

Review of post-16 qualifications at level 3 and below in England: the current system and the case for change

Accompanying document for the government consultation on the review of qualifications at level 3 and below in England

19 March 2019

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Summary

This document is issued alongside the government consultation on the review of post-16 qualifications at level 3 and below in England and is intended to be read alongside the consultation document. It provides further information on some of the challenges that exist within the education system at level 3 and below, giving the rationale for changes already in motion and the case for going further.

The consultation launched on 19 March 2019 and will close on 10 June 2019.

Who is this publication for?

This accompanying document to the government consultation on the review of qualifications at level 3 and below is for anyone with an interest in post-16 education and training for young people and adults in England. This includes:

- Students (young people 16 to 19 and adults 19 and over)
- Parents and carers
- Employers
- Awarding organisations
- Schools, further education colleges, sixth form colleges, University Technical Colleges, Studio Schools
- Universities and other higher education providers
- Adult and Community Learning providers
- Independent training providers
- Apprenticeship providers
- Headteachers and college principals
- Teachers and trainers
- Careers advisers
- Regulatory bodies
- Equality organisations, including those representing the interests of students with special educational needs
- Local, regional, city and combined authorities and the devolved administrations in Scotland, Wales and Northern Ireland
- Representative bodies, including employers' representative bodies and trade unions
- Governors of Education and Skills providers
- Local Enterprise Partnerships

Introduction

- 1. The rationale for this review builds on the findings of the Wolf Review¹ in 2011 and the Report of the Independent Panel on Technical Education² ('Sainsbury Review') in 2016. Following these reports, significant action was taken to improve the quality of qualifications post-16, including development of new criteria for inclusion in performance tables and the development of new T Levels. In parallel, A Levels have been reformed to give a high quality option for students choosing an academic route.
- 2. However, these reforms have not led to change across the whole system and more work is required to realise the vision set out by Wolf and Sainsbury of a coherent, clear system that will provide a high quality education for all.
- 3. This review looks at qualifications available both to 16 to 19 year olds and to adults. Though the systems are highly interlinked, there are significant differences between them. Recognising the forthcoming introduction of T Levels for 16 to 19 year olds, much of the data in this document relates to that age group. Additional information about the adult market is included to show where there is difference as well as similarity.
- 4. This consultation covers the qualifications at entry level, level 1, level 2 and level 3, made available to providers in England for their students aged 16 and above. These qualifications are published on the ESFA list of qualifications approved for funding 16 to 19³. We refer to qualifications at these levels as 'level 3 and below' and to the students taking them as 'post-16'. 'Young people' are 16 to 19 year olds, and 'adults' are those 19 and over⁴. Collectively, we refer to them as 'students'. '16 to 18 performance tables' refer to qualifications approved for funding for students aged 16 to 19.
- 5. Further data about the qualifications taken by students and student characteristics can be found in the impact assessment that also accompanies this consultation.
- 6. This review comprises one part of a wider programme of reform to post-16 education, and we are also reviewing provision in other parts of the system including the Review of Higher Technical Education (level 4 and 5), the Review of Post-18 Education and Funding and the National Retraining Scheme.

¹ Wolf (2011). '<u>Review of Vocational Education – the Wolf Report</u>'.

² Sainsbury and others (2016). 'Report of the Independent Panel on Technical Education'.

³ DfE (2019). ESFA list of qualifications approved for funding 16 to 19.

⁴ Note, this refers to students at academic age 16, 17 and 18. This is sometimes referred to as 16-18, as well as 16 to 19, as is the general approach in this document. However, both refer to same the three years of education. The difference in approach relates to the different data sources used.

The case for change

High quality qualifications are needed to address significant skills gaps and aid social mobility

- 7. High quality technical education is essential to future economic growth and to closing the significant productivity gap that exists between this country and other major economies. Improving the quality of the qualifications system has an important part to play in improving skill levels.
- 8. There are well documented skills shortages in areas that depend on high quality occupational training, with the latest Employer Skills Survey⁵ highlighting an 8% increase in the number of skill-shortage vacancies compared with 2015. Also, over half of businesses (52%) are not confident about accessing sufficient intermediate skilled talent in future, and two thirds of businesses (66%) are not confident there will be enough people available with the necessary skills to fill their high skilled jobs⁶.
- 9. One of the main reasons for the skills shortage is because there are not enough students studying courses that the economy needs. While comparatively high numbers of students by international standards study at level 6 (ordinary/bachelor degree or equivalent⁷), fewer students undertake technical study at levels 3, 4 or 5⁸. Ensuring there are high quality technical routes post-18 is the task of the Review of Higher Technical Education (level 4 and 5), but we also need the right mix of qualifications available earlier in the system. These reviews support the aims of the government's Industrial Strategy, which commits to "establish a technical education system that rivals the best in the world to stand alongside our world class higher education system"⁹.
- 10. The need for reform will become even more important because of wider changes in the economy. Up to 35% of UK jobs are at high risk of replacement by technology in the next 10 to 20 years¹⁰ and the greatest growth in the coming years is likely to be concentrated in higher skilled occupations. Conversely, lower skilled jobs will be the

⁵ Winterbotham and others (2018). <u>'Employer Skills Survey 2017 – UK Findings'</u>.

⁶ Pearson and others (2018). '<u>Educating for the Modern World – CBI / Pearson Education and Skills</u> <u>Annual Report'</u>.

⁷ DfE (2019). <u>'What different qualification levels mean'</u>.

⁸ OECD Education at a Glance (2018). <u>'Educational attainment and labour market status: share of population by educational attainment'</u>.

⁹ HM Government (2017). <u>'Industrial Strategy: building a Britain fit for the future'</u>.

¹⁰ London Futures and others (2014). <u>'The Relentless March of Technology and London's Response'</u>.

most vulnerable. We have to consider which qualifications and routes will best prepare individuals to succeed in the changing economy.

The existing system is complex and of variable quality

11. As of July 2018, over 12,100 qualifications are approved for funding for 16 to 19 year olds at entry level to level 3 (this figure includes A Levels, AS Levels, and GCSEs)¹¹. Nearly 1,300 are not in the scope of this review¹² (for example, A Levels, AS Levels and GCSEs), and many more have no enrolments. Even discounting these qualifications there is still an extraordinary range: around 4,700 qualifications at levels 3 and below had enrolments for 16 to 19 year olds in 2016 to 2017.



Qualifications funded for 16-19 year olds at Level 3 and below (as of July 2018)

Number of qualifications with enrolments through study programmes 📃 Number of qualifications with no enrolments through study programmes

Figure 1: qualifications funded for 16 to 19 year olds at level 3 and below, split by enrolments¹³

12. Most qualifications available for 16 to 19 year olds are also approved for study for different age groups. Of the 12,100+ qualifications available, around 5,500 are also

¹¹ ESFA list of qualifications available for funding 16 to 19 as of July 2018.

¹² Based on the number of academic qualifications on the 2020 key stage 4 performance tables, and A/AS Levels on the 2020 16 to 18 performance tables.

¹³ DfE (2019). <u>'Post-16 students and qualifications at level 3 and below in England'</u>

approved for pre-16 students, and around 8,000 are also approved through the adult education budget (AEB)¹⁴. Only 5% of qualifications available for funding through the AEB are not available to 16 to 19 year olds.

- 13.As of July 2018, there were nearly 2.9 million enrolments on qualifications publicly funded for 16 to 19 year olds through study programmes, compared to around 2.6 million through apprenticeships and around 1 million through the AEB¹⁵.
- 14. There were over 2 million funded adults, across all funding streams, studying at level 3 and below in 2016 to 2017. There were approximately 765,000 studying at level 2, and approximately 930,000 studying at below level 2¹⁶.
- 15.A diagram showing how qualifications are approved for funding is at <u>Annex A</u>.
- 16. The vast number of qualifications is partly driven by the range of roles that they play, ranging from entry level (designed to develop the most basic of skills) to level 3 (advanced qualifications including AS and A Levels)¹⁷. However, even within levels there is a large range. At level 3 alone there are 370 health and social care sector qualifications, 276 engineering sector qualifications, and 273 building and construction sector qualifications¹⁸.
- 17. Qualifications range in purpose from those designed to provide a broad overview of an area to those providing very specific occupational skills. This variation provides flexibility to the student and the schools or colleges delivering the qualification, but it puts pressure on providers to understand the range of qualifications on offer so that they can give students good advice. In some cases, there is a risk of students taking qualifications that are inappropriate for their preferred job role. As an example of the breadth in the market, there are 12 plumbing qualifications approved for funding 16 to 19 at level 3 alone, ranging from fewer than 200 guided learning hours (GLH) to more than 1,000. A Levels, by comparison, consist of 360 GLH delivered across two years¹⁹.

¹⁴ DfE (2019). <u>'Post-16 students and qualifications at level 3 and below in England'</u>.

¹⁵ DfE (2019). <u>'Post-16 students and qualifications at level 3 and below in England'</u>.

¹⁶ DfE (2019). 'Post-16 students and qualifications at level 3 and below in England'.

¹⁷ DfE (2019). <u>'What different qualification levels mean'</u>.

¹⁸ ESFA list of qualifications available for funding 16 to 19 as of July 2018.

¹⁹ ESFA list of qualifications available for funding 16 to 19 as of July 2018.

- 18. Many other qualifications are based on developing broader personal, social or employability skills, found in the Preparation for Life and Work subject sector area²⁰. While this category represents just 3% of qualifications approved for funding for 16 to 19 year olds at level 3, it increases to 10% of level 2 qualifications, and as much as 29% at level 1 and 67% at entry level²¹. The skills developed through these qualifications are key to wider study and valued by employers²², particularly at level 1 and entry level. However, recent research has questioned the link between these more generic qualifications and labour market returns²³, and we want to test the case for delivering these skills through other qualifications or the wider study programme²⁴.
- 19. Complexity is a result of our market led approach in which new qualifications can be developed by awarding organisations to fill any niche that may be popular with schools, colleges and students, or to meet employer demand. While diversity can be a strength, successive reviews of the system have concluded that it has become too complex for the students and the employers it should serve. These were the findings of the Wolf Review (2011) and the Sainsbury Review (2016).
- 20. This would be of less concern if the qualifications were of uniformly high quality. However, the Wolf Review found that the content of many technical qualifications was not valued by employers and provided little value to students. Similarly, the Sainsbury Review found that employers continue to report that many individuals who have successfully completed qualifications remain poorly equipped to enter skilled work.
- 21. In the years since these reports were published, there has been substantial turnover in the qualification market: around 21% of qualifications available to 16 to 19 year olds have been added within the last two years²⁵. However, many of the systemic issues identified by Wolf and Sainsbury remain, suggesting that newer qualifications may also suffer from the same problems identified by those two reviews.

²⁰ The Preparation for Life and Work subject sector area includes the sub-categories Foundations for Learning and Life and Preparation for Work. It also includes some English and mathematics qualifications, as well as some in specific vocational subjects.

²¹ ESFA list of qualifications available for funding 16 to 19 as of July 2018.

²² Taylor and others (2017). <u>'Good Work: the Taylor Review of Modern Working Practices'</u>.

²³ De Coulon and others (2017). '<u>Young people in low level vocational education: characteristics,</u> <u>trajectories and labour market outcomes'</u>.

²⁴ Williams and others (2017). 'Effective curriculum practice at below Level 2 for 16/17 year olds'.

²⁵ ESFA list of qualifications available for funding 16 to 19 as of July 2018.

The current system is not working for all students

22. If we are to address skills gaps, we need a system that will encourage students to aim high and to progress to qualifications that will lead to better outcomes. As detailed below in Table 1, achieving a full level 3 qualification (equivalent to two or more A Levels) between the ages of 19 and 24 is associated with an increase in lifetime earnings in employment of 10%, relative to those who begin but do not achieve a full level 3 qualification. For those who achieve the qualification between ages of 16 to 18, we would expect these returns to be even greater as the period of time for this earnings differential to emerge is increased.

Highest qualification held	Aged 19 to 24	Aged 25+
Below level 2	5%	1%
Mathematics and English*	7%	1%
Full level 2**	10%	8%
Full level 3**	10%	10%

Earnings uplift %'s are relative to individuals who started, but did not complete, a qualification at that level

*This is a weighted average of the returns for all English, mathematics and ESOL qualifications.

** Equivalent to 4+ GCSEs at level 2, and 2+ A Levels at level 3

Table 1: percentage increase in lifetime earnings from different levels of qualification, by age²⁶

- 23. Additionally, the average benefit to the individual may be even higher, as these return estimates do not capture the benefits for those who then progress onto study beyond level 3. Obtaining higher level qualifications will help make people more resilient to future labour market changes. During the 2008 economic downturn, the unemployment rate for young adults was much higher than older groups. Those with low skills were twice as likely be unemployed than those with upper secondary or tertiary education²⁷. Recent work by the Confederation of British Industry (CBI) found that while employers were reporting skills shortages across varying education levels, the biggest concern was a lack of level 3 qualifications²⁸.
- 24. We believe that more students are capable of achieving higher levels of study than currently do so. Many of our international competitors have a significantly higher proportion of students attaining level 3. OECD data shows that 87% of German and the same proportion of Dutch 25 to 34 year olds hold a level 3 equivalent

²⁶ BIS (2016). <u>'Research Paper 286'</u> (mathematics and English); BIS (2014). <u>'Research Paper 195'</u> (below level 2, level 2, level 3).

²⁷ OECD (2015). <u>'What are the advantages today of having an upper secondary qualification?'</u>.

²⁸ CBI (2018). <u>'Skills Needs in England: The Employer Perspective'</u>.

qualification. In the UK it is 71%²⁹. In this country, a large number of factors, including prior attainment and information, advice and guidance (IAG) influence progression, but the shape of the qualifications landscape is also important. We discuss this further in the "progression" and "getting more people to level 3" sections in the main consultation document.

- 25. The Sainsbury Review stressed the importance of having clear choices between high quality academic and technical routes. As the Commission for Adult Vocational Teaching and Learning concluded, students deserve technical qualifications that provide "a clear line of sight to work"³⁰. The current system not only has a large number of qualifications, it has a number of different types of qualifications, adding further to the choice and complexity in the system.
- 26. <u>Annex B</u> shows the 16 to 19 cohort and their qualification choices at the end of 2017. Many schools, colleges and students value the ability to offer and take a mix of academic and technical qualifications of varying sizes. This flexibility may mean that some students choose options that do not prepare them well for employment or further study, reducing their future opportunities rather than keeping options open. This does not mean that students need to make permanent choices between academic and technical options, some students' ambitions will change and they will need to be supported to move between routes.

Level 3 study

27. Qualification choice at level 3 reflects the differences between students' prior attainment, their ambitions and the different purpose of the qualifications. As shown in table 2 below, 96% of 16 to 19 year olds studying A/AS Level qualifications had achieved 5+ A* to C (old grading) or 9 to 4 (new grading) grade GCSEs, compared to 61% of those studying Applied General Qualifications (AGQs) (excluding those studying AGQs alongside A/AS Level qualifications) and 58% of those studying other level 3 qualifications.

²⁹ OECD Education at a Glance (2018). <u>'Educational attainment and labour market status: share of population by educational attainment</u>'.

³⁰ Commission for Adult Vocational Teaching and Learning (2013). '<u>It's about work... Excellent adult</u> vocational teaching and learning'.

Highest study aim of 16 to	Prior attainment at end of key stage 4			
19 year olds in 2016 to 2017	5+ A* to C GCSE	Other level 2	Below level 2	
Higher Education	94%	5%	1%	
A/AS Level*	96%	1%	3%	
AGQ	61%	13%	26%	
Level 3 apprenticeship	65%	16%	19%	
Other level 3**	58%	22%	20%	
GCSE	4%	7%	88%	
Level 2 apprenticeship	37%	14%	50%	
Technical Certificate	19%	10%	71%	
Other level 2***	17%	10%	73%	
Below level 2	7%	4%	89%	

*This also includes some other academic level 3 qualifications, such as Pre-U.

** This captures all other qualifications available to 16 to 19 year olds at level 3, including Tech Levels, pre-existing AGQ and Tech Level qualifications, and qualifications that were never approved for 16 to 18 performance tables.

*** This captures all other qualifications available to 16 to 19 year olds at level 2, including pre-existing Tech Levels, and qualifications that were never approved for 16 to 18 performance tables.

Table 2: highest study aim of 16 to 19 year olds in 2016 to 2017, by prior attainment at the end ofkey stage 431

28. Like A Levels, AGQs aim to support entry to higher education, but in practice students have much more varied outcomes. Table 3 below shows the variation in study aims of 16 to 18 year olds at level 3, and activity at age 19. While the majority of those studying A/AS Levels progress to higher education, those studying a mixed programme of AGQs and A/AS Levels progress to higher education (HE) at a significantly lower rate. Those studying AGQ qualifications alone (i.e. not alongside A/AS Levels), are around 40 percentage points less likely to progress to higher education than those studying A/AS Levels.

³¹ DfE (2019). <u>'Post-16 students and qualifications at level 3 and below in England'</u>.

	All level 3 (exc. apprentices hips)	A / AS Levels [*]	A / AS Level with AGQ	AGQ ³²	Other level 3
Total students aged 16	378,900	231,200	49,400	53,800	44,500
Destination age	Destination aged 19				
HE	52%	66%	43%	27%	22%
Apprenticeship	10%	8%	14%	14%	15%
Level 3 study	6%	4%	6%	8%	9%
Sustained employment	6%	4%	7%	10%	11%
Other	2%	1%	2%	4%	4%
Unknown	23%	16%	27%	37%	39%

* This also includes some other academic level 3 qualifications, such as Pre-U.

Table 3: destinations aged 19 in 2016 to 2017, by highest level 3 study aim aged 16³³

- 29. AGQs have played a significant role in the growth in entry to higher education, particularly for BAME students and students from poorer backgrounds, however access is still focused on less selective institutions. 24% of 16 to 18 year old students who finished studying predominantly A/AS Level qualifications in 2015 to 2016 went on to study at the top third most selective higher education providers, compared to just 3% of those studying predominantly AGQs³⁴.
- 30. In 2012 to 2013, 22% of first degree entrants were from BAME backgrounds. By 2016 to 2017 this had risen to 26%³⁵, during which time the proportion of acceptances from UK-domiciled students with Pearson BTECs³⁶ increased from around 20% to around 24%³⁷. In 2016, 48% of applicants from black ethnic backgrounds held BTEC qualifications, of which 37% only held BTEC qualifications.

³² Note, these qualifications would not have been classified as AGQs when the students took them as they predate their inclusion on performance tables. However these qualifications became AGQs following their inclusion.

³³ DfE (2019). <u>'Post-16 students and qualifications at level 3 and below in England'</u>.

³⁴ DfE (2018). 'Destinations of KS4 and KS5 pupils 2017: experimental table'.

³⁵ HESA (2018). <u>'Who's studying in HE? Student data'</u>.

³⁶ Note, around half of AGQ qualifications are BTECs. BTECs also cover other qualifications, including some Tech Levels.

³⁷ UCAS (2017). '2017 End of Cycle Report'.

This compares to 29% and 19% respectively for those from white backgrounds³⁸. BTECs and AGQs more generally are valued by many students, schools and colleges as routes into HE. Some qualifications are also considered by HE providers to be good preparation for particular courses. However, there is some evidence to suggest that these qualifications may not be serving some students as well as A Levels.

31. Ofqual analysis in 2018, which focused on BTEC qualifications rather than AGQs as a whole, found that the attainment gap in higher education between students with older BTEC qualifications and A Levels has increased over time. And, after controlling for time spent in higher education, graduates with older BTEC qualifications have become increasingly less likely, relative to A Level students, to be in full-time employment, in a 'highly skilled occupation' and to be earning over £20,000 per year³⁹. 12% of young students who entered university in 2014 to 2015 with a BTEC qualification subsequently dropped out of university. This compares to an average for all students of around 6%⁴⁰. This evidence relates to older qualifications and the effectiveness of redeveloped AGQs⁴¹ cannot be fully assessed yet, but it adds to the case for reviewing the role of AGQs in the system and whether they are delivering for students who take them.

Level 2 study

- 32. At level 2 the lack of clarity about the best options for students and poor quality qualifications can be a contributing factor in the substantial 'churn/repeat learning' that is present across all parts of the system switching between course types, dropping back to lower level study programmes, or repeating study at the same level. Analysis of learning records for young people between the ages of 16 and 18 shows that over 20% of students entering further education at age 16 (around 115,000 within a single cohort) have subsequent patterns of study that are indicative of some form of churn/repeat learning⁴².
- 33. We want to shape level 2 study to reduce this churn/repeat learning and allow better progression into high quality level 3 qualifications and apprenticeships. As Table 4 below shows, the most likely activity at age 19 for a student who studied at level 2

³⁸ Social Mobility Foundation (2018). <u>'Vocation, Vocation, Vocation'</u>.

³⁹ Ofqual (2018). <u>'An exploration of grade inflation in "Older Style" Level 3 BTEC Nationals'</u>.

⁴⁰ HESA, (2017). '<u>UK Performance Indicators 2015/16: Non-continuation rates</u>'.

⁴¹ These qualifications have been redeveloped to meet new criteria developed for 16 to 18 performance tables.

⁴² DfE (2019). <u>'Post-16 students and qualifications at level 3 and below in England'</u>.

aged 16, is to not be in funded education, with few students progressing to higher levels or into sustained employment.

Highest study aim at academic	Highest study aim at level 2 and below at age 16			
age 19	GCSE	Level 2 apprenticeship	Other level 2	Below level 2
Higher education	12%	1%	5%	1%
A/AS Level [*]	1%	0%	0%	0%
Level 3 apprenticeship	6%	24%	7%	3%
Applied General qualification	4%	0%	2%	2%
Other level 3	8%	3%	7%	4%
GCSE	2%	0%	1%	2%
Level 2 apprenticeship	7%	8%	8%	7%
Other level 2 qualification**	4%	3%	4%	7%
Below level 2	3%	1%	4%	14%
Sustained employment	10%	12%	12%	13%
No recorded data***	42%	47%	51%	48%
Total	100%	100%	100%	100%

* This also includes some other academic level 3 qualifications, such as Pre-U.

** This includes Tech Level qualifications, and other qualifications that are not on the key stage 4 performance tables.

*** This could be due to various reasons, such as individuals not being in education, employment or training or studying non-funded education.

Table 4: destinations aged 19 in 2016 to 2017, by highest level 2 study aim aged 16 (please note,
totals may not sum exactly due to rounding)43

Level 1 and below study

34. Churn or repeat learning is also a feature of study at level 1 and below, and this cohort often has varying and complex needs, with 64% of the cohort of 16 to 19 year olds studying at level 1 and below having received SEND support, and 33% having been eligible for free school meals at age 16. The consultation asks about the key roles that qualifications at level 1 and below need to play, and separately, asks about the role of qualifications in personal, social and employability skills, which take up a significant proportion of the qualifications at these levels.

⁴³ DfE (2019). <u>'Post-16 students and qualifications at level 3 and below in England'</u>.

Recent controls have not been fully effective in raising quality and have limitations

- 35. Following the publication of the Wolf Review⁴⁴, only three types of level 3 qualification, and one type of level 2 qualification, count toward general attainment measures in 16 to 18 performance tables and there are rigorous criteria for these qualifications:
 - Academic qualifications (predominantly A and AS Levels, but also other qualifications such as Pre-U), which are level 3 qualifications that develop specialist knowledge and skills to help students progress into further study in higher education.
 - Tech Levels, which are level 3 qualifications that develop specialist knowledge and skills to enable entry to employment or progression to a related higher education course. All Tech Levels are backed by at least five employers or a relevant industry body.
 - Applied General qualifications, which are applied level 3 qualifications backed by at least three universities.
 - Technical Certificates, which are level 2 qualifications that give specialist knowledge and skills and enable entry to employment within sectors where employers recognise entry at this level or support progression to a Tech Level.
- 36. Out of the thousands of qualifications available to 16 to 19 year olds at level 3 and below, less than 15% now count in the published 2020 16 to 18 performance tables⁴⁵. In the 2020 performance tables there are 1,062 A Levels and Academic qualifications, 138 Applied General qualifications, 218 Tech Levels and 105 Technical Certificates. Level 1 and entry level qualifications are not currently reported in performance tables.
- 37. Reform of performance table qualifications has influenced qualification selection in some providers, but it is far from their only consideration when deciding which qualifications to offer to students. Excluding A and AS Levels, only 9% of enrolments on level 3 qualifications were on qualifications included in performance tables⁴⁶. Students in colleges are more likely to study qualifications that do not count towards

⁴⁴ Wolf (2011). '<u>Review of Vocational Education – the Wolf Report</u>'.

⁴⁵ ESFA list of qualifications approved for funding 16 to 19 as of July 2018 and 16 to 18 Performance Tables

⁴⁶ DfE (2019). <u>'Post-16 students and qualifications at level 3 and below in England'</u>.

16 to 18 performance tables⁴⁷ than those in school sixth forms, in part because colleges may place a lower priority on performance tables than they do on teaching qualifications that they believe are best for their students and the local employment market.

- 38. Submission of qualifications for inclusion in the performance tables is voluntary and awarding organisations are under no obligation to remove older, less rigorous, versions of performance table qualifications. As a result, many providers have decided not to adopt the redeveloped qualifications. This is often because they are more familiar with the existing content or because they believe their students will cope less well with the mandatory external assessment in redeveloped qualifications. In 2016 to 2017, the ratio of enrolments on pre-existing level 3 qualifications compared with redeveloped level 3 qualifications was around 5:1⁴⁸.
- 39. This situation is unfair and confusing. Those taking pre-existing qualifications are denied the opportunity to take the new, higher quality qualifications. Recent analysis of some older level 3 qualifications has pointed to problems in grade inflation since 2005 to 2006, with a significant increase (up to 45 percentage points) in the number of students securing the top grades in some qualifications, which has not been matched by students' prior attainment or their subsequent degree or employment outcomes⁴⁹.
- 40. Additionally, the grading profile of the redeveloped qualifications is substantially different from the pre-existing versions; early evidence suggests that it is considerably harder to achieve the highest grades in the redeveloped qualifications⁵⁰, reflecting the additional challenges posed by external assessment. Evidence from UCAS suggests that HE providers are not reflecting this increase in difficulty in their offers⁵¹.
- 41. Pre-existing qualifications are less rigorous and their continued operation disadvantages students taking redeveloped qualifications. We will remove eligibility for funding from these older qualifications, see paragraph 85 in the main consultation.
- 42. Removing approval for funding from qualifications for which there are now redeveloped versions will only address issues of quality in one part of the market. Further changes to performance tables may not be effective in improving and

⁴⁷ DfE (2018). 'Participation in education, training and employment: 2017, additional tables'.

⁴⁸ DfE (2019). 'Post-16 students and qualifications at level 3 and below in England'.

⁴⁹ Ofqual (2018). '<u>An exploration of grade inflation in 'older style' level 3 BTEC Nationals</u>'.

⁵⁰ DfE (2018). <u>'A level and other 16 to 18 results: 2017 to 2018 (provisional)'</u>.

⁵¹ UCAS (2018). <u>'End of Cycle Report'</u>.

maintaining the quality of the thousands of other qualifications that are not eligible for performance tables.

43. There may also be opportunities through this review to improve the effectiveness of the performance table qualifications approval process. Ofqual research found that nearly 30% of external tests from 27 redeveloped qualifications did not function at least reasonably well in terms of their ability to grade students (for example: merit, pass, fail) in a way that led to valid interpretation of individual students' marks and grades. This indicates that some qualifications have compromised their assessment methodology when making changes to fit with performance table requirements in relation to external assessment⁵². This provides evidence for the review considering redeveloped qualifications as well as removing approval for funding from pre-existing qualifications.

T Levels will only succeed if they are part of a coherent and streamlined system

- 44. A Levels have already been through significant reform, giving students the knowledge and skills they need to succeed in the modern workplace and help them compete in a global economy. They are the culmination of a programme of school curriculum and qualifications reform that has taken place since 2011, involving consultation with subject experts, higher education institutions and teachers.
- 45. The Sainsbury Review recommended a new system of technical education to provide a high quality technical option alongside the academic option for students aged 16 to 19. T Levels are being developed with employers and will combine classroom study with workplace experience, from which students can progress directly into work or further study, including higher level classroom-based technical education (at levels 4 and 5)⁵³, related degrees or further training. T Levels, alongside apprenticeships, will provide young people with a high quality technical alternative to A Levels.
- 46. T Levels have been designed to address the weaknesses that the Wolf Review identified. They are being designed and delivered in a very different way from existing qualifications in the market, with each T Level offered by a single awarding organisation and based on content developed and agreed with panels of professionals and the Institute for Apprenticeships and Technical Education. The

⁵² Ofqual (2017). <u>'Vocational and Technical Qualifications: Assessment Functioning of external</u> <u>assessments'</u>.

⁵³ DfE (2018). <u>'Review of Level 4 and 5 education - interim evidence overview'</u>.

panels build on existing apprenticeship standards to develop the outline content, identifying the knowledge and skills that should be taught as part of the T Levels.

- 47. The first three T Levels in the Construction, Digital, and Education and Childcare routes will be delivered from September 2020, with a further seven T Levels to be delivered from 2021. More detailed information on the rollout of T Levels is in the 2018 T Level Action Plan⁵⁴.
- 48. We want T Levels to become, alongside apprenticeships for those for whom an inwork training offer is more suitable, the default choice for 16 to 19 year olds who would like a career in one of the technical routes and a recognised symbol of quality amongst employers. This is much less likely to happen if they become just another part of the current system – they will add complexity to the system rather than remove it. Their introduction provides an opportunity to consider which qualifications should sit alongside them.

Qualification reform is also necessary to support wider reform in the system, including high quality apprenticeships and the introduction of the National Retraining Scheme

- 49. Apprenticeship standards have been developed by employers, creating higher quality training that will lead to a more skilled and productive economy. The standards set out the knowledge, skills and behaviours needed to be competent in an occupation. Qualifications can only be mandated in an apprenticeship standard if they are: a regulatory requirement; required for professional registration; used as a "hard sift" when applying for jobs in the occupation related to the standard; or if the apprentice would be disadvantaged in the job market without the qualification.
- 50. The Institute for Apprenticeships and Technical Education has commenced statutory reviews of apprenticeship standards. As part of that process they will consider whether requirements for any mandated qualifications in a given standard have changed. The statutory reviews process will take place alongside our review of the qualifications available.
- 51. We also recognise the need for high quality qualifications and training for adults. A 'one size fits all' approach to the review will not work, particularly in relation to adults, who require a greater level of flexibility. This is because they may be studying whilst also in employment, have caring or other responsibilities, or may be re-engaging with education after a period of time away.

⁵⁴ DfE (2018). <u>'T Level Action Plan 2018'</u>.

52. High quality qualifications are needed to support the National Retraining Scheme. This is an ambitious, far-reaching programme to drive adult education and retraining, in order to respond to changes in the economy and support people to redirect their careers and secure the higher paid, higher skilled jobs of the future. Other developing policies and reviews affecting adult students include the Review of Higher Technical Education (levels 4 and 5) and the Review of Post-18 Education and Funding.

Conclusion

- 53. Our qualification system has evolved over many decades, shaped by different governments and by a range of interventions designed to improve the way it functions. Some qualifications within the system are well recognised and valued, reflecting the expert work that goes into them. But too many qualifications are poorly understood, weakening their currency and value for individuals, employers and the economy as whole.
- 54. In too many cases, the links to the world of work and developing skill needs are weak. Routes into and through the system are also unclear, creating an unnecessary barrier both to young people choosing a technical route at age 16 and to adults looking to progress and build on their skills across their working lives.
- 55. If we are to tackle the current skills gaps and make the most of the talents of all our people, every qualification whatever its level and role in the system needs to be high quality and support progression to good outcomes. If we are to achieve this, we need to take a fundamental look at the range of qualifications needed and the processes that ensure their quality.

Annex A: An overview of how qualifications are approved for funding



Annex B: Study aims of 16 to 18 year olds in full time education and apprenticeships



Highest study aim of 16-18 year olds in Full Time Education and Apprenticeships, end 2017 (excluding those who are HE students)



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