per cent of starts in 2010-11. However, from 2013-14, adult apprenticeships have been restricted to only priority economic sectors, which resulted in a large drop in the number of learners aged over 25 from 2012-13 onwards, which was the primary cause for the fall in the total number of starts of apprenticeships within these years.

Since 2013-14, most apprenticeships have been taken up by under 25s. In 2021-22, over half of all apprenticeship starts were amongst young people aged 16 to 19, with a further third taken up by individuals aged 20 to 25. Only about 16 per cent of apprenticeship starts were amongst over 25s in Northern Ireland in 2021-22. This contrasts very sharply with England and Wales, where a majority of apprenticeship starts were amongst over 25s.

Figure 3.12 - Number of starts of ApprenticeshipsNI by age, Northern Ireland, 2007-2021

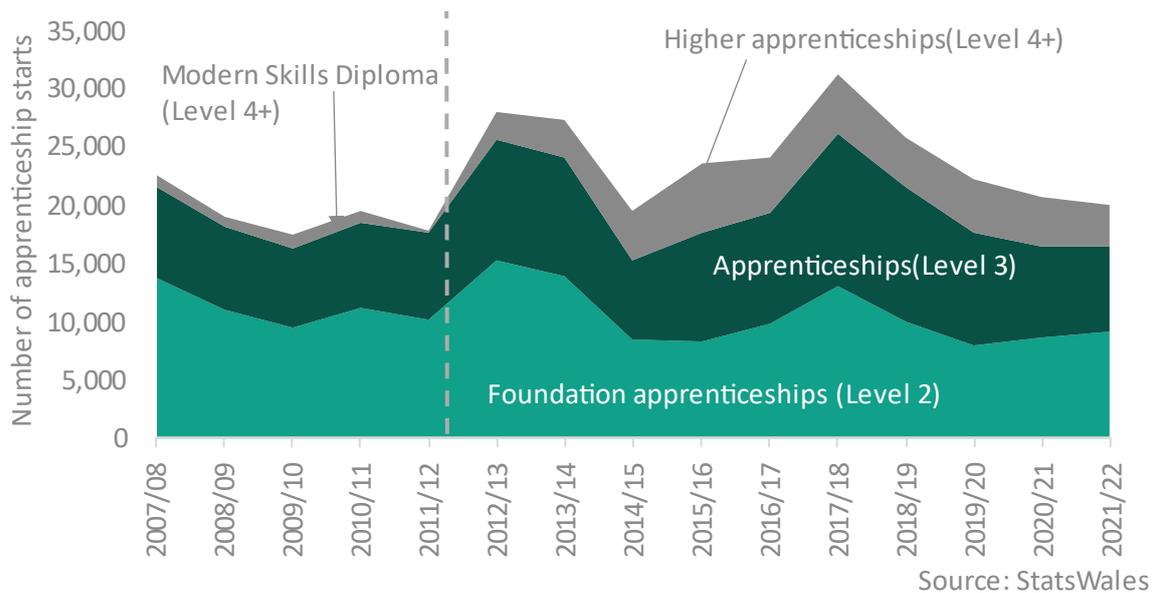


3.2.3 Wales

Apprenticeships in Wales also grew out of the Modern Apprenticeship scheme in the 1990s. As in England, the scheme has since opened up to all ages, and now includes apprenticeships at Level 2 (Foundation Apprenticeships), Level 3 (Apprenticeships) and at Level 4 and above (Higher-level apprenticeships). In contrast to England, the Welsh Government meets the full cost of off-the-job training irrespective of whether firms pay the apprenticeship levy or not (though firms in England only have to pay 5 per cent of these costs, at maximum).

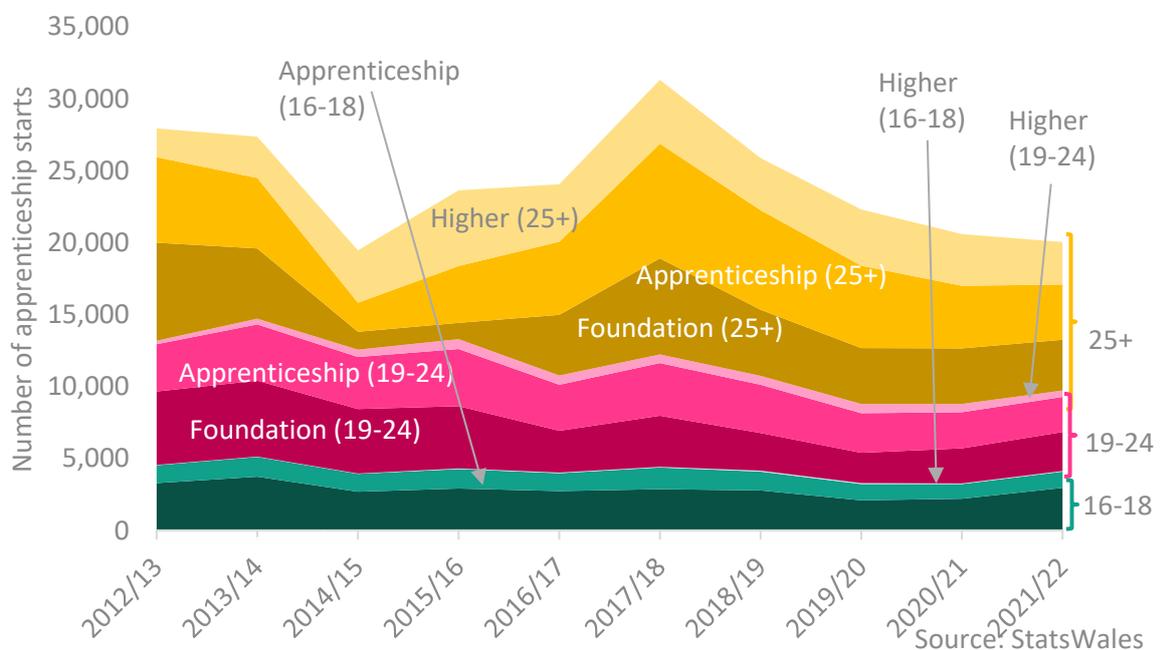
As shown in Figure 3.13, the total number of apprenticeships has oscillated over time, with growth between 2010 and 2012, falls up to 2014 and an increase up to a high-point of 32,000 apprenticeship starts in 2017-18. Since then, the overall number of apprenticeship starts has fallen by more than a third down to 20,000 in 2021-22, about the same level as in much of the late 2000s.

Figure 3.13 – Number of apprenticeship starts by level, Wales, 2012-2022



As in England, there has been a shift towards higher level apprenticeships (see Figure 3.14). In 2007-08, 61 per cent of apprenticeship starts were from foundation apprenticeships. However, the number of foundation apprenticeships has declined overtime and now represent about 46 per cent of all apprenticeships. There has instead been growth in the number of Level 3 apprenticeships (now 37 per cent of all apprenticeships) and Higher apprenticeships (17 per cent of all apprenticeships).

Figure 3.14– Number of apprenticeship starts by level and age, Wales, 2012-2022



Individuals aged 25 and over have consistently made up the largest share of apprenticeship starts since 2012-13, with the exception of 2014-15, when there was a brief dip in the number of apprenticeships. Since 2016-17, over 25s have made up over the half of all apprenticeships.

Individuals aged 16-18 have made up about 15-20 per cent of all apprenticeships since 2012-13 and those aged 19-24 have made up about 25-30 per cent of all apprenticeships starts.

For 16 to 18-year-olds, foundation apprenticeships make up over two thirds of starts, with the other third starting a level three apprenticeship. The share of 16 to 18-year-olds taking a foundation level apprenticeship fell up to 2019-20, but this is now back up to over 70 per cent in 2021-22.

In 2012-13, foundation apprenticeships were also the most started apprenticeship for those aged 19 to 24, but now there is a more even split with about 45 per cent starting foundation and Level 3 apprenticeships over the last 2 years. A further 10 per cent of 19-24-year-olds now take higher-level apprenticeships.

Learner starts for those aged 25 and over are the largest age-group to take on higher apprenticeships, with over 80 per cent of higher apprenticeship starts occurring from this age group. Currently, the proportion of over 25-year-olds starting level two or level three or higher apprenticeships is fairly even, with about one third taking each of these levels over recent years.

3.2.4 Scotland

In Scotland, Modern Apprenticeships were introduced in 1995 for those aged 16-24 in employment, enabling learners to study at either the equivalent to RFQ Level 3 or 4. From 2009 onwards, learners could also study at RFQ Level 2. Scottish qualifications are now reported using the Scottish Credit and Qualifications Framework (SCQF). For comparison with the rest of the UK, we assume that SCQF Level 5 is equivalent to RFQ Level 2, SCQF levels six and seven are equivalent RFQ Level 3 and that SCQF Levels eight plus are equivalent to RFQ Level 4 and above.

In contrast to England and Wales, but more like Northern Ireland, the cost of apprenticeships training is shared between the Scottish Government and employers, with the balance between employer and government contribution varying by age, qualification level and economic sector.⁵⁴

In addition to Modern Apprenticeships, Scotland has also introduced foundation level apprenticeships, which are aimed at young people aged 14 to 18 (year groups S3-S6) and graduate apprenticeships. These apprenticeship schemes are still relatively small in number and statistics are not reported in the same way as for Modern Apprenticeships. We therefore focus on Modern Apprenticeships, noting the numbers of foundation and graduate level apprenticeships, and how they are likely to affect the patterns we observe.

⁵⁴ [Apprenticeships | Funding for employers of apprentices](#)

Figure 3.15 – Number of starts of Modern Apprenticeships, Scotland, 2005-2022

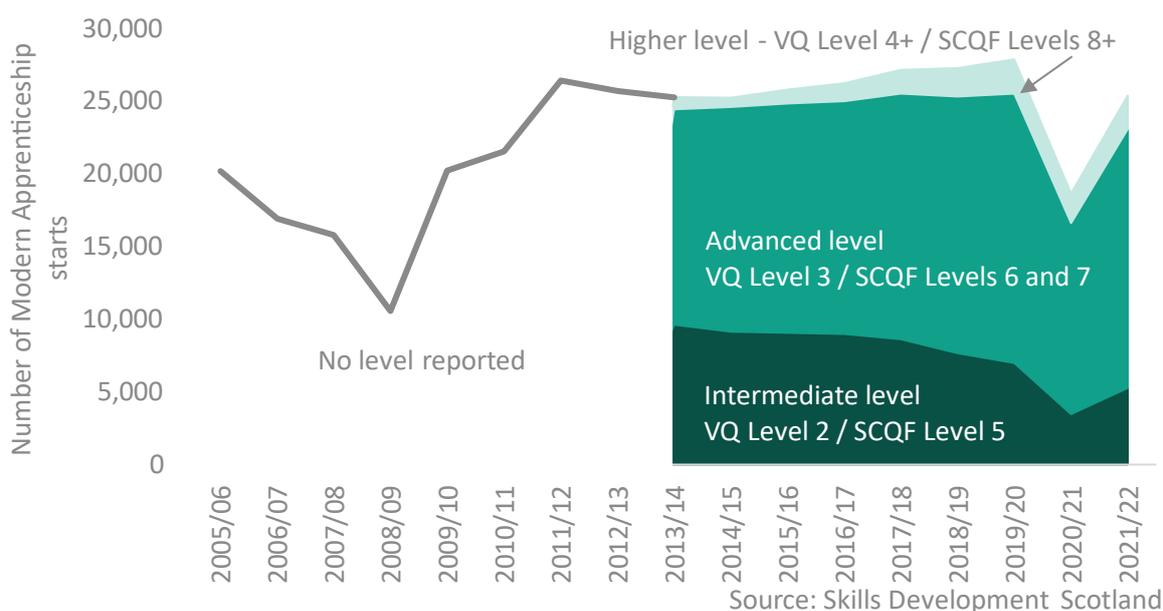


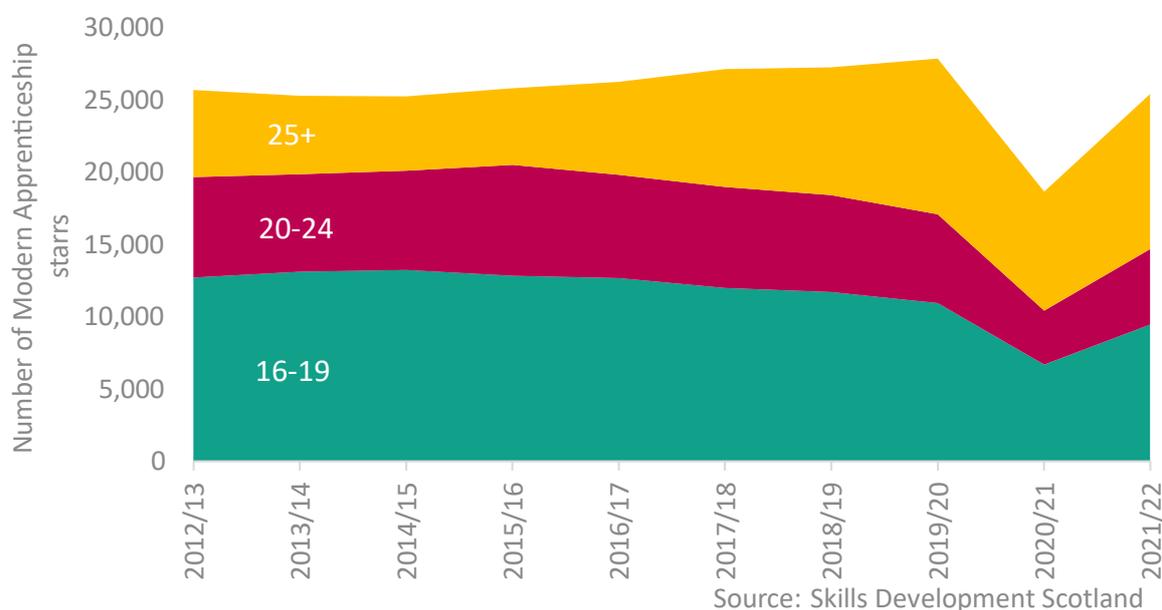
Figure 3.15 shows the number of modern apprenticeship starts in Scotland between 2005-06 and 2021-22, by SCQF level from 2013-14 onwards. The number of starts rose rapidly from 10,000 in 2008-09 to over 25,000 by 2011-12. It then grew more steadily from 2011-12 until 2019-20, from 25,000 to 28,000 starts, an increase of 5 per cent. However, the effect of the pandemic is very apparent with the dip in starts to modern apprenticeships in 2020-21, a decrease of around a third of starts from 2019-20 levels. The levels fell across all age groups, but the highest decreases were from those under the age of 25, where the number of starts fell by around 39 per cent. The number of starts fell by 24 per cent for those aged over 25. By 2021-22, the number of starts has risen again to just above 2014-15 levels.

As can be seen, the vast majority (about 70 per cent) of modern apprenticeship starts are at SCQF Level 6 and 7 (equivalent to RFQ Level 3 in the rest of the UK), with a minority accounted for by lower and higher levels. Even when including figures for foundation apprenticeships and graduate apprenticeships derived from other sources, we would still estimate more than 60 per cent of all apprenticeships at SCQF level 6 and 7. This is much higher than that seen across the other three nations of the UK.

Figure 3.16 shows the percentage of modern apprenticeship starts in Scotland between 2014-15 and 2021-22 by different age groups. In 2014-15, the majority (52 per cent) of modern apprenticeship starts came from those between 16 to 19 years of age, with only 20 per cent of starts coming from adults aged 25 and over. However, by 2021-22, those aged 25 and over made up over 40 per cent of modern apprenticeship starts. This increase was mostly due to an increase of popularity of apprenticeships for those aged 25 and over. The number of starts from those aged over 25 more than doubled from 5,000 in 2014-15 to nearly 11,000 in 2019-20, and returned to that level after a brief dip during the pandemic. At the same time, there was a 30 per cent fall in apprenticeship starts from those aged 16 to 19, from about 13,000 in 2014-15 to just over 9,000 in 2021-22. The share of modern apprenticeship starts from this younger age group has thus dropped from 52 to 37 per cent over time.

However the drop of around 4,000 16 to 19-year-olds taking Modern Apprenticeships is balanced by the additional 4,100 young people on foundation apprenticeships (including 1,600 on a pilot of level 4/5 foundation apprenticeships).⁵⁵

Figure 3.16– Percentage of starts of Modern Apprenticeships by age, Scotland, 2014-2022



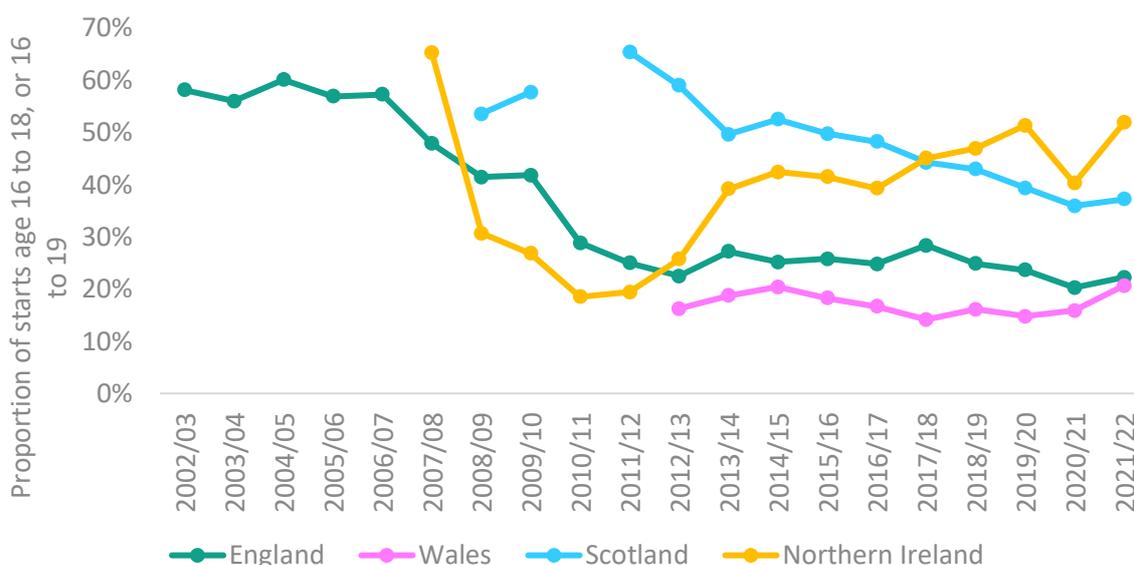
3.2.5 Comparisons between the nations

In this section, we draw the figures together to present some overall comparisons on the nature of apprenticeships across the four nations. This includes comparisons by age, gender, qualification level, area deprivation and achievement/completion rates.

Across most nations, apprenticeship starts used to be made up of mostly young people aged below 18 or 19, but this has mostly shifted over time. In England and Wales, only about 20 per cent of apprenticeship starts were accounted for by young people aged 16 to 18/19 in 2021-22. This was higher at 37 per cent in Scotland, and over 50 per cent in Northern Ireland. The latter is almost certainly the result of Northern Ireland only funding apprenticeships for over 25s in priority economic occupations.

⁵⁵ <https://www.sfc.ac.uk/nmsruntime/saveasdialog.aspx?IID=24164&SID=15361>

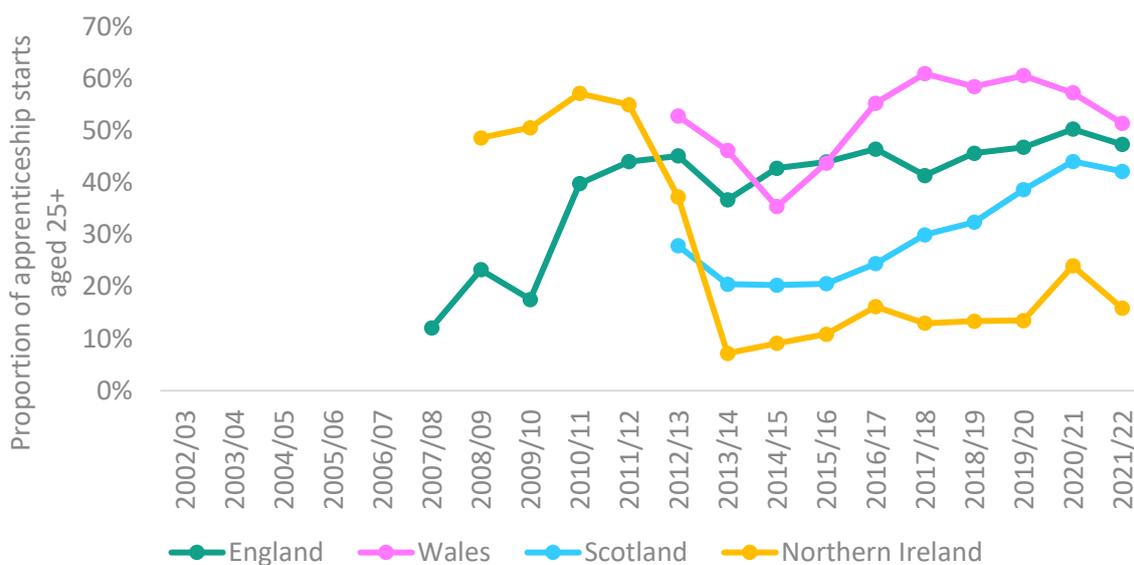
Figure 3.17 – Proportion of total apprenticeship starts who are aged 16-18/19, all nations



Notes: For comparison purposes, England and Wales report ages 16 to 18, and Scotland and Northern Ireland report ages 16 to 19.

Figure 3.18 then shows the share of apprenticeship starts made up by over 25s over time across all four nations. This illustrates the extent to which apprenticeship starts have become heavily focused on over 25s in England and Wales (about 50 per cent of all apprenticeship starts in both nations in 2021-22). There has also been a rise in Scotland, with about 40 per cent of all apprenticeship starts amongst over 25s in 2021-22. The share is much lower in Northern Ireland, reflecting the focusing of adult apprenticeships on priority economic areas from 2013 onwards.

Figure 3.18 – Proportion of total apprenticeship starts who are aged 25+, all nations



As shown in Figure 3.19, the proportion of apprenticeship starts by gender differs quite significantly across each nation. Northern Ireland currently has the highest proportion of male starts at 71 per

cent, in comparison to Wales at 44 per cent. The gender split in Northern Ireland, in general, has become more male-dominated over time, with less change across other nations.

The higher male share of apprenticeships in Northern Ireland, and to some extent Scotland, is likely to reflect the younger age of apprentices in these nations, given that men are more likely to take apprenticeships at younger ages. This is confirmed in Appendix Figures A1-A4. Broadly speaking, apprenticeships for young people aged under 19 are more taken up by men (about per cent in England, 70-80 per cent in Northern Ireland, and 60-65 per cent in Wales and Scotland). We also see more men aged 25 or over taking up apprenticeships in Scotland (over 60 per cent) and Northern Ireland (two thirds). In contrast, apprenticeships for adults aged 25 or over are more likely to be taken up by women in England (nearly 60 per cent) and Wales (two thirds).

Figure 3.19 – Proportion of total apprenticeship starts who are male, all nations

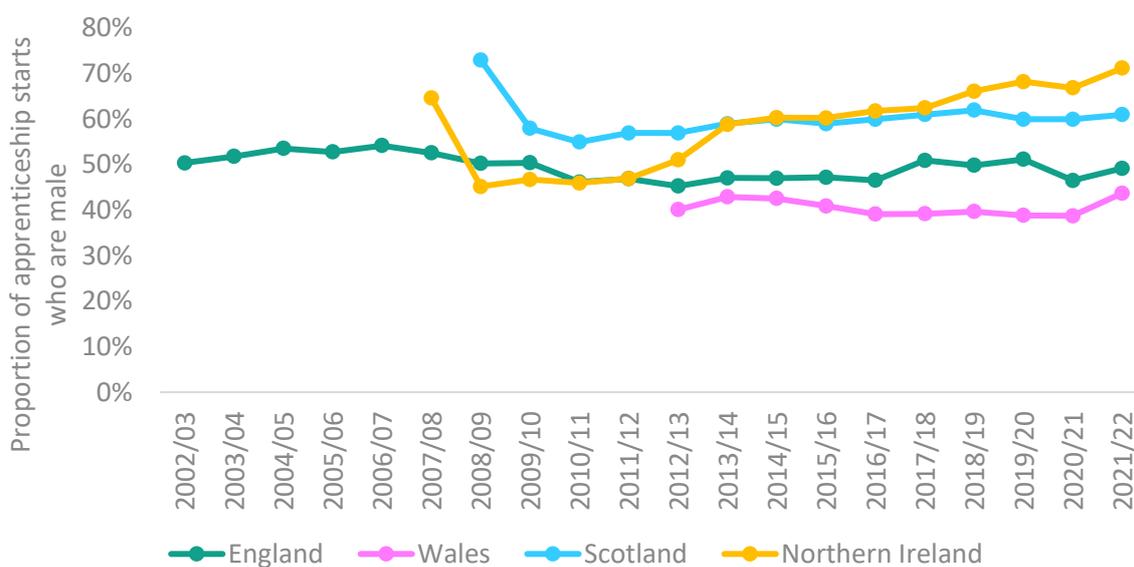


Figure 3.20 shows the share of apprenticeship starts at Level 2 and Figure 3.21 shows the share of starts at Level 4 or above. As can be seen, across most nations, there has been a large and gradual fall in the share of apprenticeship starts at Level 2, with the exception of a brief uptick in Wales and Northern Ireland in the last 2 years. As a result, a larger share of apprenticeship starts are at Level 2 in Wales and Northern Ireland in 2021-22 (about 50 per cent) than in England and Scotland (about 25 per cent). At the other end of the spectrum, there has been a rising share of apprenticeship starts at Level 4 or above, particularly in England. As a result, about 30 per cent of apprenticeships starts are at Level 4 or above in England, compared with 17 per cent in Wales, and about 10 per cent in Scotland and Northern Ireland. This excludes higher level apprenticeship starts in Scotland, but this is unlikely to change the broad patterns as these are still relatively small in number. In Scotland, most apprenticeships are at Level 3 (over 60 per cent in 2021-22), which compares with about 45-50 per cent in England, Wales and Northern Ireland.

Figure 3.20 – Proportion of total apprenticeship starts at Level 2, all nations

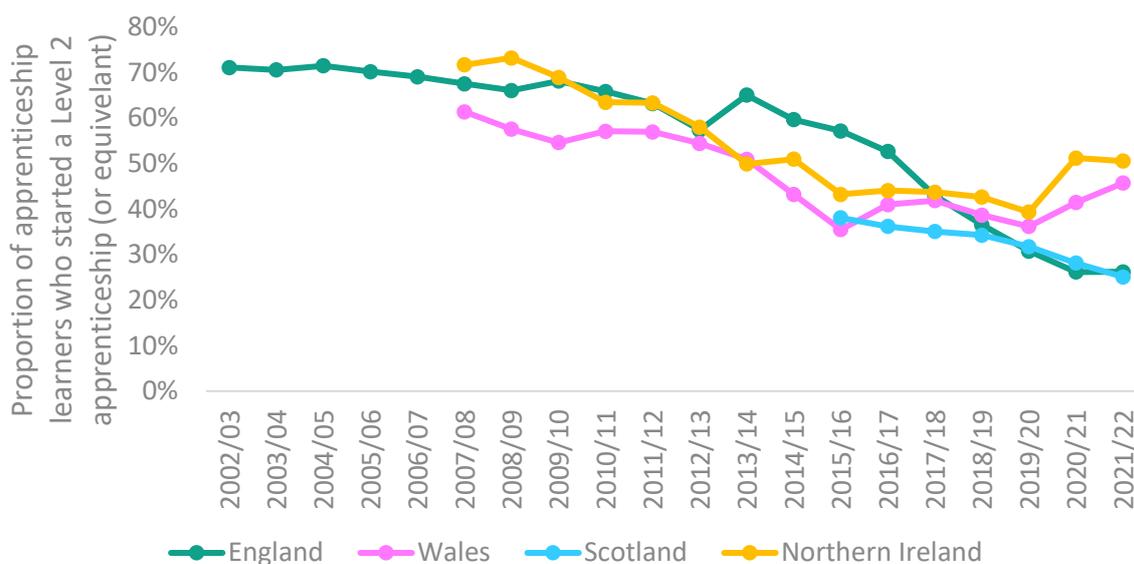


Figure 3.21 – Proportion of total apprenticeship starts at Level 4+, all nations

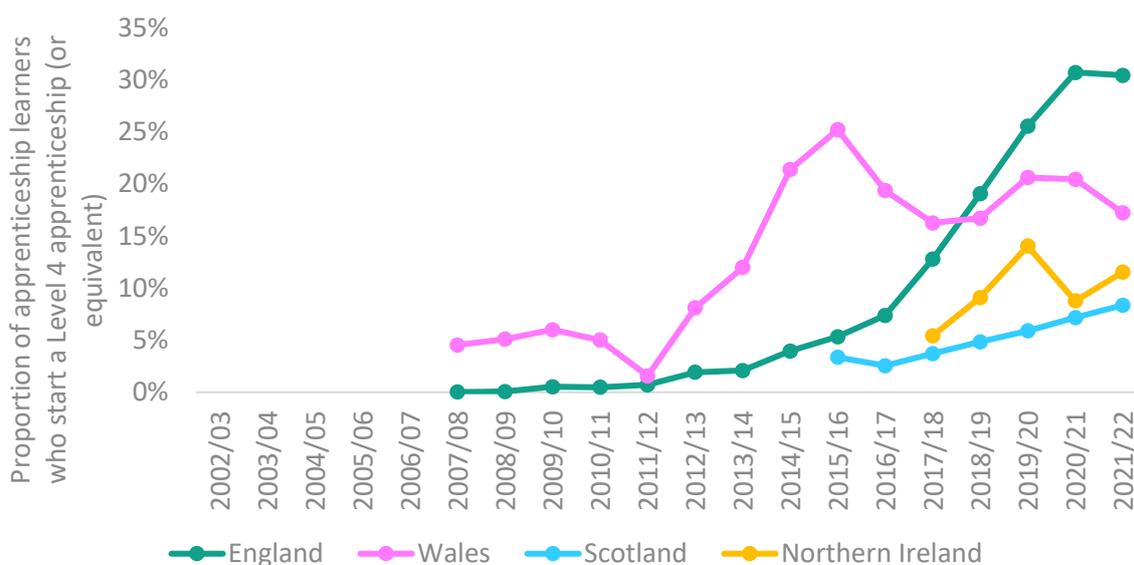
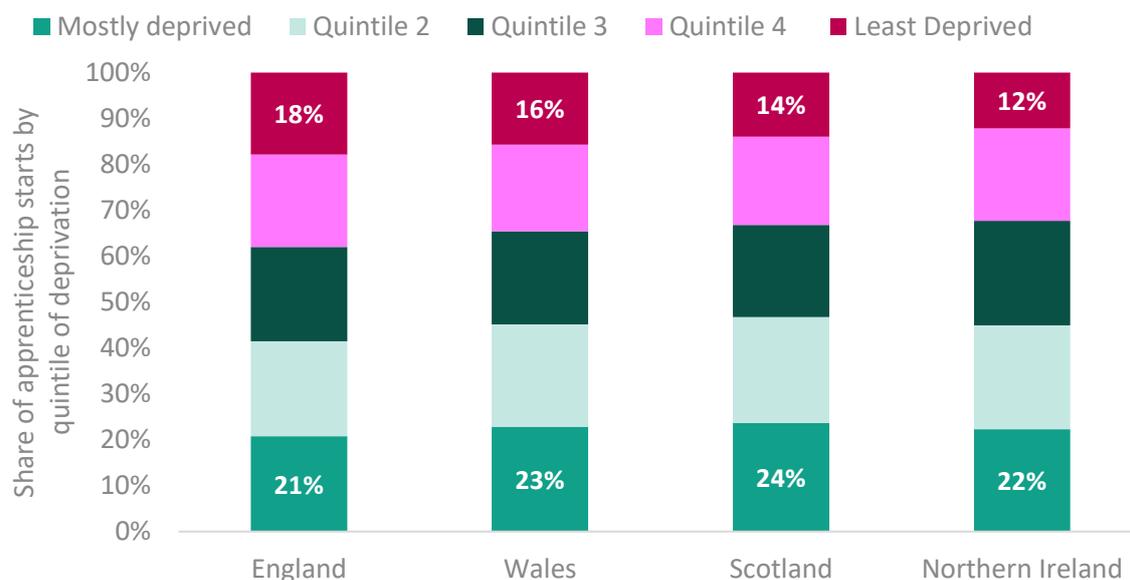


Figure 3.22 then shows the share of apprenticeship starts by area-level measures of deprivation across each of the four nations in 2021-22. In the particular, it shows the share of apprenticeships by each quintile of the country-specific Index of Multiple Deprivation (IMD) index.

This shows a relatively even mix of apprenticeship according to area-level deprivation, with slightly more of a focus on the most deprived quintile of areas across each nation. However, there is a notably lower share of apprenticeship starts in the least deprived quintiles in Scotland (14 per cent) and Northern Ireland (12 per cent) than in England (18 per cent) and Wales (16 per cent).

Figure 3.22 – Share of apprenticeships across deprivation quintiles for each nation



Finally, Figure 3.23 shows the achievement or completion rate of apprenticeship across the four nations. Importantly, achievement or completion rates are not fully comparable across the four nations as they are recorded in slightly different ways and have been subject to different effects over time.

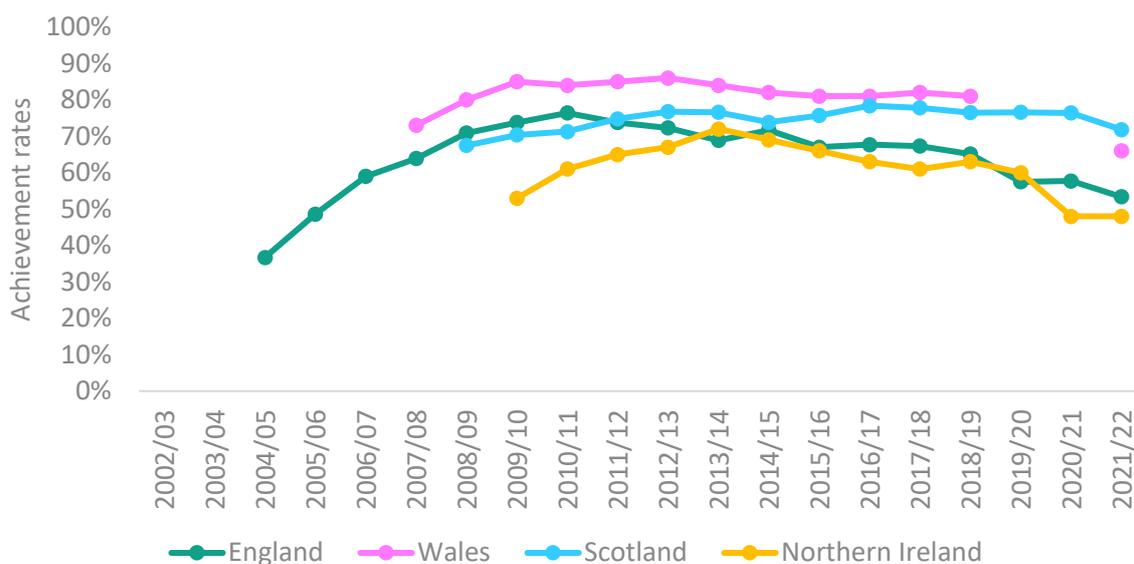
As recently as 2014-15, achievement or completion rates were about 70-80 per cent across all four nations. Since then, there has been a decline in achievement rates, particularly in England and Northern Ireland.

Achievement rates are currently highest in Scotland, at about 72 per cent in 2021-22, and have only seen a slight fall over time. In Wales, achievement rates were about 66 per cent in 2021-22, which represents a substantial fall on the 80 per cent level seen before the pandemic. It is not clear the extent to which this represents a real change or a change in the way achievement rates are recorded.

In England, achievement rates have declined significantly from about 75 per cent in 2011-12 down to about 53 per cent in 2021-22. This partly reflects the movement to apprenticeship standards, which are intended to be more rigorous than the previous frameworks.

Recorded achievement rates are lowest in Northern Ireland, at 48 per cent in 2021-22. This partly reflects the fact that achievement rates for Northern Ireland are measured slightly differently from the rest of the UK. They are based on the number of qualifications achieved that are equivalent to the level of the apprenticeship as a proportion of leavers. It does not mean that a leaver has achieved the full framework, nor does it take into account leavers who have achieved a qualification, but below the level of which they were working towards. Additionally, some leavers could have achieved more than one qualification. Higher apprenticeships are not included due to lack of comparable data.

Figure 3.23 – Achievement rates, all nations



3.3 Higher Education

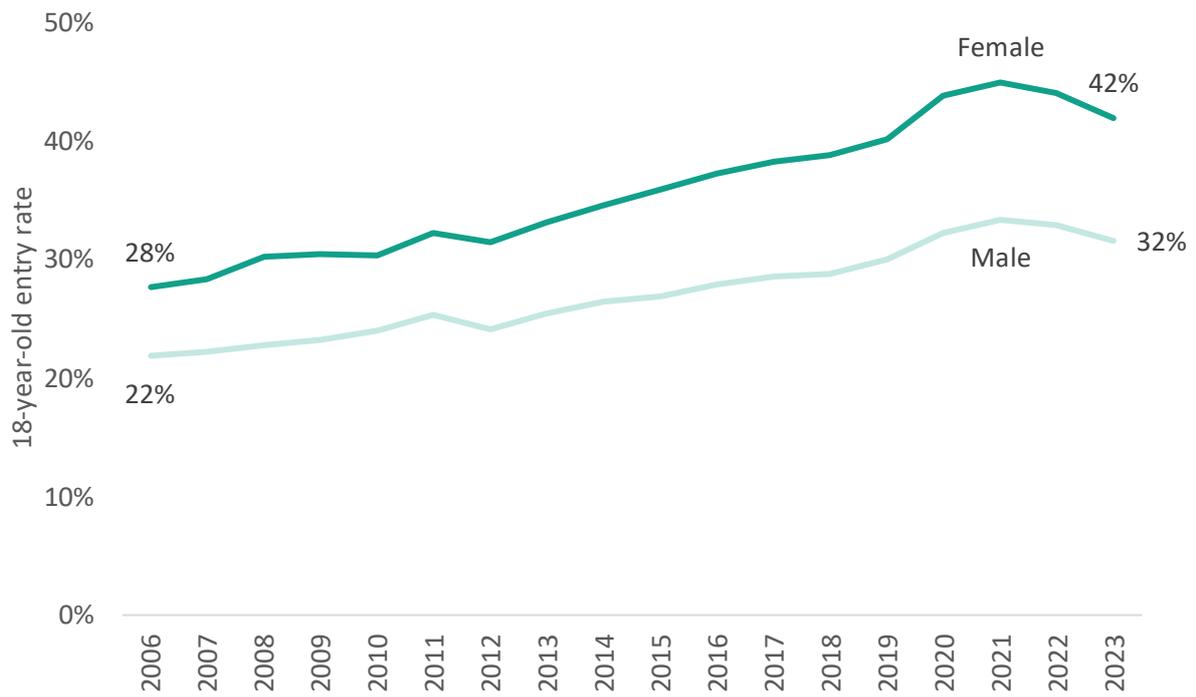
In this section, we provide an overview of access to higher education across the four nations of the UK, including breakdowns by gender, qualifications upon entry, participation rates and access by level of deprivation. Figures are based on the domicile of students (where they are from), rather than where they attended higher education. The Universities and Colleges Admissions Service (UCAS) covers all four nations so there is some comparable data across the UK. However, not all students apply to higher education through UCAS, so these data aren't comprehensive. In particular one-third of entrants to higher education in Scotland do not apply via UCAS. Statistics from the national governments partly cover this gap.

3.3.1 England

Figure 3.24 shows the entry rate for both male and female 18-year-olds in England over time. Although both male and female 18-year-olds have become more likely to enter higher education over time, the rate for females is both higher, and has been increasing faster, than the rate for males. Since 2015, female 18-year-olds have been one-third more likely to enter higher education than males (currently 42 percent compared with 32 per cent). Back in 2006 they were only one-quarter more likely to (28 per cent compared with 22 per cent).

As shown in Figure 3.25, according to UCAS data, the proportion of students accepted into higher education with A levels only in England (or with the International Baccalaureate) is now only 48 per cent, down from 55 per cent in 2013. Over the same period the proportion with other qualifications (such as applied or technical qualifications) has risen from 39 per cent to 45 per cent. For most of the last decade the proportion with a mix of A levels and other qualifications has remained relatively static at between 7 and 9 per cent.

Figure 3.24: 18-year-old entry rate into higher education, by gender, England, 2006-2023



Source: UCAS

Figure 3.25: Higher Education application acceptances, by qualification type, England, 2013-2023

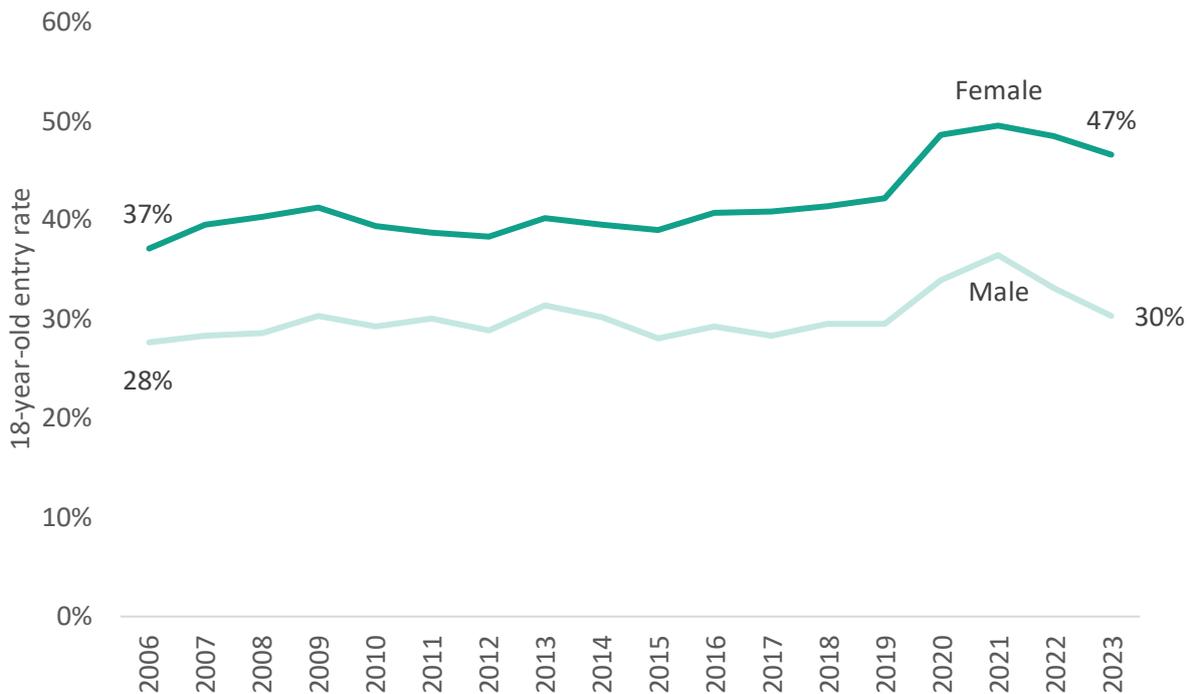


Source: UCAS

3.3.2 Northern Ireland

Figure 3.26 shows the entry rate for both male and female 18-year-olds. Relative to other nations the proportion of both male and female 18-year-olds entering higher education has been largely static in recent years. However, whilst there were increases for both genders during the pandemic, the male rate rose slower and fell faster. As a result, female 18-year-olds in Northern Ireland are now over 1.5 times more likely to enter higher education than their male peers.

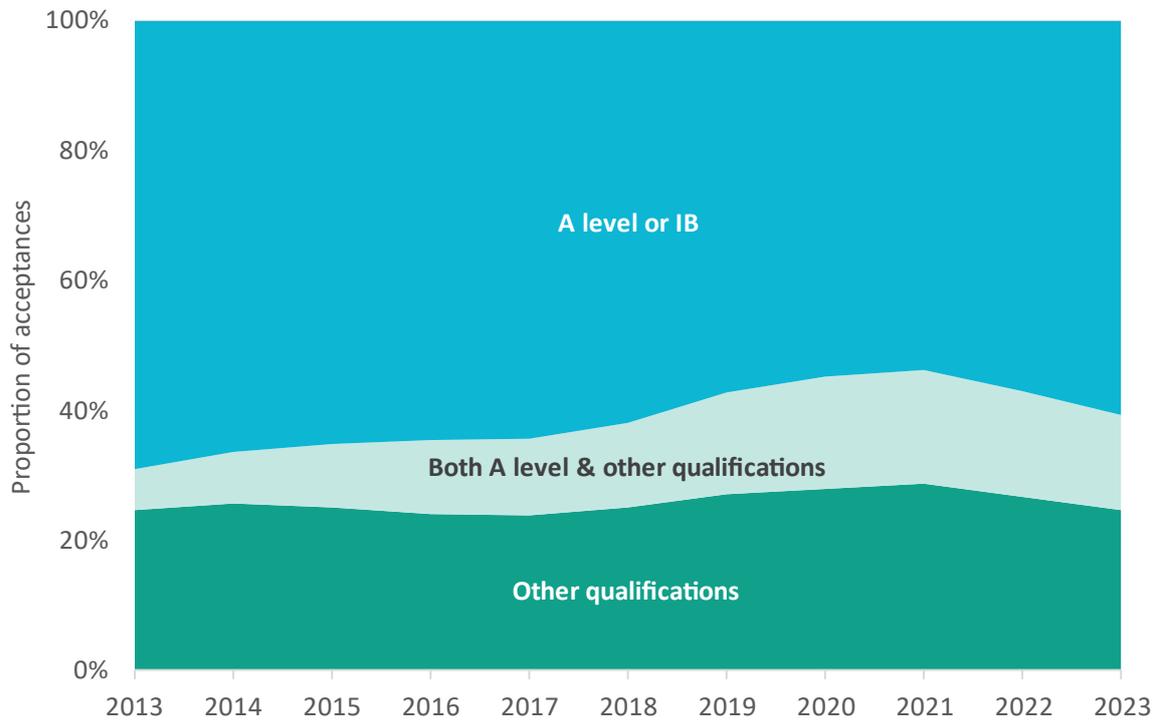
Figure 3.26: 18-year-old entry rate into higher education, by gender, Northern Ireland, 2017-2022



Source: UCAS

The proportion of UCAS applicants from Northern Ireland who hold only A levels (or the International Baccalaureate) is much higher than in other nations, though this figure fell in recent years, by 11 percentage points, from 69 per cent in 2013 to 54 per cent in 2021, before rising again to 61 per cent in 2023. However, over the same period the proportion of students taking both A levels and another qualification type has increased, by 9 per cent, from 6 per cent to 15 per cent. By comparison the proportion taking only qualifications other than A levels has remained relatively static over the last decade, at around 1 in 4 applicants.

Figure 3.27: Higher Education application acceptances, by qualification type, Northern Ireland, 2006-2022

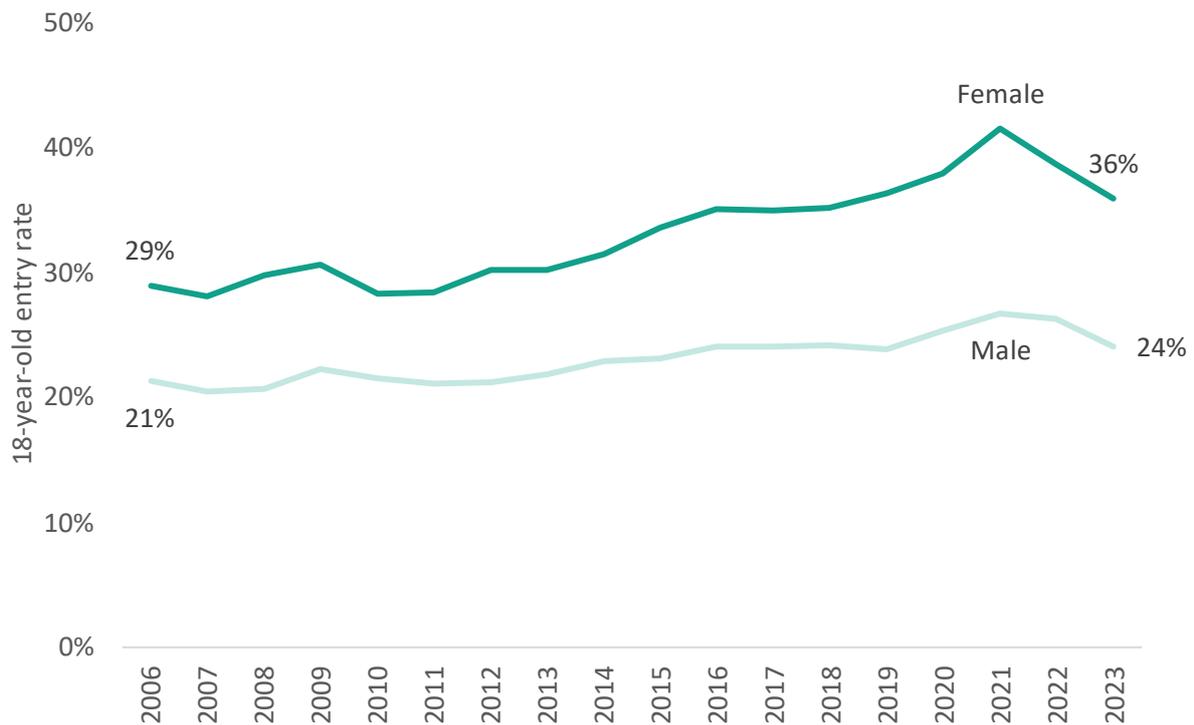


Source: UCAS

3.3.3 Wales

As shown in Figure 3.28, along with a low entry rate overall Wales also now has one of the most significant differences between male and females in entry rates. Female 18-year-olds are now around 1.5 times more likely to enter higher education than their male counterparts. Furthermore, this gap has grown from just 8 percentage points in 2006 to 12 percentage points in 2023. Welsh male 18-year-olds also have lower entry rates than males in the other three UK nations.

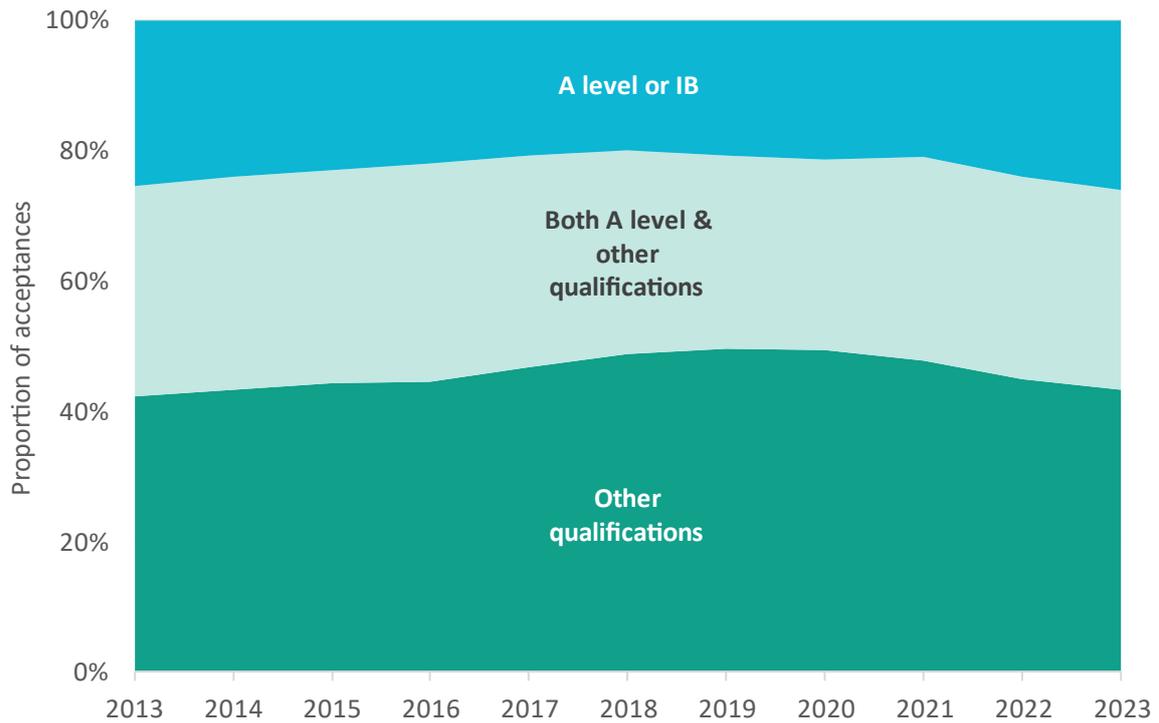
Figure 3.28: 18-year-old entry rate into higher education, by gender, Wales, 2006-2023



Source: UCAS

As shown in Figure 3.29, according to UCAS data the proportion of Welsh students accepted into higher education with A levels only (or with the International Baccalaureate) is just 26 per cent. In 2018 the proportion dropped to below 20 per cent before rising slightly again. The proportion taking a mix of A levels and other qualifications (including the Welsh Baccalaureate) has remained between 29 per cent and 34 per cent over the last decade, and is currently 31 per cent. Most recently almost half of all acceptances in Wales come from applicants without A levels.

Figure 3.29: Higher Education application acceptances, by qualification type, Wales, 2013-2023



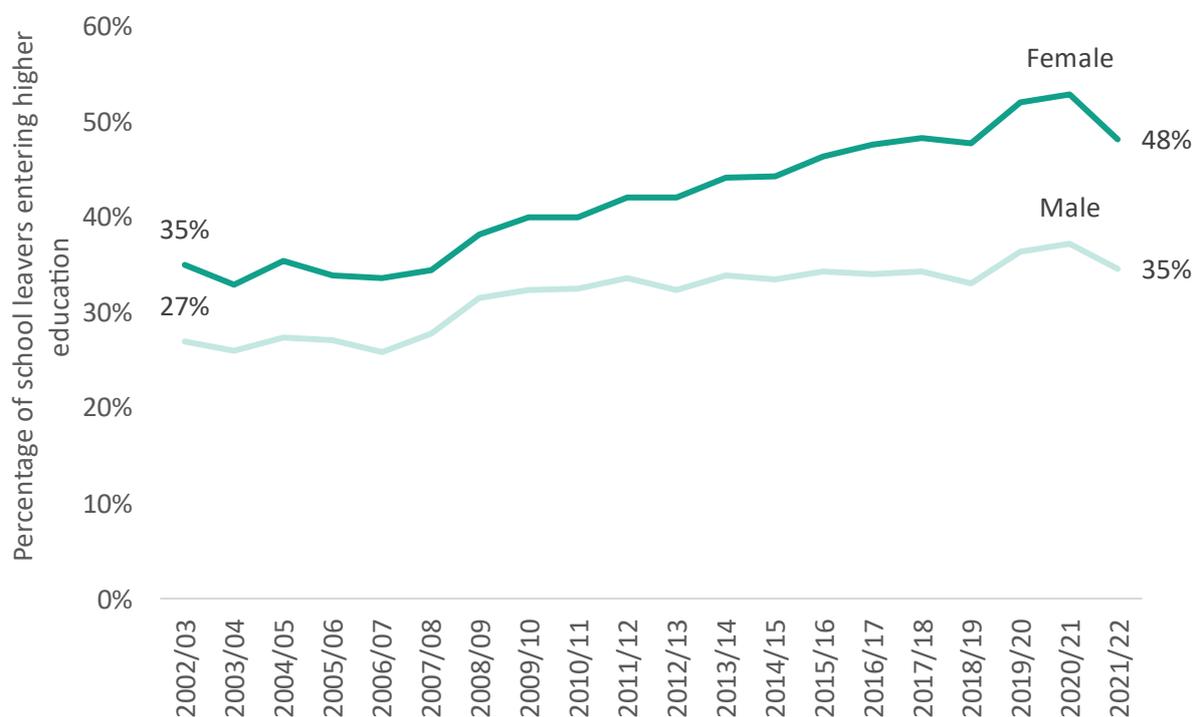
Source: UCAS

3.3.4 Scotland

Figure 3.30 shows that although there has, at least since the 2002-03 cohort, been a higher proportion of female school leavers going onto higher education than male school leavers, this gap has been widening over the years. In 2002-03, the gap between the proportion of males going onto higher education in comparison to the proportion of females going onto higher education was around eight percentage points. By 2021-22, the gap had increased to 14 percentage points.

Figure 3.30 – Percentage of school leavers entering higher education, by sex, Scotland, 2002-2021

56

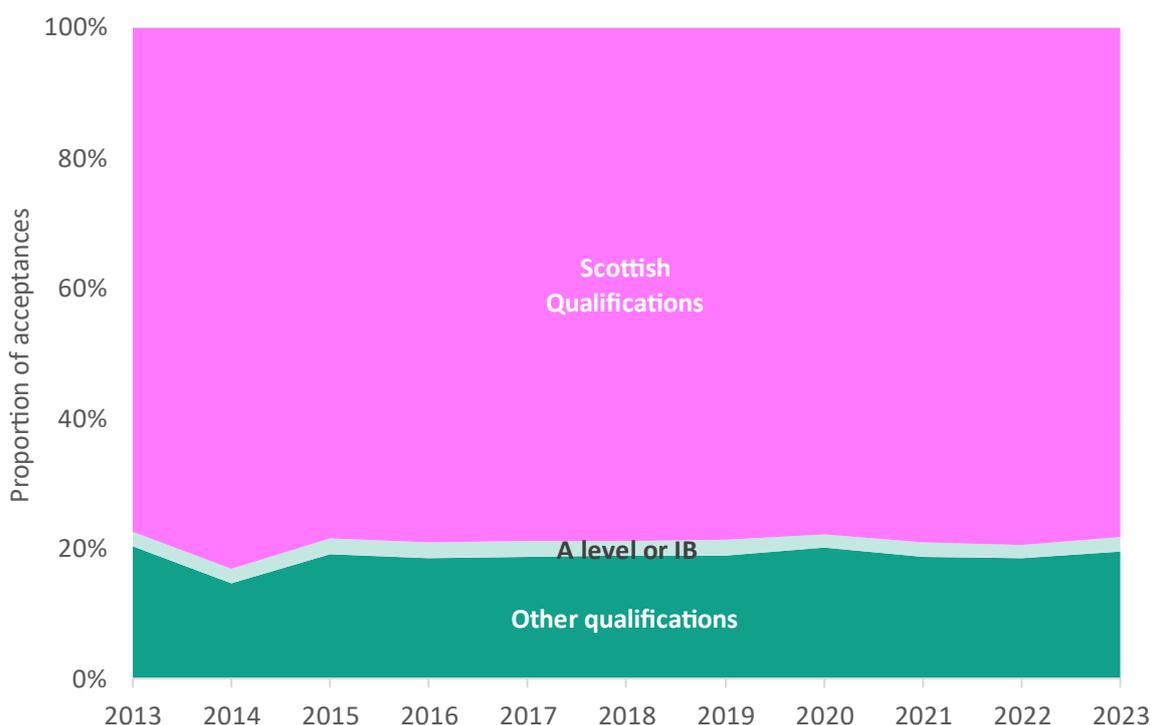


Source: Scottish Government

The data in Figure 3.31 below may not be completely representative of higher education applicants as around a third of entrants to higher education in Scotland do not apply via UCAS. For the remaining applicants however, over three-quarters apply with qualifications from the Scottish Qualifications Framework e.g. Scottish Highers (as one might expect). Around 2 per cent apply with A levels or the International Baccalaureate, and one-fifth apply with other qualifications. These proportions have remained relatively stable over the last decade.

⁵⁶ Data for and prior to 2008/09 was collected from the web archive at the secure service at the British Library. Therefore, figures are not revised and could have errors.

Figure 3.31: Higher Education application acceptances, by qualification type, Scotland, 2013-2023



Source: UCAS

3.3.5 Comparisons between the four nations

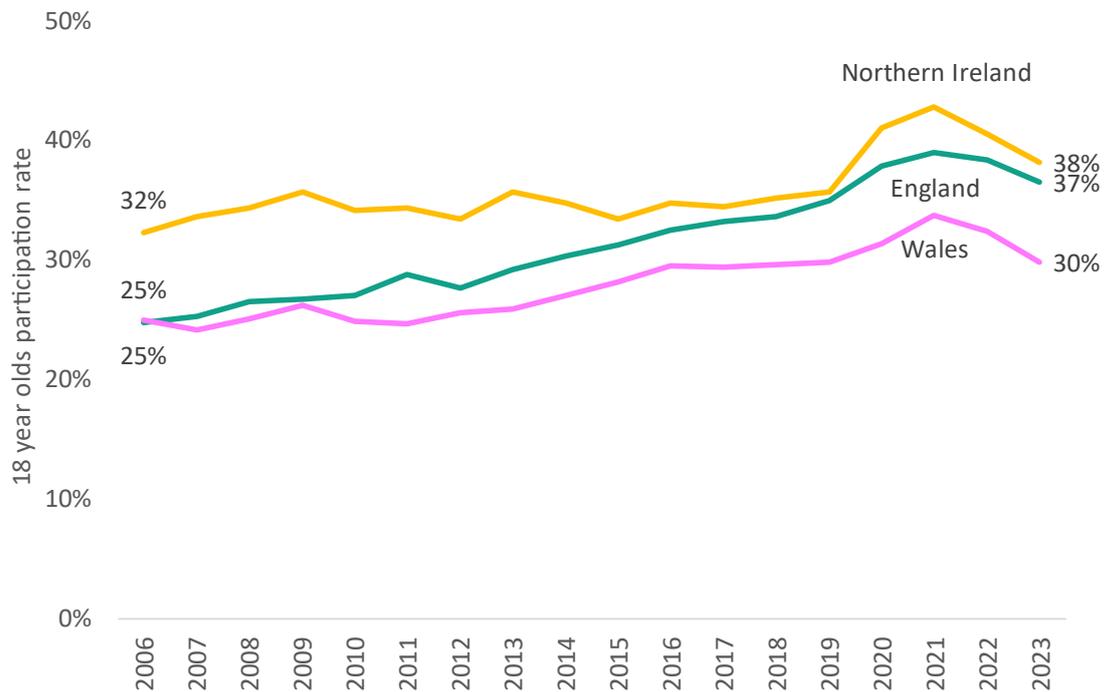
Direct comparisons of HE participation across the four nations are difficult. Whilst all four nations use UCAS for entry to higher education to some extent, in Scotland around a third of higher education applicants do not use UCAS (mainly those undertaking higher education courses in colleges). Nevertheless, UCAS remains a valuable source for comparing England, Wales and Northern Ireland. We can also use other official statistics to complement the picture.

The participation rates of 18-year-olds from England, Wales and Northern Ireland have all risen over the last 16 years to some extent. England has seen the most notable rise, with an overall increase of 10 percentage points (ppts) between 2006 and 2019, just prior to the pandemic. During 2020 and 2021 there was an increase of another 4 ppts, before falling by 2.4ppts by 2023. The participation rate in Wales was similar to that in England in 2006, but has risen much less than in England since then, by 5 ppts to 2019, and then by 4ppts by 2021. It then fell by 3.9 ppts by 2023.

Participation rates for 18-year-olds from Northern Ireland have historically been higher than those in England and Wales, by 8 ppts in 2006. However, rates in Northern Ireland only increased by only 3 ppts between 2006 and 2019, resulting in the gap with England reducing to just 1 ppt in 2019. Rates in Northern Ireland then rose sharply during the pandemic by 7ppts, before falling sharply by 4.7 ppts by 2023.

The net result is that higher education participation in England and Northern Ireland is notably higher than in Wales. This continues the picture we saw for post-16 participation, which was also much lower in Wales.

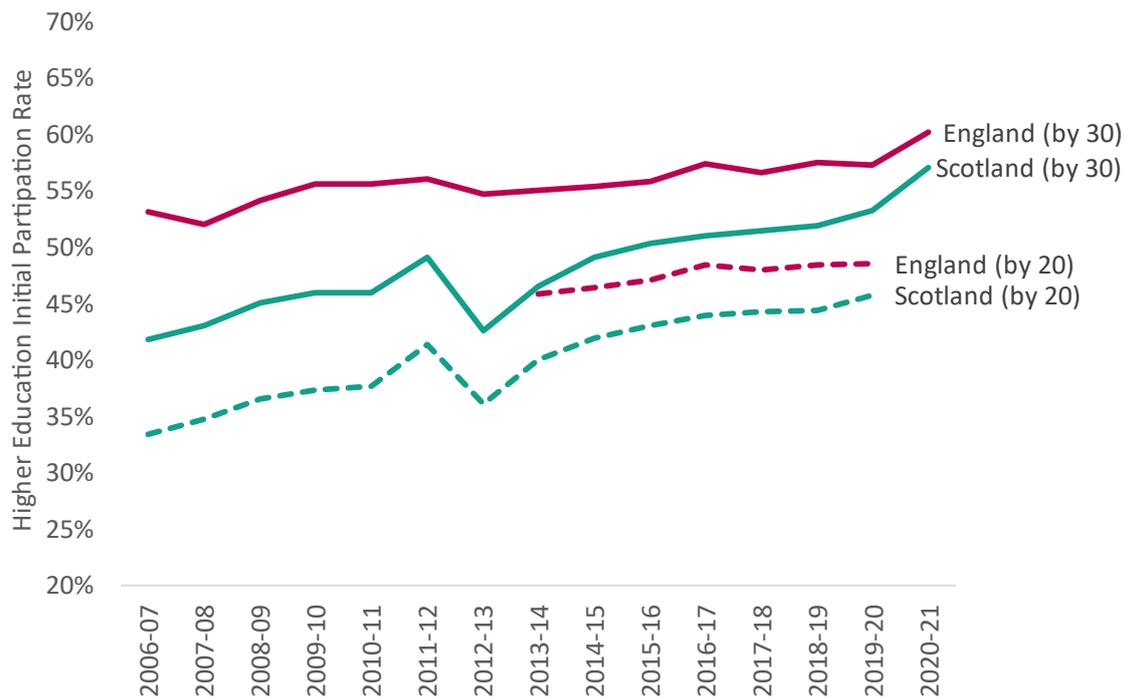
Figure 3.32 – Higher Education participation rate of 18-year-olds, England, Wales and Northern Ireland, 2006 - 2022



Source: UCAS

Whilst UCAS figures for Scotland are not directly comparable with those of other UK nations, The Scottish Funding Council do publish Higher education Initial Participation Rates (HEIPR). The HEIPR measures the likelihood of participation in higher education by age 30 (or age 20), and is suitable for comparison with the HEIPR of England. This shows a higher rate of higher education participation in Scotland than in England, both by age 20 and by age 30.

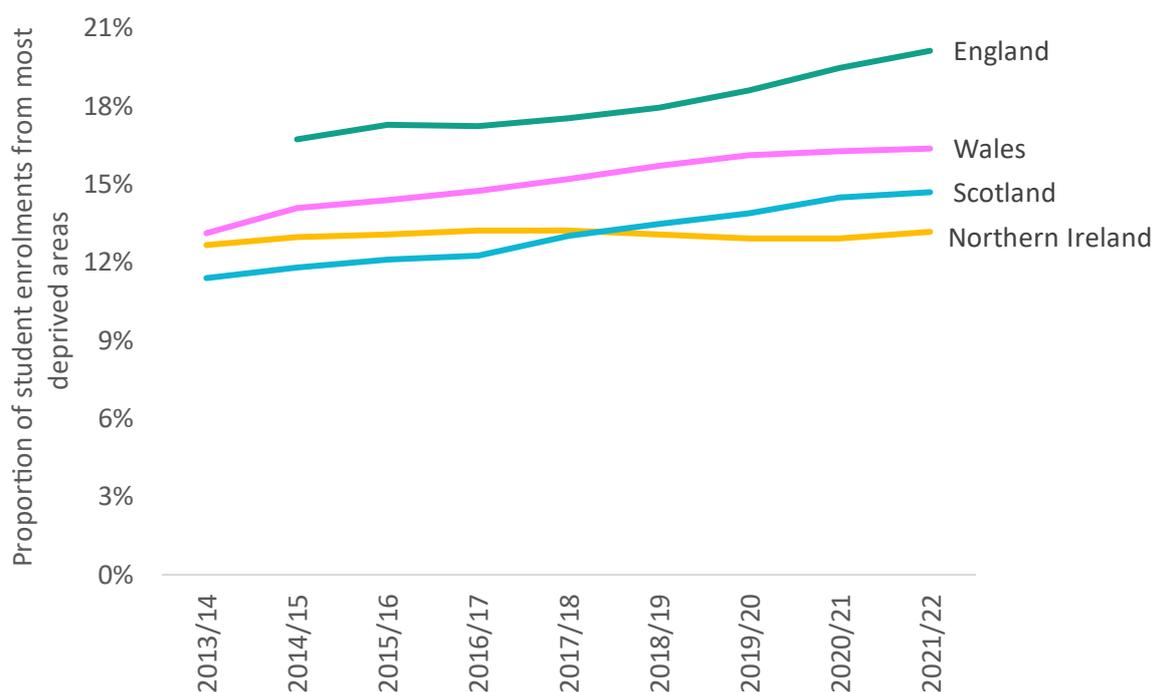
Figure 3.33 – Higher Education Initial Participation Rate, by 20 and by 30, England and Scotland, 2006-07 – 2019-20



Source: Scottish Funding Council and Department for Education (England)

In Figure 3.34, we show the share of young people from the most deprived areas in each nation who go on to higher education (based on HESA data, which includes colleges for Scotland). This shows that there has been rising participation in the most deprived areas across all four nations, but the growth has been faster in England. As a result, about 20 per cent of 18-year-olds in the most deprived areas of England attend higher education, as compared with about 15-16 per cent in Scotland and Wales, and 13 per cent in Northern Ireland.

Figure 3.34. Proportion of undergraduate enrolments from most deprived areas, HESA 2006–22



Source: HESA

3.4 Concluding summary

This chapter has illustrated some similarities and differences in educational routes and choices in post-16 education and training across the four nations of the UK. Here, we highlight and reflect on some of the key emerging themes.

Whilst participation in post-16 education is uniformly high across all four nations (over 90 per cent), there are difference in the type of provision. In Scotland and Northern Ireland, a much larger share of 16-17-year-olds are in school-based provision, over 60 per cent in Northern Ireland and nearly 80 per cent in Scotland. This includes students who split their time between school and college in these two nations. In contrast, smaller shares of young people are in school sixth forms in England (44 per cent) and Wales (35 per cent), with resultant larger numbers of young people in colleges. It is not clear that the provision split is better or worse in any of the four nations. However, these differences will have implications for the type of qualifications young people gain. Schools are much more likely to focus on academic qualifications, and young people in Scotland and Northern Ireland will thus be more likely to gain academic qualifications as a result of these differences in provision.

One recurring theme is the relatively low levels of education participation in Wales. We see this in the form of a high and increasing share of young people who are not in education, employment or training in Wales (nearly 11 per cent of 16-18-year-olds in Wales in 2022-23). We also see it in low levels of higher education participation, with Welsh boys having the lowest levels of higher education participation (26 per cent in 2022-23 and only slightly higher than 15 years ago). This is a potentially concerning picture for Wales.

The focus of apprenticeship schemes has been changing rapidly across all four nations, which mostly reflects deliberate actions on the part of policymakers. Apprenticeships have become increasingly

focused on adults (with about 50 per cent of apprenticeships taken by over 25s in England and Wales). In England, this partly reflects an easy means to achieve targets for apprenticeship starts. In Northern Ireland, we see much lower share of adults taking apprenticeships, which reflects a policy decision to focus adult funding only on priority economic sectors. We also see rising shares of apprenticeships at Level 4 or above, particularly in England, which has been a deliberate shift to focus on higher levels. However, we also see declining achievement rates across England, Wales and Northern Ireland. These falls are hard to interpret as they could be a source of concern, or a shift to harder and higher quality standards.

Finally, one underlying running throughout this chapter is just how hard it is to effectively compare levels of education participation with existing data across the four nations. Often, our comparisons were hampered by different definitions or incomplete data, such as focusing on school leavers or 16-17-year-olds and splits in data sources for college and school students. We weren't able to look at socio-economic differences in 16-18 participation at all across the four nations. Comparisons were slightly better for apprenticeships, but these could be improved too. These problems in comparing data for the four nations are a real shame. In principle, the four nations can be used for policy learning across the UK. A lack of comparable data severely limits these opportunities. The UK government and devolved administrations should make more effort to produce data in ways that allow for comparisons, particularly in terms of inequalities.

Section 4: Comparing educational and labour market outcomes

Luke Sibieta and Shruti Khandekar

This chapter explores the post-16 educational, employment, and occupational outcomes for young adults across the four nations of the UK. We analyse trends using a consistent data source across adults aged 22-30 from 2014 to 2022. These individuals will have left school and started post-16 education between 1998 and 2016. This almost exclusively covers the period following devolution of education policy in 1999. As noted in chapter 2, this will cover a wide range of post-16 policies and institutions over time. Educational and labour market outcomes will also reflect broad societal and economic events, such as the Great Recession of the late 2000s and the COVID-19 pandemic. We are therefore focused on the broad differences in outcomes and inequalities across the four nations, and the extent to which they reflect broad and sustained differences in approach to post-16 education and training. We specifically examine the degree to which outcomes vary by individuals' socioeconomic background, to gauge whether the effects of socio-economic background vary by nation. Results from this chapter provide an insight into the inequalities that persist across the nations, and the potential implications of the different educational routes and institutions across the four nations of the UK.

Methodology

We conduct this analysis using the Labour Force Survey (LFS), a quarterly survey of households across the UK. This survey is used for the production of official labour market statistics in the UK. It therefore includes detailed data on the educational, employment and occupational circumstances of household members above the age of 16. This wide-ranging coverage of individuals' outcomes together with standardisation of definitions allows us to leverage this dataset for cross-national comparisons across the UK. Additionally, the LFS oversamples the devolved nations (Scotland, Wales and NI), making it highly suitable for cross-nation analysis.

For most of these analyses, we restrict the sample to individuals aged between 22 and 30, inclusive, as we are interested in early career labour market inequalities between the four nations. The only exception is the share of young people not in education, employment and training (NEET), where we restrict the sample to individuals aged between 16 and 22. We do this given the high relevance of this outcome to younger adults and to extend the analysis of individuals classed as NEET in the preceding chapter on education routes and choices. All outcomes are weighted to ensure the results are representative of the UK population (including the effects of non-response bias).

We begin by examining differences in educational achievement across the four nations, including achievement of Level 3 qualifications (A Level or equivalent); achievement of Level 4 qualifications; achievement of Level 6 qualifications (degree or equivalent). We also examine the extent to which individuals are more likely to engage in vocational or academic routes up to Level 3 (here vocational is defined as any Level 3 qualifications other than A Levels, the International Baccalaureate or Highers in Scotland).

We examine variation in employment and earnings outcomes by nation. Specifically, we focus on the differences in employment levels, share of individuals who are classed NEET, and average earnings.

Lastly, we analyse occupational outcomes across the four nations. In particular, we place individuals into National Statistics Socio-economic classification (NS-SEC) groups based on the simplified method using three-digit Standard Occupational Classification (SOC) codes. We then further aggregate these groups into three broader categories based on the following classification:

- Professional Class – NS-SEC 1, NS-SEC-2.
- Intermédiate Class – NS-SEC 3, NS-SE-4, NS-SEC 5.
- Working Class – NS-SEC 6, NS-SEC 7.

We investigate the differential impact of socioeconomic background across the four nations on all three categories of outcomes. Socioeconomic background is proxied by the highest parental occupational background at the time the young person was aged 14. As per own occupation, parental background is grouped into professional, intermediate, and working class categories.

The results of these analyses are presented in two different ways. First, we use charts to show descriptive cross-nation differences in outcomes by year, and by parental background. Second, we regress outcomes on the interaction between nation and parental background with year fixed effects. The latter analysis allows us to construct confidence intervals to discern whether the effects of parental background differ by nation for particular outcomes.

4.1 Educational Outcomes

This section explores differences in educational outcomes across the four nations. Using detailed data on highest educational qualifications, we focus on four outcomes grouped according to the Regulated Qualifications Framework (RFQ)⁵⁷:

- Achieving Level 3 qualifications or higher (including A levels, Highers in Scotland and other Level 3, mostly vocational, qualifications).
- Achieving Level 4 qualifications or higher.
- Achieving Level 6 qualifications or higher (degree level or equivalent).
- Conditional on Level 3 qualifications, whether individuals' highest qualification is academic or vocational.

Figure 4.1 shows the share of young adults with Level 3 qualifications or higher across the four nations between 2014 and 2022. The portion of the population with at least a level 3 qualification has generally increased in all nations since 2014. Scotland has the largest share of young adults with a Level 3 qualification or higher (82 per cent) in 2022, which is followed by England (79 per cent). Both nations have seen a gradual increase since 2014. The share of young adults with Level 3 qualifications is lowest in Wales and Northern Ireland (at 71 per cent for both). In both cases, we observe very little net increase since 2018. Wales has had the lowest share of individuals with Level 3 qualifications since 2016.

As one might expect, these trends in Level 3 completion correlate well with observed differences in post-16 education participation in the previous chapter. England and Scotland have the highest levels of post-16 education participation, with the lowest levels seen in Northern Ireland and Wales, in particular.

⁵⁷ <https://www.gov.uk/what-different-qualification-levels-mean/list-of-qualification-levels>

Interestingly, there aren't big differences depending on whether post-16 provision takes place in schools or colleges. Both Scotland and Northern Ireland have high shares of 16- and 17-year-olds in schools, but Level 3 completion is much higher in Scotland. Both England and Wales make greater use of colleges for post-16 provision, but England has a much higher level of Level 3 completion.

Figure 4.1. Level 3 or higher in the four UK nations (%), ages 22 to 30

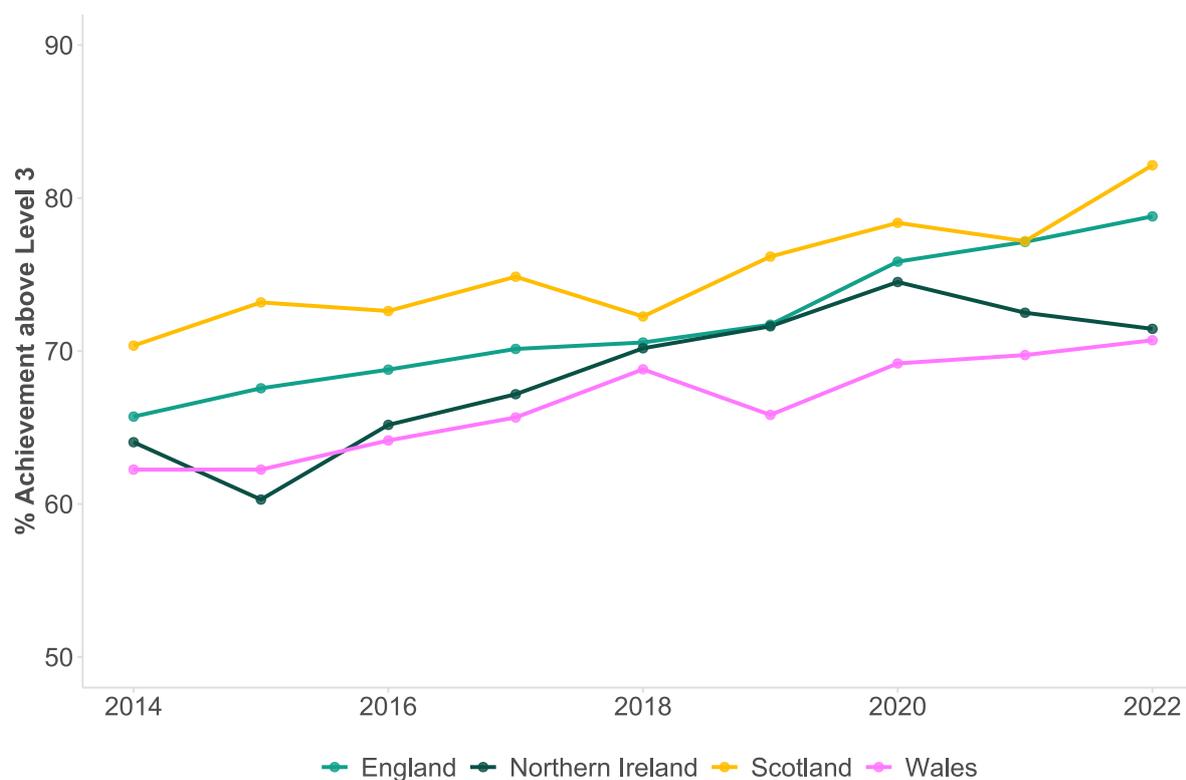


Figure 4.2 shows the relative importance of parental background on the completion of Level 3 qualifications across the four nations. In particular, we show the predicted share of young adults with Level 3 qualifications for each nation, given children's parental background, together with the 95 per cent confidence intervals for each nation and parental background. As one might expect, we find that young adults from professional parental backgrounds are more likely to complete a Level 3 qualification (about 85 per cent for England, Wales and Northern Ireland, and about 88 per cent in Scotland). Notably, we find that for any given parental background, young adults in Scotland are about 2-7 percentage points more likely to possess a Level 3 qualification – complementing the findings from Figure 4.1. Across the other nations, the differences, conditional on parental background are relatively small. This is important as it shows that the higher share of Level 3 completion in England (as compared with Wales and Northern Ireland) can mostly be explained by the share of pupils from different socio-economic backgrounds. The higher rates of Level 3 achievement in Scotland seems to remain even after account for parental background.

Figure 4.2. Level 3 completion or higher by nation and parental background

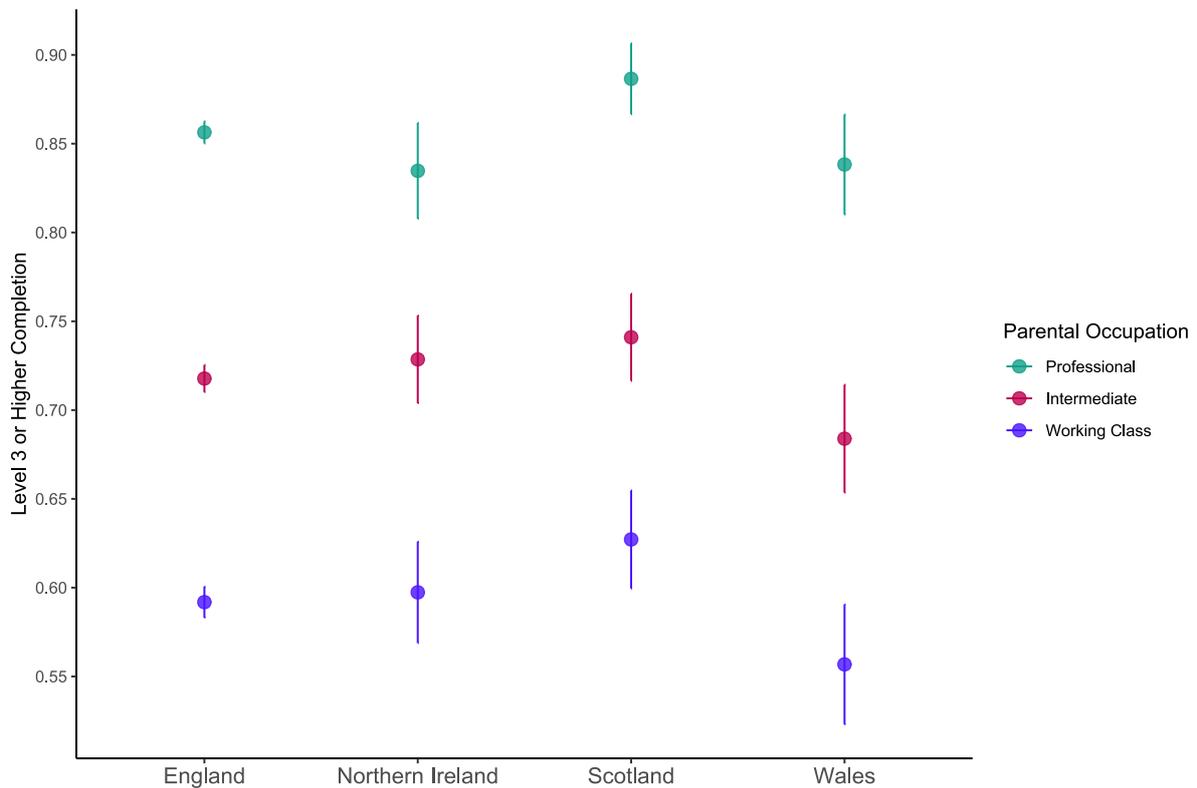


Figure 4.3 shows the share of young adults with Level 4 qualifications or higher across the four nations between 2014 and 2022. We see similar trends in Level 4 completions as we did for Level 3 (Figure 4.1). Level 4 completions were higher in Scotland than other nations (at 71 per cent in 2022), which is closely followed by England (at 69 per cent). As with Level 3 qualifications, Wales and Northern Ireland have the lowest level of Level 4 qualifications amongst young adults. Despite two small falls, Wales saw a net rise from 52 to 61 per cent between 2014 and 2022. Northern Ireland saw a gradual rise over time, before falling from 2020 onwards down to 57 per cent in 2022.

Figure 4.3. Level 4 or higher in the four UK nations (%), ages 22 to 30

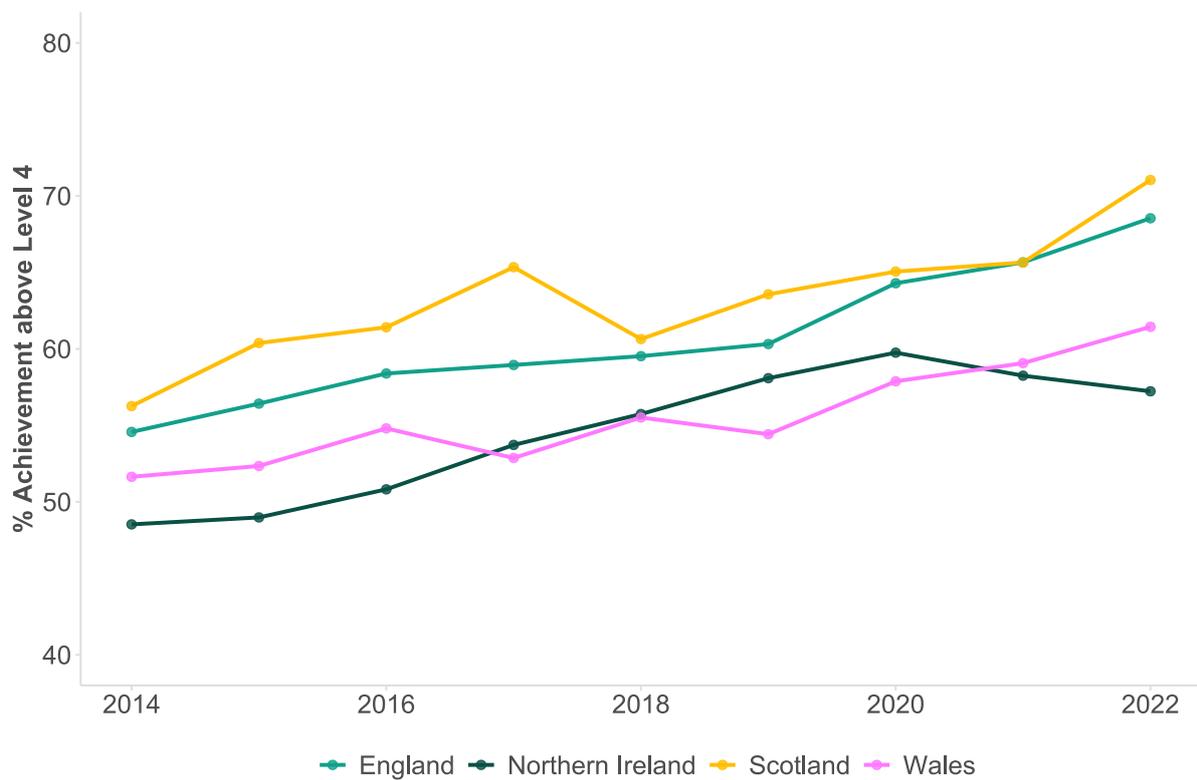


Figure 4.4 shows the predicted share of Level 4 qualifications across all four nations, for given parental backgrounds. Similar to Figure 4.2, findings from this figure suggest that young adults from Scotland are more likely to complete a Level 4 qualification for any given parental background, whilst young adults from Northern Ireland are the least likely to possess a qualification at Level 4 or higher for professional and working class parental backgrounds. Despite relatively wide confidence intervals, the levels of Level 4 achievement appear significantly lower in Northern Ireland than in both England and Scotland for those from professional and working class backgrounds. Young adults from England and Wales are equally likely to complete Level 4 qualifications amongst those from professional background, but individuals from Wales are less likely to complete Level 4 qualifications amongst those from intermediate and working class backgrounds. However, the confidence intervals are relatively wide for Wales by parental background.

Figure 4.4. Level 4 completion or higher by nation and parental background

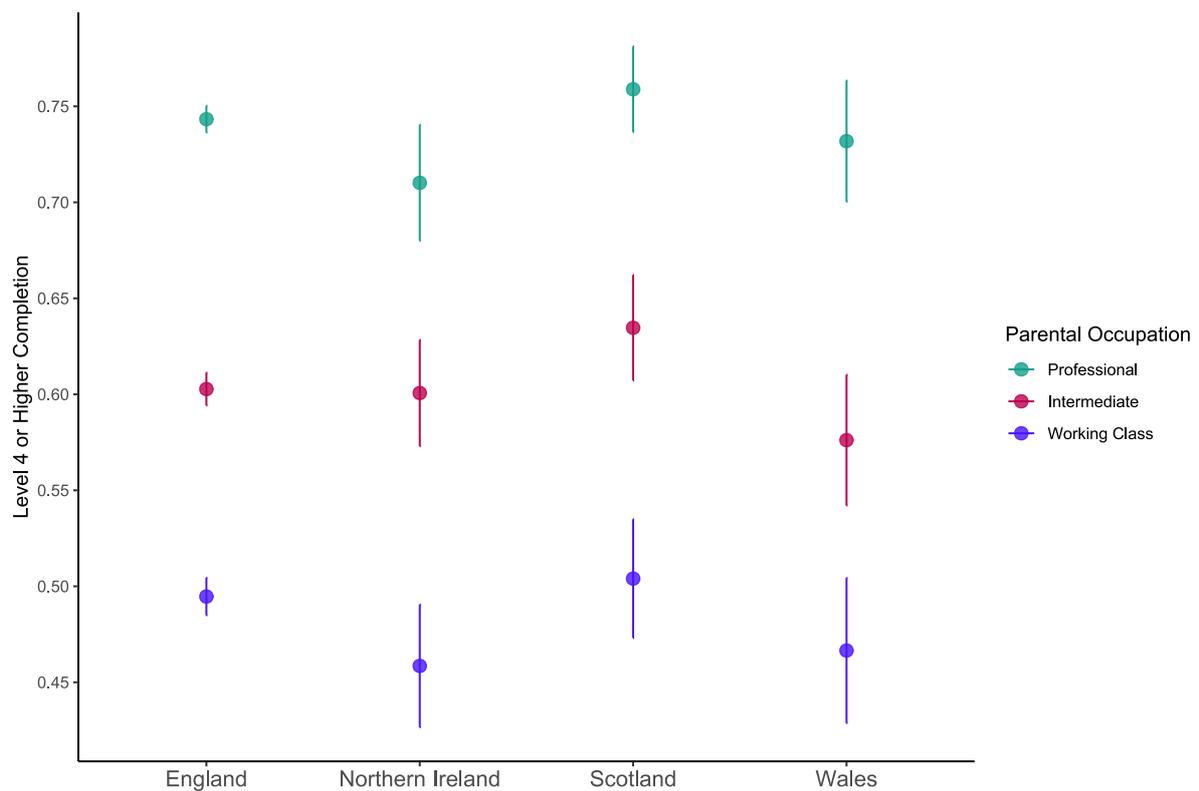


Figure 4.5 shows the share of young adults with Level 6 qualifications (degree-level or higher) across the four nations. Unlike lower levels, a greater portion of the population is likely to possess Level 6 qualifications or higher in England than in Scotland. This is particularly important, given that the previous chapter showed that individuals from Scotland were more likely to complete higher education (based on inconsistent data sources). The figure below suggests individuals from England are more likely to complete Level 6 qualifications when we use a consistent definition and data source. This gap between England and Scotland has been broadly maintained over time, with 49 per cent of young adults possessing a Level 6 qualification or higher in England in 2022 as compared with 46 per cent in Scotland.

Wales and Northern Ireland have also experienced an increase in Level 6 achievement rates over the last decade, though levels have decreased in Northern Ireland since the pandemic in 2020. Positively, the share of young adults with Level 6 qualifications in Wales has continued to increase since 2016, and continued to increase since the pandemic. By 2022, the share of young adults with Level 6 qualifications stood at 41 per cent in Wales and Northern Ireland. This still leaves both nations with the lowest shares of young adults with Level 6 qualifications or higher.

Figure 4.5. Level 6 or higher in the four UK nations (%), ages 22 to 30

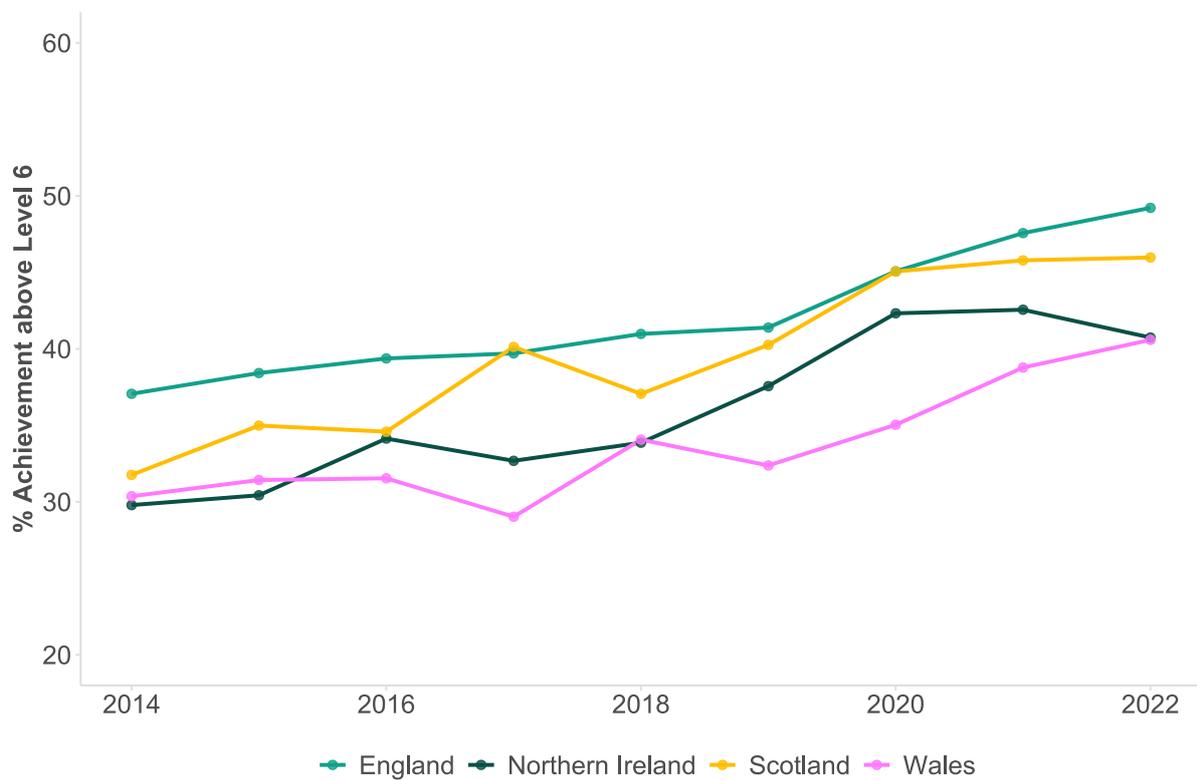
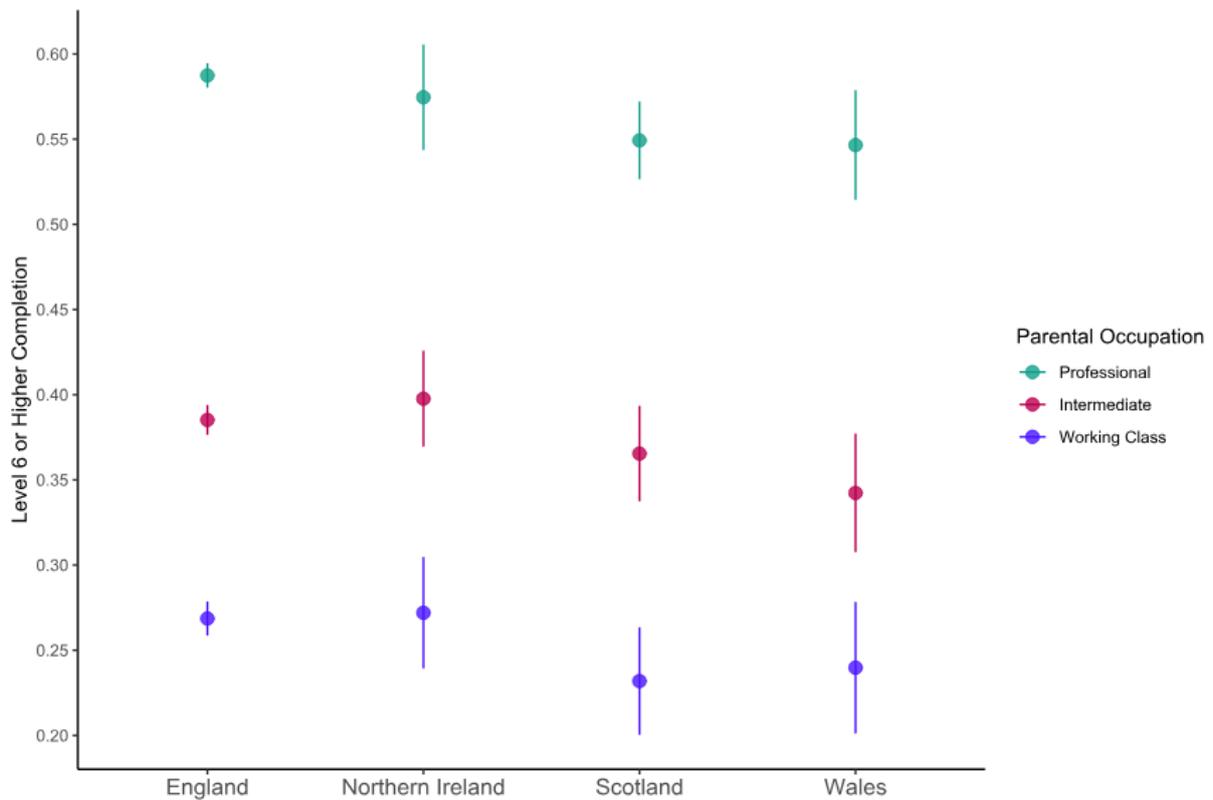


Figure 4.6 shows the varying effects of parental background on Level 6 qualifications across the four nations. In general, individuals in England remain slightly more likely to complete Level 6 qualifications than across other nations, particularly those from professional backgrounds. Young adults from Northern Ireland appear only slightly less likely than those from England to achieve Level 6 qualifications, with relatively wide confidence intervals. This strongly suggests that lower overall achievement rates in Northern Ireland reflect a higher share of individuals in Northern Ireland from lower socio-economic backgrounds. Young adults in Scotland and Wales appear slightly less likely to complete Level 6 qualifications across all socio-economic backgrounds, though there are relatively wide confidence intervals for Wales. Notably, the differences between all nations for a given level of parental background appear to be minor suggesting that while inequities persist across and within nations, the effects of socioeconomic background remain consistent across nations.

Figure 4.6. Level 6 completion or higher by nation and parental background



Academic and Vocational Completion

Figure 4.7 shows the share of Level 3 qualifications (or higher) that have been completed using academic qualifications. Overall, England and Northern Ireland have a higher share of academic qualifications than other nations. Findings for Northern Ireland are consistent with the structure of its educational system: it has high levels of school-based provision focused on academic qualifications, with most FE provision at Level 2 and below. Similarly, the low share of vocational qualification in England above Level 3 is unsurprising, as most Level 3+ provision has been academic until recently. In Wales, the lower share of academic qualifications is also to be expected given the high share of post-16 provision in colleges. However, the lower share of academic qualifications in Scotland is of note. Despite a high share of post-16 school provision, it has the lowest share of Level 3 qualifications represented by academic routes (about two thirds) and the highest share from vocational routes. This could be explained if a high amount of post-16 college provision in Scotland leads to Level 3 qualifications.

Figure 4.7. Academic qualification for Level 3 or higher in the four UK nations (%), ages 22 to 30

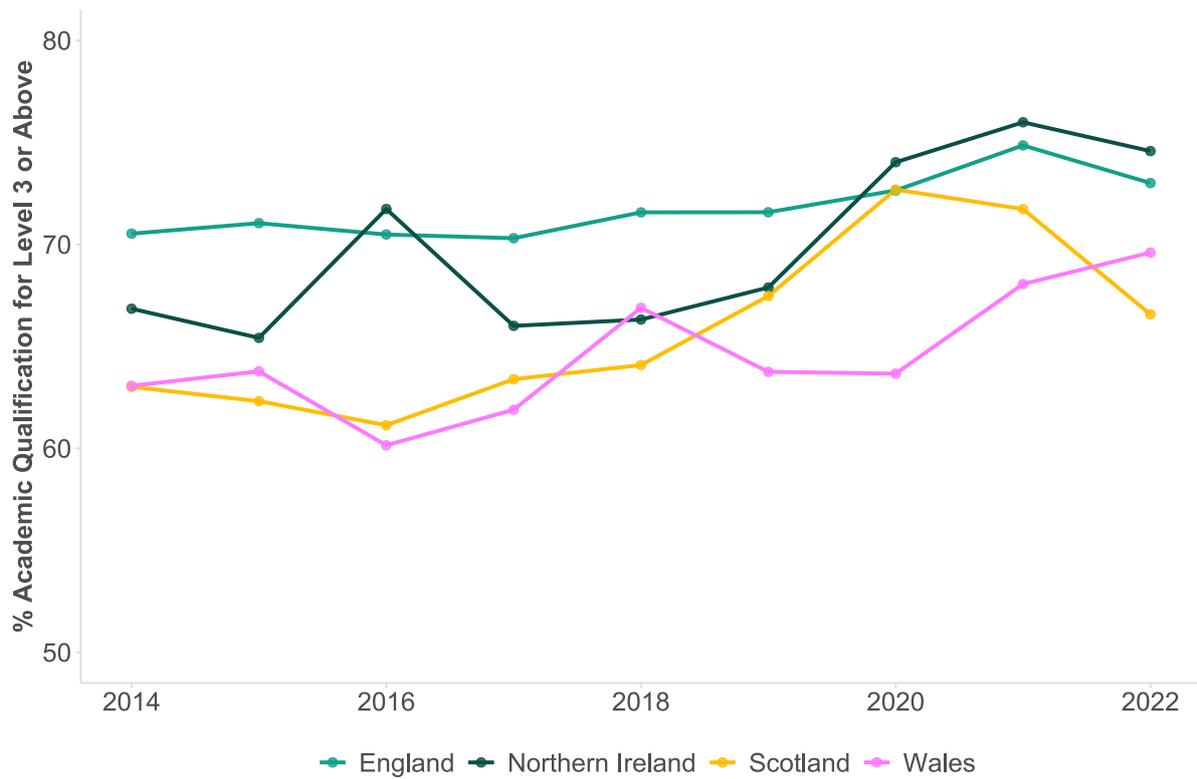
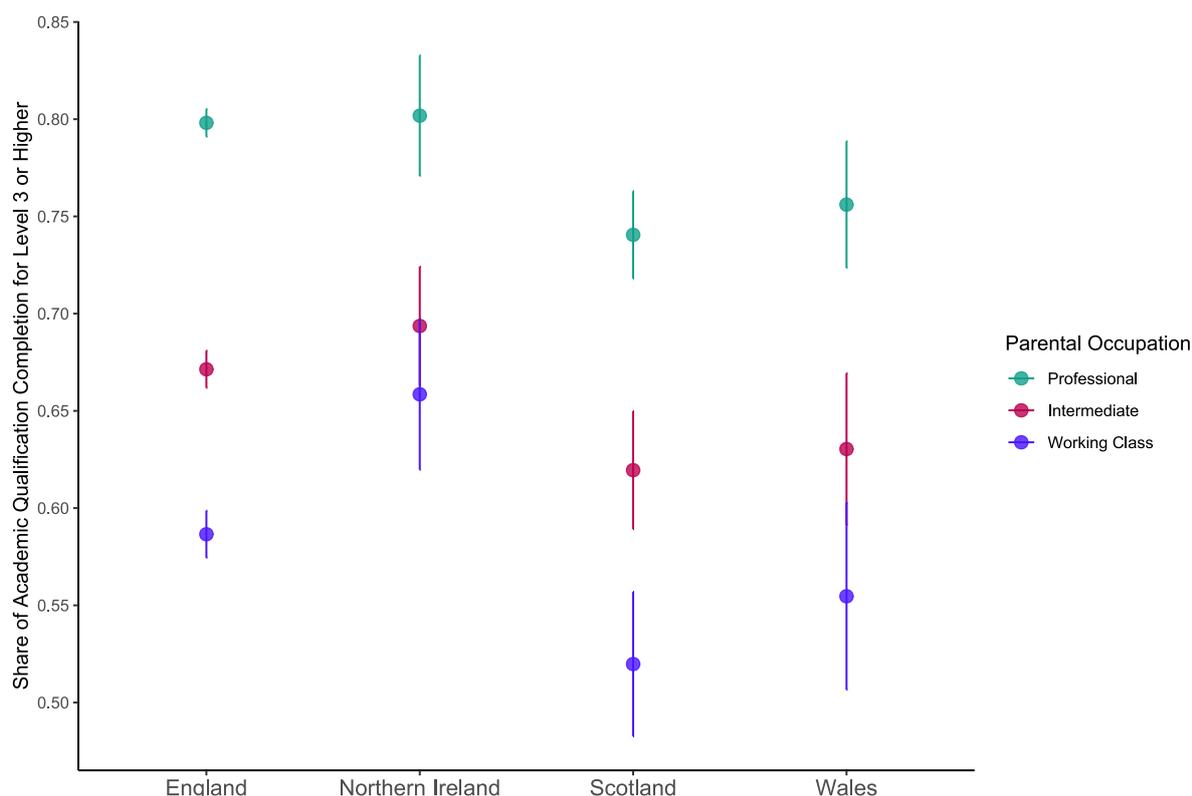


Figure 4.8 shows the share of Level 3 achievement that was through academic qualifications by nation and parental background. Individuals from professional parental backgrounds are more likely to complete academic qualifications, while the opposite is true for those from working class backgrounds. This shows that young adults in England and Northern Ireland were more likely to achieve Level 3 or higher through academic routes, across all parental backgrounds. Young adults in Wales were least likely to complete Level 3 qualifications or higher through academic routes, for all parental backgrounds.

Figure 4.8. Share of academic qualifications at Level 3 or higher by nation and parental background



4.2 Employment Outcomes

This section explores differences in employment outcomes across the four nations. The outcomes we examine are as follows:

- **Employed** (including self-employed).
- **Annual gross earnings.** This is based on usual weekly earnings (including second jobs) and is then summed to an annual figure. Earnings were trimmed at the 99.5th percentile and are presented in 2022 prices based on the Consumer Price Index (CPI).
- **Not in Education, Employment or Training (NEET)** – This represents all individuals who were not engaged in educational, employment, or training activities. The age group for this outcome was changed to 16 to 22-year-olds, given it is more relevant for this age range.

Employment

Figure 4.9 shows the level of employment amongst 22 to 30-year-olds across the four nations. Employment levels amongst young adults in England and Scotland were about 80 per cent in 2022 and have grown steadily over time. Despite seeing a net increase over time, employment levels in Wales and Northern Ireland are lower (75 and 78 per cent respectively) and have seen more volatile changes, especially prevalent during the pandemic years. This could reflect lower sample sizes.

Figure 4.9. Employment levels in the four UK nations (%), ages 22 to 30

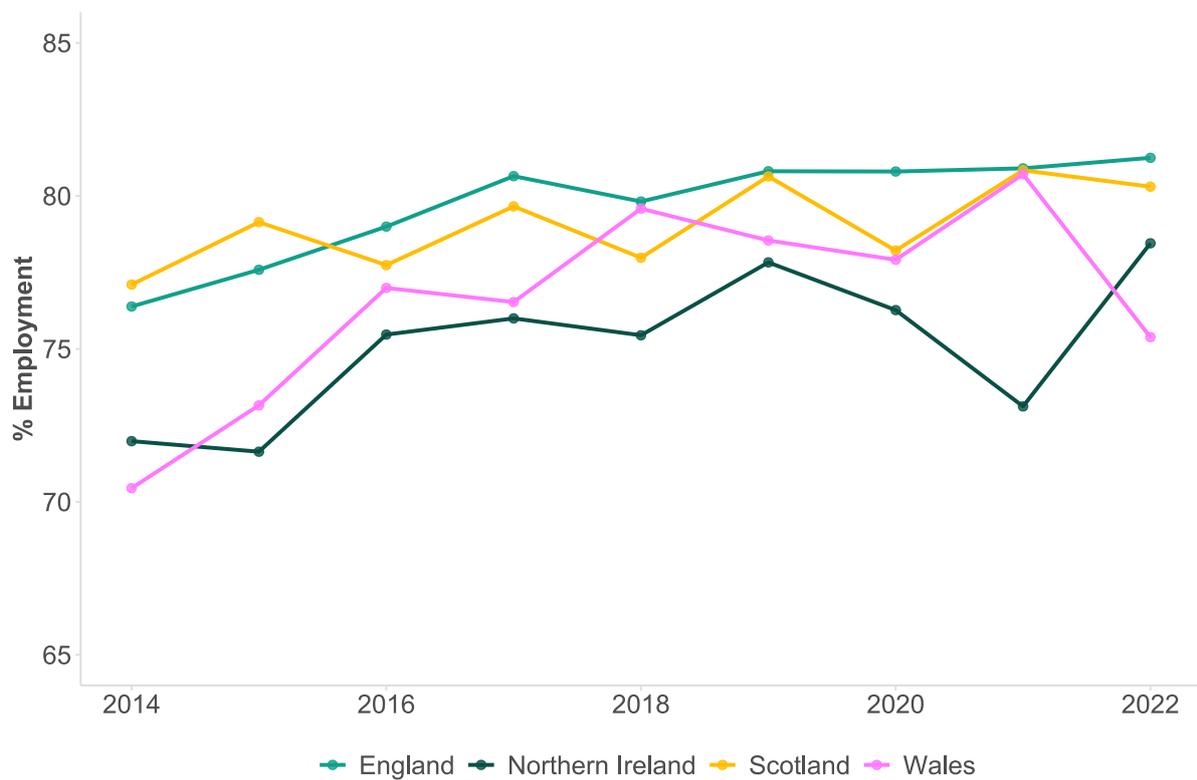
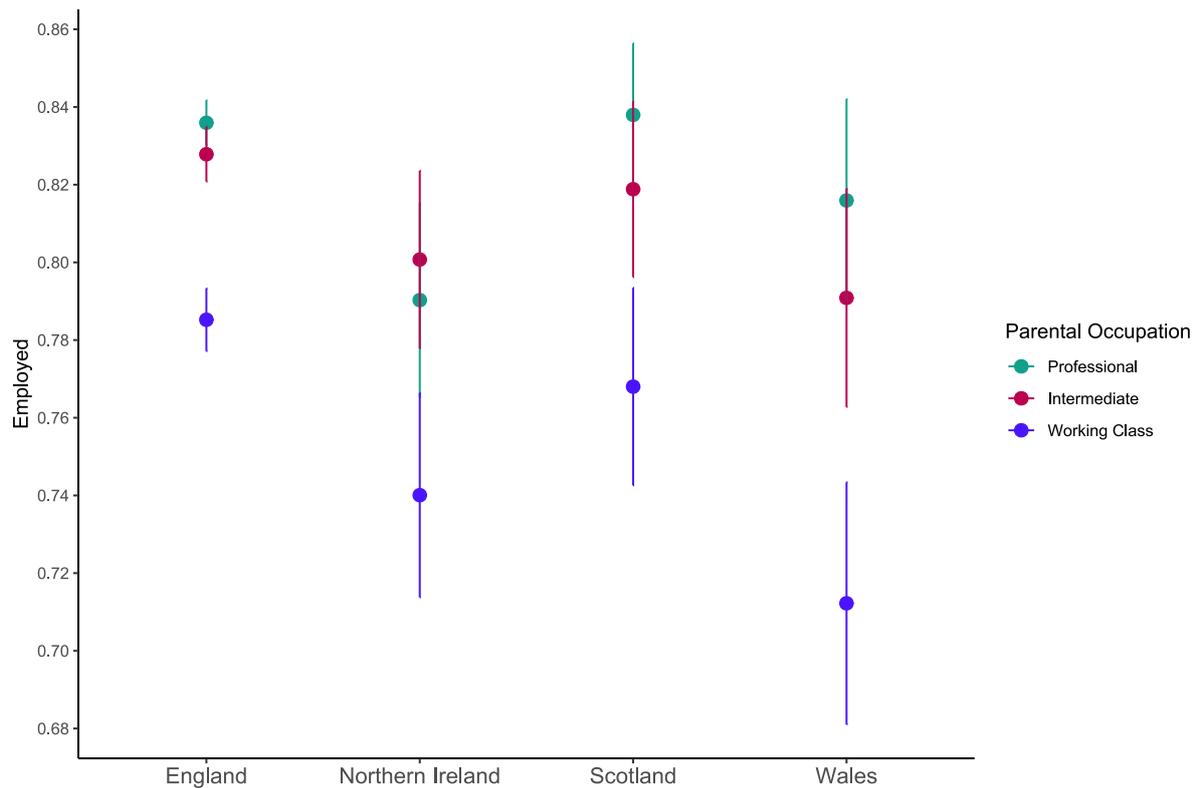


Figure 4.10 explores the differential effects of parental background on employment amongst young adults across the four nations. The evidence suggests employment in the early career phase is highly influenced by parental background. Young adults from professional backgrounds are roughly six to ten percentage points more likely to be in employment than those from working class backgrounds across all nations. However, the gap between professional and intermediate occupations for any given nation is less stark as the difference varies between zero and two percentage points.

We also see that employment levels are higher in England and Scotland, conditional on socio-economic background. Employment levels are notably lower in Wales and Northern Ireland across all parental backgrounds. This is particularly stark for those from working class backgrounds, with employment rates of 74 per cent in Northern Ireland and 71 per cent in Wales, which compares with 77-78 per cent for England and Scotland.

Figure 4.10. Employment levels by nation and parental background



Earnings

Figure 4.11 shows average earnings amongst young adults across the four nations. As is evident, average earnings in England has been consistently higher than the rest of the UK. Much of this reflects higher earning and a higher cost of living in London. We therefore show a further series for England without London. Here, we see very similar levels of average earnings in Wales, Scotland and England (excluding London) in 2022, at about £26,000. Scotland has seen similar trends to England (excluding London) over time, whilst earnings in Wales have caught up in relative terms over time. Earnings in Northern Ireland have been consistently lower and stagnated since 2014 compared to the other nations. It is noteworthy that Wales and Northern Ireland started the period with similar low earnings and trends. However, after 2019, average earnings in Wales caught up with Scotland and England (excluding London), whilst average earnings in Northern Ireland continued to stagnate.

Figure 4.11. Mean earnings in the four UK nations (£), ages 22 to 30

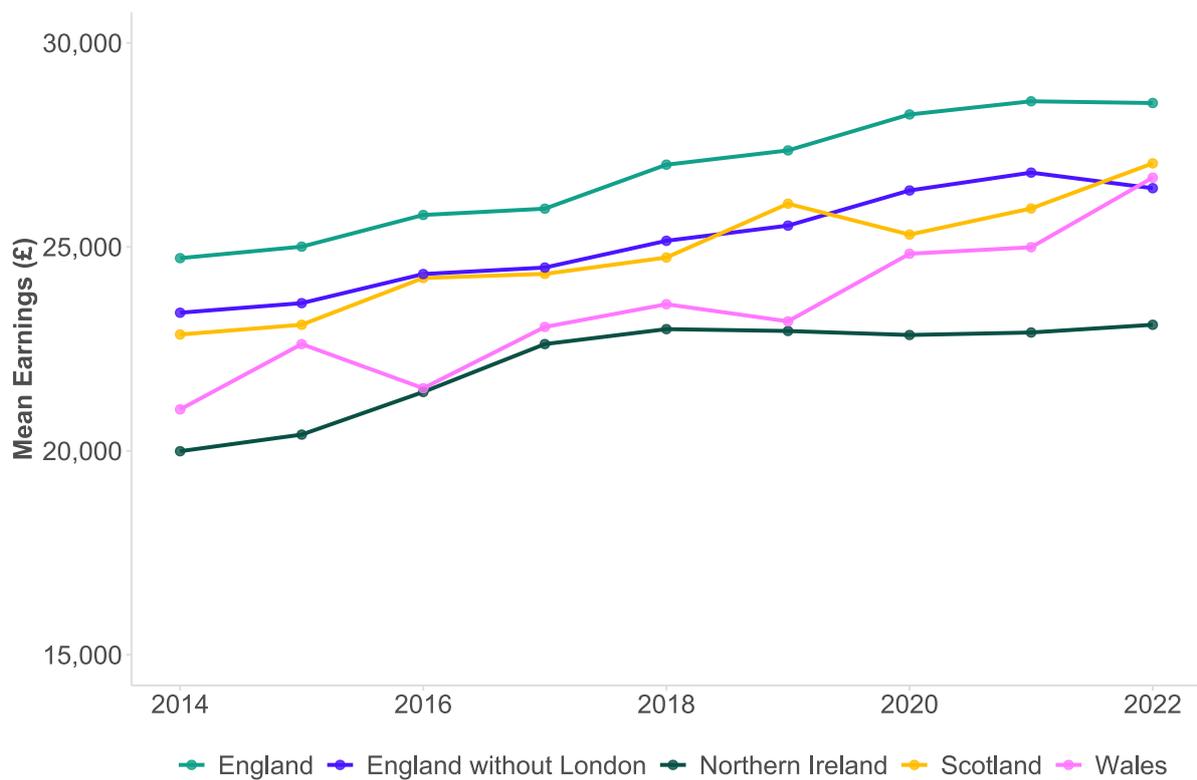


Figure 4.12 shows mean earnings by nation and parental background. This illustrates that earnings are higher in England than most other nations for all levels of parental background. The disparity in income between nations also appears to be greater on average for those from professional backgrounds than intermediate or working class. In particular, average earnings for young adults in Scotland are eight per cent lower than in England for those from professional backgrounds, but are more similar to England for those from intermediate or working class backgrounds. Earnings are about 10 per cent lower for young adults from professional and intermediate backgrounds in Wales as compared with England. For Wales, there is greater similarity for those from working-class backgrounds. For Northern Ireland, earnings for are significantly lower than England for all backgrounds. However, the relative low level for those from professional backgrounds may well be a feature of relatively small sample sizes.

Figure 4.12. Mean earnings by nation and parental background

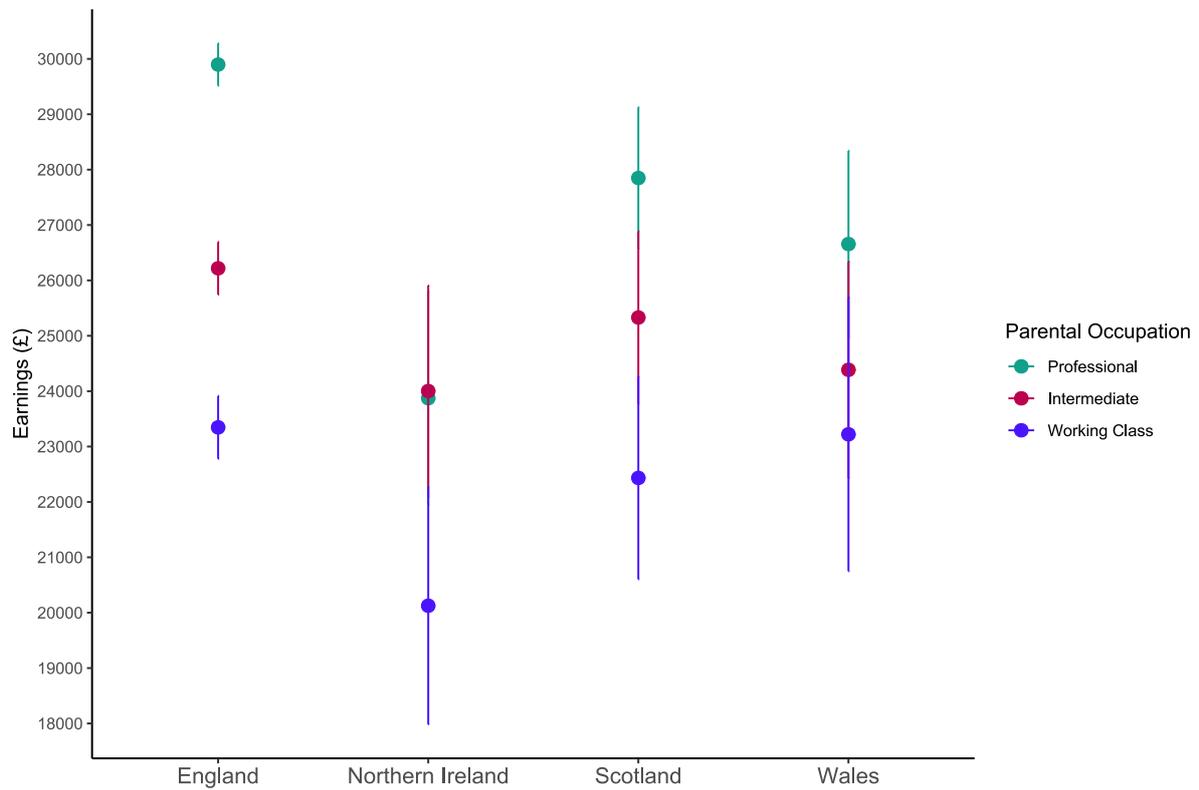


Figure 4.13 shows the share of 16 to 22-year-olds class as NEET by nation over the years. The NEET rate has hovered around 10 per cent for most nations in the years studied. However, Wales and Northern Ireland experienced high levels of NEET in 2020 (close to 12 per cent), though rates have dropped off since. Northern Ireland, in particular, experienced a sharp drop in NEET after 2020, though it is possible that it may be due to small sample sizes. Findings from this figure provide additional context to the NEET trends initially explored in the Routes and Choices chapter, where we saw NEET rates were particularly high in Wales.

Figure 4.13. NEET levels in the four UK nations (%), ages 16 to 22

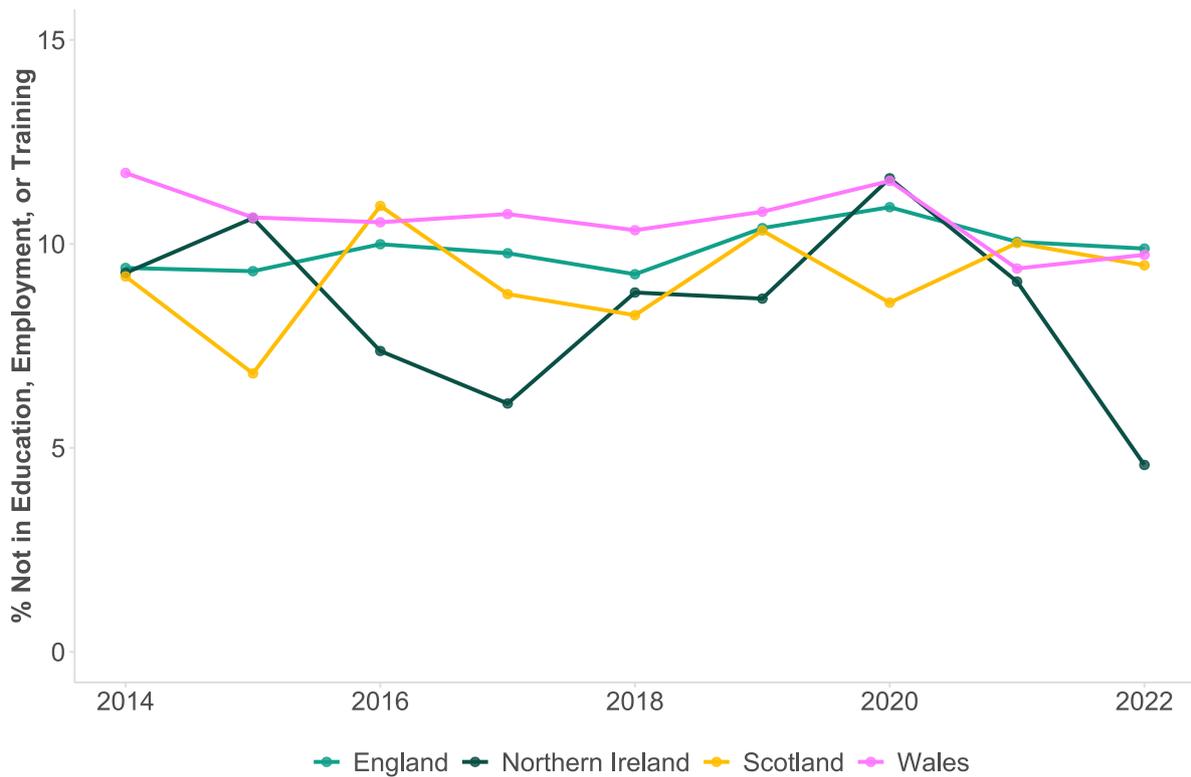
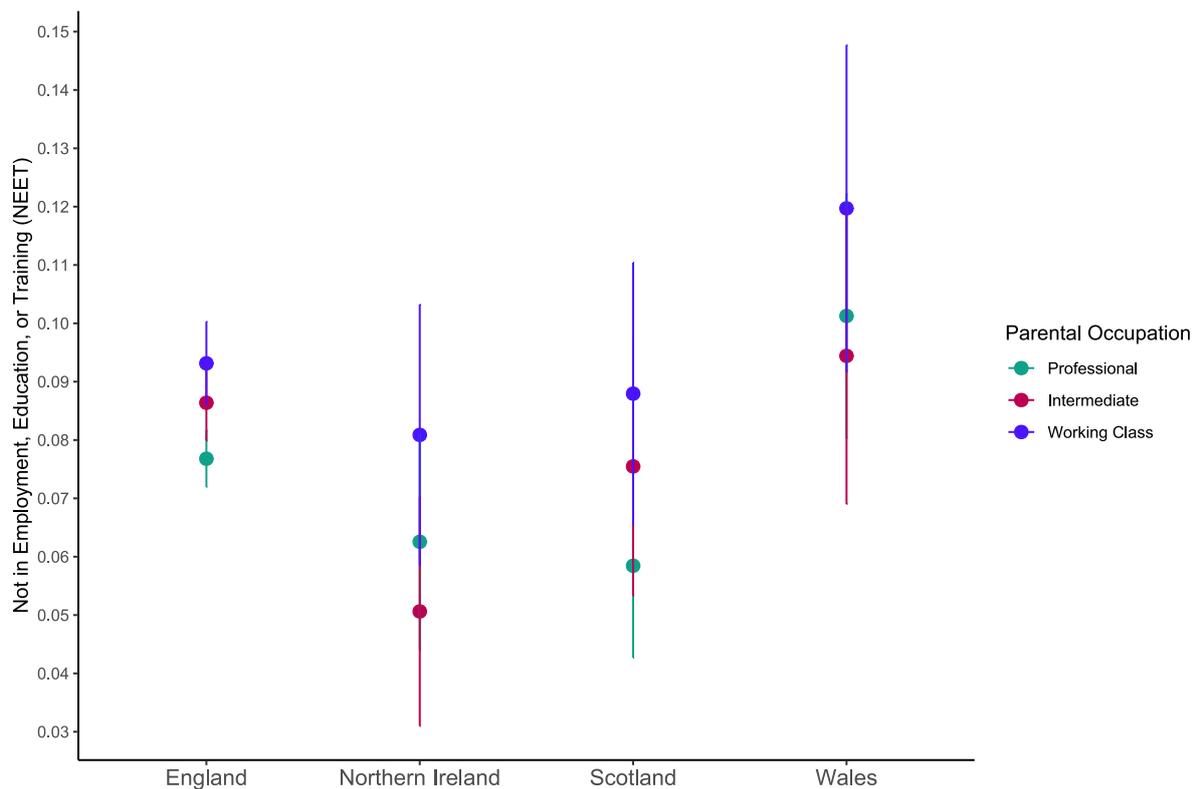


Figure 4.14 disaggregates the share of young people classed as NEET by nation and parental background. Within England, the share of individuals classed as NEET is relatively concentrated around 8-9 per cent, without much difference by parental background. In Scotland and Northern Ireland, rates of NEET are generally lower (about 5-8 per cent), with slightly lower shares for those from professional backgrounds. This may reflect the higher rate of education participation seen across both nations. The share of individuals classed as NEET is generally highest in Wales, with about 12 per cent of young people from working class backgrounds classified as NEET in Wales (the highest across all four nations).

Figure 4.14. NEET levels by nation and parental background, ages 16 to 22



4.3 Occupational Outcomes

In this section, we explore the occupational outcomes for individuals in the four nations. We study these outcomes in addition to employment to gain further insight into the trends and, more importantly, inequalities that persist within labour market outcomes. Occupational outcomes are often highly correlated with education, income and other aspects of life chances.

We group own and parental occupations into one of three main groups:

- Professional Class – NS-SEC 1, NS-SEC-2
- Intermediate Class – NS-SEC 3, NS-SE-4, NS-SEC 5
- Working Class – NS-SEC 6, NS-SEC 7

Figure 4.15 shows own occupation (y-axis) by parental occupation (x-axis) over the past decade. The top left square in the figure can be interpreted as the percent of individuals employed in professional occupations of those with a professional parental background. For instance, of the individuals with a professional parental background in England in 2014, roughly 55 per cent were employed in professional, 27 per cent in intermediate, and 18 per cent in working class occupations.

Parental effects persist across the figure. Children of parents with professional backgrounds are far more likely to be employed in professional occupations than children of parents from other backgrounds. Overall, however, the share of individuals in professional occupations has been rising across all nations and across all socioeconomic backgrounds, though to a varying degree. Similarly,

trends in the share of individuals in intermediate occupations have largely remained stable, while the share of individuals in working class occupations have decreased.

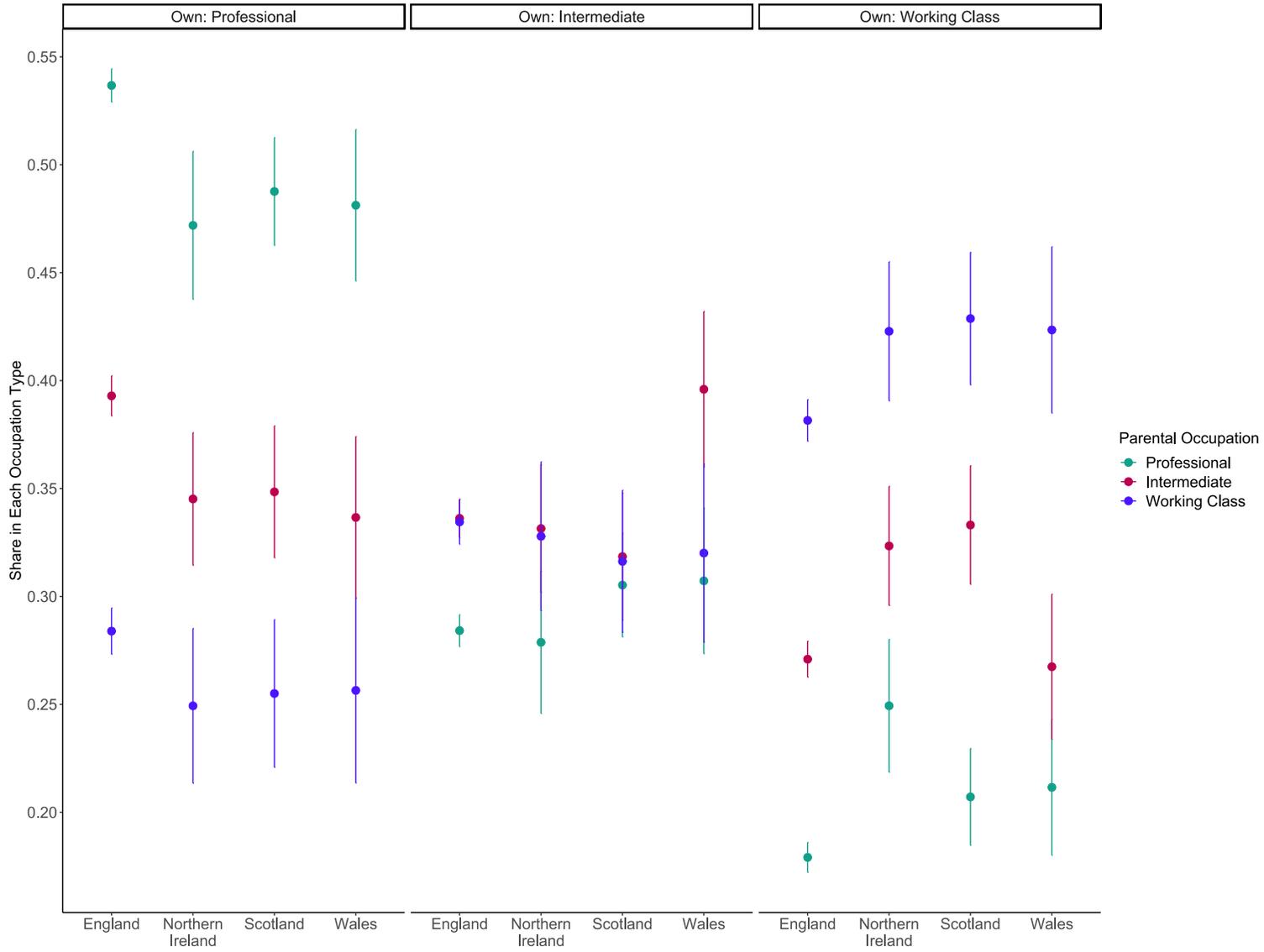
Figure 4.15. Own occupation by parental occupation in the four UK nations (%), ages to 22 to 30



We focus on the differential role of parental effects across nations in Figure 4.16 by regressing own occupations on the interaction between nation and parental occupation. This shows significant effect of parental occupation on own occupations. Amongst those from professional backgrounds, young adults were much more likely to be in professional jobs (53 per cent in England, 47-49 per cent in the rest of the UK) than those from working-class backgrounds (28 per cent in England, 25-26 per cent in the rest of the UK). This also highlights that individuals from England are uniformly more likely to be in professional occupations than those from Wales, Scotland and Northern Ireland. Those from working-class backgrounds are much more likely to be in working-class jobs themselves (38 per cent in England, 42-43 per cent in the rest of the UK) than those from professional backgrounds (18-25 per cent across the four nations).

Focusing on the gaps between those from professional and working-class backgrounds, young adults from professional backgrounds in England were 25 percentage points more likely to be professional occupations themselves than those from working class backgrounds. This gap doesn't vary much across nations, being around 22 percentage points in Northern Ireland and 23 percentage points in Scotland and Wales. This suggests a relatively common level of social immobility across the four nations.

Figure 4.16. Own occupation by nation and parental background



4.4 Concluding summary

In this concluding summary, we reflect on some of the key emerging themes on the educational and labour market outcomes of young people across the four nations of the UK.

First, we consistently see the highest educational and labour market outcomes in England and Scotland. Across both nations, we see higher shares of young people with A-level equivalent and degree-level qualifications. We also see relatively high employment and earnings outcomes, with employment levels about 80 per cent for young adults and average earnings of about £26,000 (excluding London).

Second, we see lower educational and labour market outcomes in Wales and Northern Ireland, with lower shares of young people possessing A-level equivalent and degree-level qualifications. Such differences can be seen even after we account for socio-economic background. Indeed, the lowest educational and employment outcomes can be consistently seen for young people from working-class backgrounds in Wales. This continues a theme relatively concerning outcomes in Wales, which we also see in our analysis of routes and choices in Chapter 3.

Finally, we see relatively large differences in educational and employment outcomes by socio-economic background. Young people from professional backgrounds are about 25 percentage points more likely to possess Level 3 qualifications and about 30 percentage points more likely to achieve degree-level qualifications. Such differences are mostly consistent across nations. They then translate into differences in earnings, employment and occupational outcomes, with those from professional backgrounds more likely to be in employment and in professional occupations themselves.

Conclusion

In this report, we have examined the changing post-16 education and training (E&T) policies and institutions across the four nations of the UK, and their driving forces. We have also compared the educational routes, choices and outcomes for young people across the four nations. Whilst this is not our final report, we are still able to draw out some key emerging conclusions, to propose interim recommendations and to set out the next steps for our analysis.

Significant policy divergence

Policymakers across the four nations have made significantly different choices in how to organise their post-16 E&T systems, particularly since devolution in 1999. A much larger share of young people are in school in Scotland and Northern Ireland after age 16 than in England and Wales, where there is greater reliance on colleges. There is also greater partnership between schools, colleges and universities in Scotland and Northern Ireland and, increasingly in Wales, with some pupils jointly registered. This partly reflects different philosophies on how to run the system, with a much greater focus on cooperation and coordination in Scotland and Northern Ireland, a more market-orientated system in England. Wales is increasingly moving towards a systems-based model of coordination through the newly created Commission for Tertiary Education and Research with the goal of a more coordinated and cooperative approach.

There are also large differences in qualifications. Scotland has long had a different system, but more recently post-16 qualifications in Wales and Northern Ireland have also begun to diverge from England. Differences in higher education funding are widely debated, particularly the Scottish model. However, we also see differences in apprenticeships, with a high focus on higher level and adult apprenticeships in England, and a deliberate decision in Northern Ireland to focus funding on younger people.

Multiple and changing goals

Another key theme emerging from our analysis is the vast range and changing set of goals that post-16 E&T systems are expected to achieve. This includes individual labour market returns, preparing individuals for the world of work and individual well-being. At a societal level, they include meeting skill needs and driving economic growth, social mobility and social justice, citizen formation and meeting wider challenges such as Brexit and net zero. It is understandable that policymakers across the four nations will have different goals, and this has partly driven some of the policy divergence we have observed. However, the vastness and constantly changing nature of the goals makes it extremely difficult for post-16 E&T systems to set priorities.

A high level of policy churn

Linked to both changing goals and policy divergence, E&T policy is in a constant state of flux across all four nations, particularly when compared with more stable E&T systems worldwide – Austria, for example, has maintained a relatively stable E&T policy approach for the last two decades. The level of policy churn experienced within UK E&T is enormous and potentially damaging for all the individuals and institutions involved. Constant policy churn emphasises the view that the E&T system is at best flawed and at worst failing. This has the potential to harm the morale of staff and

stakeholders involved in the system as well as negatively shaping the aspirations of young people and their families and their perceptions of different E&T pathways. Importantly, if parity of esteem between FE and HE is to be achieved, FE needs to be built up as a stable and valid institution in society. It is arguable that the levels of policy churn experienced over the last three decades have had a detrimental impact on that process. At the same time, research from SKOPE over the last two decades has repeatedly shown that skills supply side policy interventions are all too often a default approach when the issue such interventions are attempting to address may actually reside on the demand side. Labour market reform and regulation may better address issues related to skills shortages and gaps, skills deployment, underemployment, overskilling etc.

Poor state of data

Official Statistics exist to give citizens a view of society and of the work and performance of government, allowing them to assess the impact of government policies and actions. However, despite the importance of post-16 education provision, one theme running throughout our analysis is just how hard it is to effectively compare levels of post-16 education participation and routes with existing data across the four nations. Often, our comparisons were hampered by different definitions or incomplete data, such as focusing on school leavers, splits in data sources for college and school students, or cases where data is split across government departments. Data can sometimes be organised around the latest focus of policy, which, as we know, can frequently change. We weren't able to look at socio-economic differences in 16-18 participation at all across the four nations. Comparisons were slightly better for apprenticeships, but these could also be improved too. In principle, the four nations could be used for policy learning across the UK. In reality, a lack of comparable data severely limits these opportunities.

The data would benefit from a greater focus on capturing the pathways and outcomes of national cohorts as they pass through the education system. For example, providing outcomes for all young people of a particular cohort, including those in colleges, rather than just those that have progressed in school sixth forms. Given the number of young people moving between nations to attend higher education, there should be a greater effort to standardise statistics on higher education participation.

Emerging longitudinal education outcome datasets (such as the LEO dataset) will provide nations with opportunities to improve the comprehensiveness of their statistics. They should take up this opportunity to produce better and more comparable statistics.

Inequalities are large everywhere

When we were able to look at socio-economic inequalities in access and outcomes, we observed gaping differences in educational outcomes from choices. Those from more disadvantaged backgrounds were less likely to achieve A level or equivalent qualifications, and less likely to achieve degree-level qualifications. As a result, they are then less likely to be in employment, will have lower earnings and less likely to be in professional occupations when they do enter the labour market. These inequalities are of similar size across all four nations, with just slightly higher university attendance amongst the most disadvantaged students in England.

Outcomes look particularly concerning in Wales

Finally, one unfortunate recurring theme is the lower levels of education participation and outcomes amongst young people in Wales. We see this in the form of a high and increasing share of young people who are not in education, employment or training in Wales. We also see it in low levels of higher education participation, with Welsh boys having the lowest levels of higher education participation. This is visible in lower shares of young people achieving A level or equivalent qualifications, degree level qualifications and lower labour market outcomes for young people in Wales. This even remains true when focusing on those from poorer backgrounds, suggesting this is not just about higher levels of poverty in Wales. This concerning picture can also be seen in the recent PISA results, showing relatively low levels of reading and numeracy scores in Wales, and can be seen in EPI's previous analysis showing wider socio-economic inequalities in GCSE results in Wales compared with England. To put it bluntly, educational outcomes and inequalities are a source of major concern in Wales. It is not possible to isolate exactly which policies or institutions are driving this concerning picture in outcomes. However, it is worth saying that it is unlikely to be having a school leaving age of 16, compared with an education leaving age of 18 in England. The poor set of outcomes in Wales appear to be longstanding, the education leaving age was only recently raised to 18 in England, and the school leaving age remains 16 in Scotland and Northern Ireland, where outcomes look better.

Interim Recommendations

Based on these themes, we make a set of four interim recommendations. These are intended to be general recommendations on the overall direction of post-16 education and training systems across the four nations. Our final report, due later in 2024, will make further policy recommendations to build upon these.

- **A new stable settlement is needed.** In the short run, a new vision and policy approach for post-16 E&T may be needed. This will require political consensus within each nation on goals and ambitions that can be realised, well-funded institutions and structures, and a stable set of qualifications. Following that, a period of policy stability should be overtly enshrined in both the governments' and opposition parties' post-16 E&T priorities to allow the sector to recover. This may sound fanciful within the UK's adversarial political system, but the main political parties are not actually that far apart on their aims and policies for post-16 education and training. The instability has been occurring within governing parties over time and due to short attention spans. Despite its faults, the Butler Act of 1944 was a clear example of political consensus across parties that enabled policymakers to achieve ambitious goals for schools, and it created a system that remained in place for decades. The same is needed now for further education.
- **Data and statistics should be better, more comparable and more focused on inequalities.** The UK government and devolved administrations should make more effort to produce data in ways that allow for comparisons, particularly in terms of inequalities. New linked administrative data represents a clear way in which data, statistics and our understanding of inequalities could be improved.
- **A greater policy focus on inequalities is needed.** Equipped with better data on inequalities, policymakers across the four nations should be better placed to address the inequalities in

post-16 access and outcomes. This may require policy action in both post-16 education, but also earlier in the system.

- **More active and urgent action is required in Wales.** Policymakers in Wales should be taking more urgent and active steps to understand and improve post-16 educational outcomes and inequalities.

Next Steps

This interim report details the initial findings from a two-year long (September 2022 – September 2024) collaborative project. A final report will be published in the autumn of 2024. Further work will be undertaken examining the relationship between E&T policy choices, pathways and individual experiences through a series of industry-level case studies. This will involve mapping industry-specific E&T pathways, analysing relevant documents and interviewing key stakeholders to get an in-depth understanding of emerging skills needs and key issues in the structure of UK E&T. We will continue working with a Youth Advisory Group, which has already been instrumental in providing vital feedback on the work carried out so far, to amplify youth voice in the project, working with members to gain a deeper understanding of the perspectives of young people on their E&T experiences, and ensure policy recommendations reflect the needs and aspirations of young people. We will analyse differences in school leaving ages across the four nations, considering the impact of school leaving ages on future education and employment outcomes. Finally, we will undertake a deeper analysis of educational inequalities across England and Wales, considering the contribution of differences in provision and student characteristics to inequalities in employment outcomes. Our final report will make further, detailed, policy recommendations to build upon those in this interim report.

Appendix: Narrative Descriptions of Four Nation E&T Policy

Mariela Neagu, Susan James Relly

England

England's FE & Skills Policy since devolution

Devolution came in the context of the country's falling economic performance at international level. Under the pressure of enhancing its economic performance, England needed a skilled workforce for improvement, needing to design effective policies that delivered best value for money. This is the context which generated numerous policy initiatives in tertiary post-16 education leading to a high level of instability. Shortly after devolution, the Learning and Skills Act (2000), which replaced the 1992 Further and Higher Education Act, introduced the separation of further education from higher education.

A chronological analysis of the changes⁵⁸ indicates over 30 legal changes since devolution, expressed in 6 education acts, 9 reviews, 4 White Papers, 3 green papers, and 8 government strategy papers). The frequent policy changes have often been mirrored by institutional changes. The sector has been placed under or between government departments which dealt with education or employment and business, with specific units or government agencies dedicated to skills, reflecting on one hand its intersectionality between education and economy, and on the other hand policy makers' intentions to ensure the articulation between skills demands and education and training provision.

In practice, the aspirations expressed by institutional and policy changes led to an ebb and flow of eligibility criteria for accessing publicly funded Level 2 and Level 3 qualifications. In 1999, the post-16 further education opportunity encompassed ages 16-25 for levels 2 and 3, and included a wide range of skills⁵⁹ followed by different types of constraints, which were introduced in the 2000s. Further education was separated from higher education through the Learning and Skills Act (2000). The restrictive eligibility criteria for Foundation and Modern Apprenticeships (limited to 16 and 17 years) were followed by expansion to age 24 and removal of the age cap under the '21st Century – realising our potential' strategy while limiting Level 3 qualifications to specific sectors and specific regions in the country. A few years later (2013), the eligibility for Level 3 qualifications was limited to age 19 and apprenticeships were capped at age 24 and limited to those with no work experience.

Similarly, the 2011 Education Act which introduced apprenticeships for young people aged 16-18 and for vulnerable young people was followed by limitations of apprenticeships to those new in a role which required substantial training, and English and Maths requirements were attached.⁶⁰ Grants were another attempt to distribute limited funds in a strategic manner, for example, the pilot grants was introduced in 2003 which were limited to a first Level 2 or 3 qualification.

⁵⁸ Keep, E., Richmond, T., Silver, R., (2022), Honourable Histories, From the local management of colleges via incorporation to the present day: 30 Years of reform in Further Education 1991-2021. *Further Education Trust for Leadership*. <https://fetl.org.uk/wp-content/uploads/2021/01/Honourable-Histories.pdf>

⁵⁹ Delivering Skills for All (1999)

⁶⁰ The Richard Review of apprenticeships

Over the two decades since devolution, colleges as key actors in delivering further education, were also subject to several changes, including changes of status. Despite their incorporation in 1993, the state maintained the power to intervene in the case of failing training providers or to remove poor quality offers (for example, this was one of the recommendations recommended by the Wolf Review). During this time, the ONS decided their transfer to the public sector in 2010, a decision reversed in 2012 only to be reinforced again by the ONS in 2022.

Another attempt to increase efficiency in the sector was by encouraging college mergers through Area Based Reviews (2015). This trend of joining up different components continued in the Post-16 Skills Plan and the Sainsbury review (2016) which aimed to build alignment and flexibility between apprenticeships and two years college programmes so that learners would be able to move from one to the other.⁶¹ Each of these changes resulted not only in changes of procedures of how budgets were to be spent but have also the inherent cost which management change imply. Other ways to create fast responses are the introduction of skills bootcamps (especially STEM bootcamps), simplification of Level 2 and Level 3 qualifications, opportunities for Lifelong Learning through loan entitlements and by stimulating learning and earning opportunities. These recent attempts aim to align further education standards to employers' needs. However, the frequent policy changes indicate a level of dissatisfaction with the implementation of previous recommendations.

The country's decision to leave the European Union, added more pressure on the system as the need to enhance the local workforce became even more urgent. The Augar review (2019) recommended Level 2 and Level 3 qualifications for all those who did not have them and one billion pounds of funding for FE colleges. A desire for skills to respond to employers' needs has been another recurrent theme over the years, with several documents recommending that employers should have influence over the types of training provided, with some introducing credits or learners accounts to allow flexibility for learners.

Employers' involvement has been another recurrent theme over the years but in practice this has proved challenging as many small or medium size companies lack the capacity to train their staff (as recommended by the Train to Gain initiative, 2006) or get involved in shaping local or national policies. The introduction of the Apprenticeship Levy followed by the Skills for Jobs White Paper aimed at supporting employers and placing them in a position of influence in shaping the training offer through their participation in Local Skills Improvement Plans. The Levy was found too restrictive by some employers which led to ways of resistance, such as putting their own staff forward for those roles.

Frequent changes have also characterised the national qualifications framework, intended to increase the number of qualifications and flexibility of the system. The NVQ (national vocational qualifications) system was introduced in the late 1980s to rationalise qualifications expanded from Level 4 to Level 8 in 2004. The system was replaced by QCF (Qualifications and Credit Framework) in

⁶¹ Department for Business, Education and Skills, Department for Education. (2016). Post-16 Skills Plan. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/536043/Post-16_Skills_Plan.pdf

2011. This was regarded as not sufficiently effective and drove poor qualification design. It was replaced in 2015 by the Regulated Qualifications Framework (RQF).

The 2022 Skills and Post-16 Education Act was designed to ‘level up and drive economic growth across the country.’⁶² It aims to push skills which are currently needed (prioritising health and social care, engineering, digital, clean energy and manufacturing), to intervene in failing colleges, to remove degrees with no or low uptake, to unify and simplify the skills system for employers and learners, and to provide flexible loans for higher level education and training (in colleges or universities) from 2025. This intervention is accompanied by raising awareness of apprenticeships, T levels and traineeships among all secondary school pupils. At the same time, all Level 2-5 technical qualifications will have the same occupational standards and will be approved by employers via IFATE, similar to T Levels and Higher Technical Qualifications (HTQ). This approach follows the apprenticeship model and aims to boost the best use of public money by providing those skills which employers need.

The push for cooperation is not a new initiative. It follows the area-based reviews initiatives (2016) or integrated networks mentioned above.⁶³ The involvement of local stakeholders and employers has continued through the Local Skills Improvement Plans (LSIPs). Matching employers and individual needs while building thriving communities around skills (human capital) and industry remains a key challenge which various policies has attempted to tackle over time.

Lack of funding and ‘snobbery’⁶⁴ toward FE in terms of prestige (or lack of) has also been identified as an underlying factor which limited the efficiency of policies during their implementation. The perception of further education as the ‘Cinderella’ of the education system and the lack of social respect and recognition for skilled work contribute to young people’s choices (and their families’). Despite the described attempts to introduce some choice and flexibility, the system is perceived as complex, rather than flexible in terms of opportunities it offers young people and frequent policy changes have contributed to this perception.

To overcome the entrenched ‘snobbery’, the government announced in 2023 that both A levels and T levels will be replaced by one single degree, the Advanced British Standard (ABS). If nothing else, this may imply an acknowledgement that quick solutions cannot fix structural problems. The challenges of the sector have been the same for decades and they precede devolution. These are the lack of funding for strategic interventions across the country to support a vision and is not limited to pilot projects and bootcamps; the need to support employers’ consultation, gain their trust and identify ways in which small employers with little or no capacity to get involved in consultation, have their voices heard. The creation of a lifelong learning culture may only be possible if the barriers for retraining and upskilling are researched and well-understood.

The main challenges have not changed since devolution. Through different interventions, policymakers have maintained the same goals: to stimulate employers to invest in their workforce;

⁶² Department for Education. (2022). Skills Bill Becomes Law, 2022 <https://www.gov.uk/government/news/skills-bill-becomes-law>

⁶³ Hodgson A., Spours K., Gallacher J., Irwin T., James, D.(2019). FE and skills – is the ‘UK laboratory’ open for expansive policy learning?, *Journal of Education and Work*, 32:3, 277-291

⁶⁴Halfon, R. (2022). People & Skills in UK Science, Technology, Engineering and Mathematics, Oral Evidence. *House of Lords Parliament TV 8 .112022*. <https://committees.parliament.uk/event/15619/formal-meeting-oral-evidence-session/>

to stimulate young people and workers to train, retrain and upskill (lifelong learning); to provide state intervention in post-16 education and training which are cost effective and minimise deadlocks; and to have a vocational education and training system which is equally respectable and prestigious as HE. Various policy initiatives moved the bar of opportunity between universal and flexible approaches advocated by Skills for Life (2001), the Leitch Review (2006) and the Augar Review (2019) with some of these suggesting shared responsibility between learners, employers and government; others were more targeted interventions such as 21st Century Skills – Realising Our Potential (2003) which narrowed interventions to specific sectors and regions.

Bold moves in relation to both funding and governance are necessary for meaningful change to be achieved.⁶⁵ So far, no easy solution has been found to match the skills demand and the skills offer. Indeed, fast developing technologies appear to exacerbate the problem rather than help to address it. More recent initiatives such as the setting up of Local Skills Improvement Plans, an outcome of the Skills and Post-16 Education Act (2022) are new attempts to involve employers but it is not yet clear how the lack of capacity of small employers is addressed. So far, there appears to be agreement over the need to reform the Apprenticeship Levy which had the counter-effect of declining the number of apprentices due to lack of flexibility.

Policy stability is key to avoid derailing financial resources needed to manage frequent changes and to create trust and predictability for all stakeholders: colleges and training providers, employers, and learners. While this may be difficult to achieve close to elections, a cross party agreed policy which puts the best interests of the nation above anything else may be a utopic yet necessary project in the current context in which the economy is under the pressure of multiple unprecedented challenges.

Legal changes in FE Policy in England since 1999

- **6 acts:**
 - Learning and Skills Act in 2000, Education and Skills Act, 2008
 - Apprentices, Skills, Children and Learners Act, 2009
 - Education Act, 2011
 - Technical and Further Education Act, 2017
 - the Skills and Post 16 Education Act, 2022

- **9 reviews:**
 - The Moser Report ‘Improving literacy and numeracy: a fresh start’, 1999
 - Realising the potential- Review of the future of FE Colleges by Sir Foster, 2005
 - Leitch Review, 2006
 - Wolf Review, 2011
 - The Richard Review of Apprenticeships, 2012
 - The report of the Commission on Adult Vocational Training and Learning (led by Frank McLoughlin), 2013

⁶⁵ Orr, K. (2020) A future for the further education sector in England, *Journal of Education and Work*, 33:7-8, 507-514, DOI: 10.1080/13639080.2020.1852507

- The UKCES Review of Adult Vocational Qualifications in England (led by Nigel Whitehead), 2013
- The Sainsbury Review, 2016
- The Post-18 Review of Education and Funding (led by Philip Augar), 2019
- **4 White Papers:**
 - Learning to Succeed/Post 16 Education under Department for Education and Skills, 1999
 - White Paper on Education and Skills, 2005
 - Further Education-Raising Skills, Improving Life Chances for 14-19 (Department for Education and Skills), 2006
 - Skills for Growth (Department for Business and Skills) 2009
- **3 Green Papers:**
 - 14-19 Extending Opportunities, Raising Standards, 2002
 - Raising expectations, staying in Education for Post16, 2007
 - the Department for Children, Schools and Families consultation 'Raising Expectations', 2008
- **8 government strategy papers:**
 - Skills for All, 1999
 - Skills for Life, 2001
 - 21st Century skills – Realising Our Potential, 2003
 - Skills for Sustainable Growth, 2010
 - New Challenges, New Chances – Further Education and Skills System Reform Plan – Building a World Class Skills System (Department of Business, Innovation and Skills), 2011
 - English Apprenticeships, Our 2020 Vision (HM Government), 2015
 - College of the Future Report (2020) followed by the English report of the College of the Future
 - Skills for Jobs, 2021

The frequent policy changes have often been mirrored by institutional changes. The sector has been placed under or between government departments which dealt with education or employment and business, with specific units or government agencies dedicated to skills, reflecting on one hand its intersectionality between education and economy, and on the other hand policy makers' intentions to ensure the articulation between skills demands and education and training provision.

In practice, the aspirations expressed by institutional and policy changes led to an ebb and flow of eligibility criteria for accessing publicly funded Level 2 and Level 3 qualifications. In 1999, the post-16 further education opportunity encompassed ages 16-25 for levels 2 and 3, and included a wide range of skills followed by different types of constraints, which were introduced in the 2000s.⁶⁶ Further education was separated from higher education through the Learning and Skills Act (2000). The restrictive eligibility criteria for Foundation and Modern Apprenticeships (limited to 16 and 17 years) were followed by expansion to age 24 and removal of the age cap under the '21st Century – realising our potential' strategy while limiting Level 3 qualifications to specific sectors and specific regions in

⁶⁶ Delivering Skills for All (1999)

the country. A few years later (2013), the eligibility for Level 3 qualifications was limited to age 19 and apprenticeships were capped at age 24 and limited to those with no work experience.

Similarly, the 2011 Education Act which introduced apprenticeships for young people aged 16-18 and for vulnerable young people was followed by limitations of apprenticeships to those new in a role which required substantial training, and English and Maths requirements were attached.⁶⁷

Grants were another attempt to distribute limited funds in a strategic manner, for example, the pilot grants were introduced in 2003 which were limited to a first Level 2 or 3 qualification.

Northern Ireland

Northern Ireland's geopolitical context is unique among the four nations, particularly after UK's decision to leave the EU. Its complex religious and political context with dual ideology dominance (unionist and nationalist) has led to periods of suspension of the Stormont since devolution. The country has not had a First Minister since February 2020 when the DUP First Minister resigned in protest over the Northern Ireland Protocol. This means that the country is governed by senior civil servants who do not have the power to initiate new legislation on devolved matters. This is not the first time the country faces stagnation in exercising its policy making powers on devolved matters. Devolution was suspended between 2002 and 2007, and suspended again between 2017 and 2020. In practice that means that although civil servants undertake preparatory work for new policies, those cannot be enforced until a new First Minister is appointed and forms the cabinet. The country has insufficient workforce and a low productivity compared to the rest of the UK, and a high proportion of unskilled adults (with no qualifications)⁶⁸ alongside an economy dominated by SMEs. These gaps in the ability to exercise its devolved powers limited the number of initiatives Northern Ireland could undertake in post-16 E&T.

The six regional colleges are subordinated to the Department of Economy (after the dissolution of the Department for Employment and Learning). In the country's highly divided educational system, further education is often the first space where Catholic and Protestant young people meet. Despite having a potentially key role in social cohesion, the current political context leaves little space for innovation and its approach to further education has been borrowed from England and Scotland. The importance of further education after devolution was recognised in the 'Further Education Means Business Strategy' (DEL, 2006) document.⁶⁹ It required further education to create a qualified workforce to match the FE offer with the employers' needs, including foreign trade and investment. This policy continued to be reflected in subsequent policy documents, such as 'Success through Skills Strategy' (Department for Employment and Learning, the skills strategy for Northern Ireland, 2011), 'Securing our Success: The apprenticeship strategy in Northern Ireland' (DfE 2014), followed by 'Generating our Success: A strategy to bridge skills gaps in young people' (DfE 2015) and 'Enabling Success' strategy paper in 2015. the 2016 NI Executive's Programme for Government (PFG) was

⁶⁷ The Richard Review of apprenticeships

⁶⁸ Queen's University Belfast. (2022), Northern Ireland is poorest UK region for productivity, <https://www.qub.ac.uk/News/Allnews/featured-research/NorthernIrelandispoorestperformingUKregionforproductivity.html>

⁶⁹ Irwin, T. (2019), Further education and skills in Northern Ireland: policy and practice in a post-conflict society. *Journal of Education and Work*. 32:3, 266-276

produced with a framework of strategic outcomes further cementing the focus on employability and economic development.

Currently, Northern Ireland's vision for tertiary education is set out in 'Skills for a 10x Economy' (2022), which aims to reform the tertiary landscape and sets a strategic framework for the development of the country's skills system to 2030; to enhance the number of young people and adults getting qualifications at levels 2 and 3 as well as first degrees and post-graduate qualifications in STEM subjects; to create new vocational education pathways, Higher Level Apprenticeships, Skills Academies, Skill Up programme, allowing for flexibility between full-time education and apprenticeships. At the core of the implementation is the Skills Council where all key stakeholders are represented: business, Higher Education, Further Education, unions, regulators, and other government representatives. FE courses are funded by the UK Government through the Education and Skills Funding Agency (ESFA).

Northern Ireland's FE sector is closely linked with the religious and political context of the country.⁷⁰ FE policy in Northern Ireland has gradually adopted a marketized model with 'Essential Skills for Living' strategy (2000) and other subsequent strategies on skills and apprenticeships mirroring the English policy strategy.⁷¹ Currently, Northern Ireland is reconsidering the extent to which education should continue as an open market.

Colleges are funded by the Department for Economy. In addition to government funds, they can access these funds in partnership with the voluntary sector; however, a decrease in the government funding and a significant drop in the number of learners led to competition between vocational education and the other connected segments of the education system, secondary schools and higher education. These developments led to an acknowledged need to simplify the tertiary education landscape and review the current FE delivery model to identify new ways to avoid overlaps between education offers. Similar to Scotland's meta-skills, Northern Ireland has included transversal skills to enhance young people's career chances in an increasingly uncertain world.

Like all the other nations, Northern Ireland aspires to change perceptions about the way in which vocational qualifications are perceived in society.

Scotland

After devolution, Scotland took a different approach to vocational education and skills policy.⁷² Addressing inequalities has been a priority in Scotland and tertiary education has been one of the channels to tackle them. The Post-16 Education Act in Scotland (2013) makes it a duty of the Funding Council (and for HE institutions) to widen access to tertiary education. The Apprenticeship Equalities Action Plan (2015) has been another instrument aiming to get those who are in any way disadvantaged into education and work. For the Scottish government, further education and skills

⁷⁰ Husband, G. & Ireland, A., (2022) Contextualising further education governance in Northern Ireland: history, policy and practice, *Research in Post-Compulsory Education*, 27:3, 351-372, DOI: 10.1080/13596748.2022.2076052

⁷¹ Irwin, T. (2019), Further education and skills in Northern Ireland: policy and practice in a post-conflict society. *Journal of Education and Work*. 32:3, 266-276

⁷² UCL Institute of Education, FE and Skills across the four countries of the UK, <https://www.ucl.ac.uk/ioe/departments-and-centres/centres/centre-post-14-education-and-work/fe-and-skills-across-four-countries-uk>

are not only a means to address inequalities and achieve economic prosperity, but also an important component of the government's political ambition to gain independence.⁷³

Scotland is leading the way in adopting an integrative approach which started after devolution with the Further and Higher Education Act (2005). The 2005 Act introduced the "credit and qualification framework", a system of evaluation through which programmes of learning and courses of education may be compared and understood in relation to each other. The function of a regional college is the economic and social well-being of the locality of the regional college.⁷⁴

Scotland has a single funding body for funding universities and colleges – the Scottish Funding Agency – created through the merger of the Scottish Further Education Funding Council and the Scottish Higher Education Funding Council. The Scottish Funding Agency is a non-departmental body which funds tertiary learning and teaching, skills and apprenticeships, quality insurance as well as research, innovation, knowledge exchange and data collection. Skills Development Scotland, the country's national skills agency, works to support employers with their engagement in apprenticeships and funds some for this work. Moreover, Post-16 education is an integrated tertiary system in which the binary system of higher education and further education are merged into one tertiary system and in which students can achieve qualifications up to Levels 7 and 8 in colleges.

The distinct Scottish approach to further education has been underpinned by placing learners at the centre and a strong push for cooperation. This is reflected in policy documents such as 'Putting learners at the Centre – Delivering Our Ambitions for Post16 Education' (2011) to the Independent Review of Qualifications and Assessment report (2023).⁷⁵ Furthermore, the Scottish government has been preoccupied with simplifying learners' pathways and offering flexibility by creating micro-credentials and small qualifications within the country's tertiary education system, and diversifying pathways to employment through colleges which provide both FE and HE.

In addition to this, a constant preoccupation encouraging collaboration and partnerships between the four national agencies – Scottish Funding Council (SFC), Skills Development Scotland (SDS), Scottish Enterprise (SE), and Highlands and Islands Enterprise (HIE) – through the Enterprise and Skills Review (2017)⁷⁶ to 'enhance the system of support for enterprise, skills, investment and innovation' exists. This integrated approach at national level, sees Scotland pushing for closer partnerships between schools, colleges, and employers to gain fair access to employment, as recommended by the Commission for Developing Scotland's Young Workforce in Scotland's Youth Employment Strategy, Developing the Young Workforce (2014).⁷⁷ Similar to England, regionalisation was matched by government power to intervene in case of college failure. The regionalisation of

⁷³ Gallacher, J., Reeve, F. (2019) FE and skills in Scotland: the implications of a policy led and 'managed' approach? *Journal of Education and Work*, 32:3, 238-250, DOI: [10.1080/13639080.2019.1621274](https://doi.org/10.1080/13639080.2019.1621274)

⁷⁴ Further and Higher Education (Scotland) Act. (2005). <https://www.legislation.gov.uk/asp/2005/6/section/14>

⁷⁵ It's Our Future – Independent Review of Qualifications and Assessment report (2023), <https://www.gov.scot/publications/future-report-independent-review-qualifications-assessment/>

⁷⁶ Scottish Government(2017), Enterprise and Skills Review, Report Phase 2, <https://www.gov.scot/publications/enterprise-skills-review-report-phase-2/>

⁷⁷ Developing the young workforce: Scotland's youth employment strategy, <https://www.gov.scot/publications/developing-young-workforce-scotlands-youth-employment-strategy/>

colleges was criticised by trade unions such as UNISON⁷⁸ as funding for college was cut by 18% during regionalisation.⁷⁹

In 2021, Scottish Cabinet Secretary for Education and Skills launched Future Skills Action Plan (phase two) to enhance the agility of the system and employer's responsiveness. Overall, after devolution Scotland developed a managed approach⁸⁰ to further education and skills. Its consistency may be partly attributable to political continuity and a determination to shape a national agenda which connects education to economic strategies: Scotland's Economic Strategy/2015 and the Labour Market Strategy/2016 by framing skills as investment in people as articulated in the Fair Work Convention (2016).

Scotland is currently undertaking an overhaul reform of education and skills, overseen by the Skills Programme Workforce Programme and by a cross-Ministerial Skills Working Group. With a new economic strategy (National Strategy for Economic Transformation -NSET), Scotland's Enterprise & Skills Strategic Board has become the National Strategy for Transformation Delivery Board. This Board is the central institution for further education and skills in Scotland. Its role is to strengthen the links between tertiary education and economic development, recognising the importance of colleges as a national asset, playing a strategic role for employers. It aims to create an integrated and coordinated system, with a single tertiary budget, and awareness raising campaigns about the importance of higher education, increasing cooperation of colleges within and between regions. Colleges are regarded as key to leading digital transformation.

The FE & skills policy in Scotland needs to be interpreted in the context of the country's National Performance Framework which lays out the values which frame policies: treating all people with kindness, dignity and compassion, respecting the rule of law, and acting in an open and transparent way. This human (and human rights) perspective which places people at the centre is consistent with the fair work approach (effective voice, opportunity, security, fulfilment, respect). Compared with the other nations of the UK, Scotland has a more global outlook with a National Performance Framework which is largely inspired by the United Nation's SDG framework. Even so, James

Wither's report 'Fit for the Future: developing a post-school learning system to fuel economic transformation Skills Delivery Landscape'⁸¹ (2023) has focused on the skills functions of Scotland's national public bodies (Skills Development Scotland, SDS, and the Scottish Funding Council, SFC), the design and delivery of apprenticeship programmes, regional and sectoral skills planning, and employer engagement and it makes both structural and operational recommendations. It recommends moving responsibility for national skills from agencies (SDS and SFC) to the Scottish Government, the setting up of a new funding body for post-school learning and training, the development of SDS as a national career service, and a clear mandate for enterprise agencies (which are regional) to support businesses with workforce planning.

⁷⁸ Unison Scotland. (2011). College Regionalisation, Proposals for Putting Learners at the Centre, <https://www.unison-scotland.org.uk/response/Response%20to%20college%20regionalisation%20proposals%20december%20201%85.pdf>

⁷⁹ Ibid.

⁸⁰ Gallacher, J., F Reeve F.(2019). FE and skills in Scotland: the implications of a policy led and 'managed' approach? *Journal of Education and Work*, 32:3, 238-250, DOI: [10.1080/13639080.2019.1621274](https://doi.org/10.1080/13639080.2019.1621274)

⁸¹ Wither, J.(2023). Fit for the Future: developing a post-school learning system to fuel economic transformation Skills Delivery Landscape <https://www.gov.scot/publications/fit-future-developing-post-school-learning-system-fuel-economic-transformation/>

Meanwhile, these initiatives have encountered barriers. According to the Public Audit Committee 5th Meeting,⁸² ‘SDS and the SFC began to work closely on skills alignment, but a lack of consensus emerged. SDS and the SFC have collaborated well to implement some actions arising from the Enterprise and Skills Review, including piloting the five-stage model in specific sectors. However, progress was impeded as a range of obstacles emerged, including a lack of consensus between SDS and the SFC about what skills alignment should involve. As a result, skills alignment has not followed the intended pathway set out in the Enterprise and Skills Review.’

Skills alignment appears to remain problematic despite policy-makers prioritising it on the political agenda. According to the Committee, ‘Current arrangements are unlikely to achieve the ambitions for skills alignment at the pace required. The Scottish Government set up the Skills Alignment Assurance Group in 2021 to drive progress, with a different focus than was originally set out in 2017. ... The capacity of the SFC continues to limit its contribution to skills alignment. Existing obstacles continue to pose a risk to progress, and the Scottish Government now needs to take urgent action.’

Wales

A small country, with a higher rate of unemployment compared to England and an economic sector dominated by SMEs (62%), Wales shares the same challenges as the rest of the UK such as the impact of Brexit, the Fourth Industrial Revolution, and the fact that further education is regarded by learners and parents as the second-best option to the academic route.

Like England, Wales undertook a number of reviews and published several strategy papers either specific to further education or as part of wider education reviews such as the ‘Curriculum 2000’ paper which mentioned the end of GNVQs in Wales⁸³. After devolution, Wales aimed to take control over national policy and to have a state-led, coherent and efficient approach, to embed a cooperation approach to further education by encouraging cooperation between stakeholders.⁸⁴ The strategy paper that followed was *The Learning Country: A Comprehensive Education and Lifelong Learning Programme to 2010*⁸⁵ published in 2001, followed in 2006 by *The Learning Country: Vision into Action*.⁸⁶

In 2001 the National Council for Education and Learning Wales was set up and given responsibility for funding, planning education and training for post-16 and it started to promote cooperation and partnerships at regional and sub-regional level to attract more adults to take learning opportunities. The Council and the Welsh Learning and Skills Development Agency (DYSG) were merged in 2006 and placed under the Welsh Government’s Department for Education and Skills⁸⁷ in an attempt to

⁸² Public Audit Committee, (2022). 5th Meeting Session 6, 10.02.2022 Planning for skills <https://www.parlmaid-alba.scot/~media/committ/2344>

⁸³ Furlong J., (2015), *Teaching Tomorrow’s Teachers – Options for the future of initial teacher training in Wales* <https://media.bloomsbury.com/rep/files/teaching-tomorrows-teachers-final1.pdf>

⁸⁴ ⁸⁴ Jephcote, M. and Salisbury, J., (2007). The long shadow of incorporation: the further education sector in devolved Wales. *The Welsh Journal of Education*, 14(1). 100-116

⁸⁵ The National Assembly for Wales, (2002)., *The Learning Country* https://dera.ioe.ac.uk/5147/1/learning_country_paving_document.pdf

⁸⁶ The National Assembly for Wales, (2002). *The Learning Country: Vision into Action* https://dera.ioe.ac.uk/8834/3/A9R3F9F_Redacted.pdf

⁸⁷ National Council for Education and Training in Wales , (2006). *Annual Report and Consolidated Financial Statements, and National Assembly for Wales Research Paper, Further Education Structure in Wales, 2013*

<https://senedd.cymru/media/pmpirkux/bus-guide-39c7836c753692c0fb29084f27509a1d-cymraeg.pdf>

simplify the further education and training landscape by bringing the responsibilities for quality and funding for lifelong learning under one umbrella.

With a goal to place learners at the heart of the system, the 14-19 Learning Pathways Programme was introduced in 2004 to foster choice and flexibility. It reconsidered the role of FE as a channel to provide useful skills for the economy. It aimed at removing barriers to learning through personal support to learners, allocating learning coaches and providing students with impartial career advice and guidance, and it set ambitious targets for young people's skills (95% of the 25-year-olds to be ready for high skilled employment by 2015).⁸⁸ These reports set ambitions to expand the number of adults gaining qualifications, to improve cooperation between schools and colleges and to put an end to competition between FE colleges.

Wales further education system continued to struggle with student disengagement, as well as basic skills deficit and young people not in employment, education or training, and with numerous FE providers in competition with each other. To address this, and to follow on the recommendation of the Vision into Action document, Wales ordered an independent review of the mission and purpose of further education in Wales, *Promise and Performance*, published in 2007 and chaired by Sir Andrew Webb. It made a wide set of recommendations which aimed to increase effectiveness and quality of further education and reduce bureaucracy, to create opportunities for the socially disadvantaged, as well as recommendations on funding and national governance. For example, it recommended setting minimum standards for providers, simplifying audits and including collaboration as indicator within the inspection framework. However, Jephcote and Salisbury (2007) suggests that despite the goals set in strategy papers, complex relationships which include competition between education providers remained. The regionalisation introduced in 2008, as part of the 'Transformation' agenda led to mergers, rationalisation and regionalisation which resulted in a reduction of the number of the number of FE institutions.⁸⁹

In January 2016, the Public Policy Institute for Wales (the predecessor of the Wales Centre for Public Policy) published the Fostering High Quality Vocational Further Education in Wales report which sets as markers of quality of the further education system the quality of relationship between provision, workplace, occupations, and sectors; teachers' professionalism; accountability; the value of learning and learners' voice; and the extent to which vocational options are embedded in local economy. It recommends enhanced cooperation between colleges and other stakeholders, especially employers, better representation of student voice (including engagement of student representatives in relations with employers and other stakeholders) and more government involvement rethinking accountability and quality in higher education, and in better understanding FE vocational learners' pathways.⁹⁰

⁸⁸ Webb, A. (2007). The Webb Review, *Promise and Performance: The Report of The Independent Review of The Mission and Purpose of Further Education in Wales in the Context of The Learning Country: Vision into Action*
<https://core.ac.uk/reader/4156880>

⁸⁹ UCL Institute of Education, (2018). Key FE and skills developments in Wales.
<https://www.ucl.ac.uk/ioe/sites/ioe/files/key-fe-skills-developments-wales.pdf>

⁹⁰ James D., Unwin L. (2016) , *Fostering High Quality Vocational Further Education in Wales*. *Wales Public Policy Institute*.
<https://orca.cardiff.ac.uk/id/eprint/88253/1/PPIW-Report-Fostering-High-Quality-Further-Education-in-Wales.pdf>

The Welsh aspirations for reform in FE and skills were laid out further in the Diamond Review on Higher Education Funding and Student Finance (January 2016), followed by the Hazelkorn Review⁹¹ which claimed that an overall vision was required to build a world class post-compulsory system, ‘aligned to the social, cultural and economic needs of Wales, regionally and nationally, now and in the future’⁹² and which recommended new legislation and one single institution responsible for further and higher education in order to address the skills deficit, tackle inequalities and boost cooperation rather than competition between stakeholders, and remove the boundaries between further education and higher education introducing clear pathways for learners.

Similar to the other nations, Wales strategy aims at achieving a valued, inclusive and highly skilled society and to address inequalities by making the tertiary system easy to navigate. Collaboration between tertiary providers (for example, the strategic alliance between the University of SE Wales and five FE partner colleges), and a system which is tailored according to local demands are also common aspirations. Collaboration and clarity of pathways aim at replacing competition (between education and training providers) and confusion regarding learners’ pathways.

The current reform of tertiary education is centred around the Tertiary Education & Research Bill (2022) and the main institution with responsibility in the field is the Commission for Tertiary Education and Research. This is a strategic body, responsible for further education, higher education, adult education, apprenticeships and training, and which replaced the HE Funding Council for Wales. The Commission is responsible for strategy, oversight, funding and quality, apprenticeships and data collection. The aspirations of the reform are to create a tertiary education system which generates a highly skilled workforce, tackles inequalities, is easy to navigate and is valued by society, and one which gains international reputation for the education and training it provides as well as for its research and innovation. These are not new aspirations. Even before incorporation in 1991, the Welsh Office of the Department of Education and Skills aimed at creating skills relevant for the economy and achieving parity of esteem through the creation of GNVQs (White Paper Education and Training for the 21st Century, DES/Welsh Office, 1991). It remains to be seen to what extent these aspirations can be achieved.

Like England, Wales has a partly marketised approach to tertiary education in which some education providers are public and some private or voluntary providers, with college funding depending on the number of students they have enrolled. Through Student Finance Wales, students can access loans, grants or bursary schemes. Young people under 25, benefit from Young People’s Guarantee for which they can get support to gain skills or find a job. Unemployed young people over 18 may also benefit from ReACT+, a scheme aimed to help them into training or employment in the shortest possible time. Learners have access to Personal Learners Accounts which give learners flexible (face to face and online) fully funded training.

⁹¹ Hazelkorn, E., (2016). Towards 2030: A Framework for Building a World Class Post Compulsory Education System for Wales
<https://www.gov.wales/sites/default/files/publications/2018-02/towards-2030-a-framework-for-building-a-world-class-post-compulsory-education-system-for-wales.pdf>

⁹² Ibid.