

## Research Briefing

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# The post-16 education and skills white paper

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### Summary

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## Summary

On 20 October 2025, the government published its [post-16 education and skills white paper](#). According to the [ministerial foreword](#), the white paper sets out the government’s plan “to educate and train the workforce of the future and give people the skills and knowledge they need to succeed.”

The white paper included reforms to the post-16 education and skills systems in England, as well as outlining a number of policies that had already been announced by the government, or that were started under the previous Conservative government. It was divided into three sections, covering the skills, further education, and higher education systems.

## Skills

The white paper argued that “too many people lack the skills to get into work and to get on at work”. The government has said that the UK labour market is too over-reliant on international recruitment, and it will aim to rebalance this towards domestic workers.

In response to these skills gaps, the white paper explained how the government “will train the workforce of the future and give people the skills and knowledge they need to succeed”. It intends to review the adult essential skills offer, join up the skills and employment systems, support the development and implementation of local skills plans, and reduce the chances of young people becoming NEET (not in education, employment or training) through the Youth Guarantee.

The government intends to focus public funding on improving skills provision in priority sectors. These are the eight sectors that have been identified as “growth-driving sectors” in the Industrial Strategy, and also include the construction sector, and the health and adult social care sectors.

The white paper also explained the roles of Skills England and Strategic Authorities in the skills and employment system.

## Further education

The government’s white paper argued that the further education sector had been treated as “second rate” for several decades, which had contributed to declining participation in adult education and skills gaps in the economy. The

government said it wanted to ensure “world-leading provision” for students, and for the sector to contribute to local and national economic growth.

Some of the measures included in the white paper were existing commitments, while others were new policy announcements. They covered four areas – teaching, curriculum and qualifications, Technical Excellence Colleges, and investment and regulation – and included:

- Providing £1.2 billion of investment per year in skills by 2028/29 to maintain per-student funding for 16- to 19-year-olds in real terms.
- On qualification reform:
  - Replacing the current range of [level 3](#) vocational qualifications with new “V Level” qualifications, which will sit alongside A Levels and T Levels as the only level 3 options for 16 to 19-year-olds.
  - Introducing two pathways for post-16 students at [level 2](#), giving them a choice between study that would lead either to work or to further study at level 3.
  - Introducing new 16-19 English and maths level 1 qualifications to prepare students at GCSE grade 2 or below before they progress to retaking their GCSE.
- Giving the Secretary of State the power to bar “unsuitable people” from management positions in further education providers.
- Improving the training and professional development offer for teachers, including introducing statutory guidance to ensure consistency and quality in initial teacher education.
- Rolling out Technical Excellence Colleges.
- Bringing further and higher education providers closer together by making the higher education regulator in England, the Office for Students, the primary regulator for all providers offering courses at level 4 or above.
- Simplifying the 16-19 funding formula and ensuring high-value courses are funded sufficiently.

## Next steps

The government is [consulting on the design and implementation of V Level qualifications](#) and the two new post-16 pathways at level 2. It has said it will consult on the new post-16 level 2 English and maths qualifications in 2026.

The government will also introduce legislation when parliamentary time allows to give itself powers to prevent bar “unsuitable people” from management positions in further education providers. It will also undertake a

16-19 funding formula review and hopes a revised formula will be in place for the 2027/28 academic year.

The [Office for Students is consulting](#) on proposals to disapply certain conditions of registration for further education providers delivering, or planning to deliver, higher education.

## Higher education

The white paper described the higher education sector as one of the country's "most valuable strategic assets" and "a powerful engine of economic growth and a vital component of the wider skills system". However, it also noted the financial pressures facing the sector – including the increased cost of research, volatility in international student numbers, and sustained reductions in domestic student funding – arguing it was necessary to reset the system, to create "a more sustainable, more specialised and more efficient sector, better aligned with the needs of the economy". This would also be a much more collaborative system, where higher education providers work together to create a "compelling regional offer", which contributed to the skills and wider economic needs of their area, thereby driving local growth.

The white paper set out several areas in which the government will make policy interventions, including the degree to which providers specialise and collaborate, the financial sustainability of the sector, access and participation, the role of providers in contributing to economic growth, and regulation and quality. It also reiterated the government's commitment to a target of two-thirds of young people participating in higher-level learning (academic, technical, or apprenticeships) by age 25. This includes a sub-target of at least 10% of young people going into level 4 or 5 study, including apprenticeships, by 2040. The latest data shows that 50% of 25-year-olds had participated in higher-level learning.

Measures set out in the white paper included:

- Increasing undergraduate tuition fee caps for all providers in line with forecast inflation in the 2026/27 and 2027/28 academic years and increasing them automatically for future academic years in line with inflation and conditional on a provider's quality rating.
- Continuing to increase maintenance loans in line with forecast inflation every academic year and making care leavers automatically eligible to receive the maximum rate of maintenance loan. Introducing new targeted means-tested maintenance grants by the end of the parliament, funded by a new levy on international student fees.
- Working with the sector to address issues around the sustainability of research funding and to ensure a "more strategic distribution of research activity" across the three funding priorities:

- protecting and promoting “curiosity-driven research”
  - supporting research and development for the delivery of government priorities, missions, and the Industrial Strategy
  - providing targeted innovation, commercialisation and scale-up support to drive growth.
- Reforming the Strategic Priorities Grant to ensure alignment of funding with the priority sectors which support the [Industrial Strategy](#) and the [Plan for Change](#).
  - Reforming the regulation of access and participation plans to facilitate a more risk-based approach and addressing participation challenges at a postgraduate level.
  - Taking measures to ensure the Office for Students has the capacity and power to identify and intervene in low-quality teaching provision, especially franchised provision.

## Next steps

The government has said it will legislate when parliamentary time allows to increase tuition fee caps automatically from 2028/29. It will also legislate to strengthen the Office for Students’ powers to intervene in poor-quality provision.

The government is consulting on the [international student levy](#) and will consult on making student support for undergraduate degrees conditional on the inclusion of break points so students can achieve a level 4 or 5 qualification.

## Comment and reaction

### Opposition parties

Responding to the government’s white paper, the Shadow Education Secretary, Laura Trott, [criticised proposals for new post-16 maths and English qualifications](#). She also argued the tuition fee increase would fall on both students and taxpayers, and said the Conservatives had a plan to “put an end to debt-trap low-quality degrees and to double the budget for apprenticeships.”

Former Conservative higher education ministers were less critical of the government’s proposals, with [there being praise for V Levels](#) and the government’s continued commitment to the Lifelong Learning Entitlement, as well as the linking of [inflationary tuition fee increases to teaching quality](#).

The Liberal Democrat spokesperson for universities and skills, Ian Sollom, [said there was much to welcome in the white paper's ambition](#), but he warned against unintended consequences, arguing that modelling has shown the international student levy “could cut up to 135,000 domestic student places over five years and reduce our economy by £2.2 billion”.

## Education and skills sector

The education sector's reaction to the government's white paper was broadly supportive of the overall ambition to create a more unified and skills-focused system, characterised by flexible pathways designed to meet the study and employment needs of individuals throughout their lives.

The proposals for new level 3 vocational qualifications, V Levels, were [welcomed by the Association of Colleges](#), and seen as something that could bring greater coherence to the post-16 landscape, but only if they are designed with “[clarity, consistency and collaboration at their core.](#)”

The higher education sector [welcomed the white paper as a necessary reset](#) and a recognition of universities as a national asset. The commitment to raise undergraduate tuition fees in line with inflation was appreciated in light of growing concerns about the financial sustainability of some providers, as was the emphasis on greater collaboration. However, the sector [expressed opposition to the proposed international student levy.](#)

## Think tanks

[Analysis of the white paper by the Institute for Fiscal Studies](#) (IFS) commended its scope but said the focus on individual policy measures meant the proposals did not always add up to a coherent overall strategy. The IFS also said:

- The government's goal for two-thirds of young people in higher-level learning would be stronger if there was a clear deadline, since current trends suggest it would be achieved by the late 2030s without any interventions.
- If the freezing of the household income thresholds that determine the amount of loan students are eligible for continues, some students could borrow 15% less in real terms by 2029/30, significantly affecting living-cost support for middle-income families.
- Reintroducing maintenance grants for low-income students in “priority subjects” would mean only around 10% of students would be eligible, costing about £500 million compared to the £2.6 billion in today's prices that would be needed to restore the former system in place until 2016/17.
- The government should be clear on the economic rationale for the international student levy, which would constitute a tax on the UK's exports.

The Social Market Foundation (SMF), an independent public policy think tank, described V Levels as a “[potentially promising step forwards](#)”, while the Sutton Trust, which is a social mobility charity that also publishes research and policy analysis, [criticised the frozen parental income thresholds for maintenance loans](#) and the decision to offer maintenance grants only to those studying “priority subjects”.

# 1 Skills, training, and employment

Successive UK Governments have outlined the importance of skills to economic growth within the UK. The Secretary of State for the Department for Education, Bridget Phillipson, has said that “skills are vital to the change this government wants to deliver”, and that a highly skilled workforce is essential to support businesses to “drive economic growth and expand opportunity in our communities”.<sup>1</sup>

Skills England has reported that there is “clear evidence” of a gap between the skills that are needed by UK employers and the skills that are held by the UK workforce.<sup>2</sup> They have also forecast that the UK will need 900,000 more skilled workers in its priority sectors by 2030.<sup>3</sup>

The white paper similarly argues that currently “too many people lack the skills to get into work and to get on at work”.<sup>4</sup> The government has said that the UK labour market is too over-reliant on international recruitment, and it will aim to rebalance this towards domestic workers.<sup>5</sup>

In response to these skills gaps, the white paper explains how the government “will train the workforce of the future and give people the skills and knowledge they need to succeed”. It intends to review the adult essential skills offer, join up the skills and employment systems, support the development and implementation of local skills plans and reduce the chances of young people becoming NEET (not in education, employment or training) through the Youth Guarantee.<sup>6</sup>

## 1.1 Skills to support people back into work

The white paper argues that many individuals lack the essential skills that are needed to start and progress in work.<sup>7</sup> It says that 8.5 million adults have low proficiency in either English or maths, and 7.3 million adults lack the essential digital skills required for the workplace.<sup>8</sup>

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<sup>1</sup>

<sup>2</sup> Skills England, [Skills England report: driving growth and widening opportunities](#), 24 September 2024, p29

<sup>3</sup> Skills England, [Assessment of priority skills to 2030](#), 5 November 2025

<sup>4</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p4

<sup>5</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p17

<sup>6</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p6

<sup>7</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p13

<sup>8</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p6

On 7 September 2025, the government announced a number of [organisational and personnel changes](#), including moving part of the skills brief from the Department for Education (DfE) to the Department for Work and Pensions (DWP).<sup>9</sup>

Responsibility for skills-related policy has moved from the DfE to the DWP, including apprenticeships, adult further education, skills, training and careers, and Skills England. Responsibility for higher education, and further education, skills, training and careers for those aged 19 years and under, will remain with the DfE.<sup>10</sup>

The government has said that having adult skills development and employment support as part of one department “will strengthen the Government’s approach to employment and training”.<sup>11</sup> In the white paper, the government has said that it intends to join up the skills and employment systems by helping people to access the training they need to find and progress in work, and ensure that the workforce has the skills that are needed by employers.<sup>12</sup>

To do this, the government has said it would:

- Review the adult essential skills offer in English, English for speakers of other languages, maths and digital skills to ensure it includes the skills that individuals need for work or for additional education or training. This will include a review of the [National Standards for Essential Digital Skills](#).<sup>13</sup>
- Introduce Pathways to Work, as originally set out in the March 2025 Pathways to Work Green Paper.<sup>14</sup> The government set out additional funding for employment, health and skills support in the green paper, and said this funding would increase to around an extra £1 billion per year by 2030. This funding will be used for a new “pathways to work” support offer. This offer will provide a “guaranteed offer of tailored, one-to-one help” for disabled people or people with long-term health conditions who are claiming out of work benefits, including specialist employment, health and skills support.<sup>15</sup>
- Invest in 100,000 more Sector-Based Work Academy scheme (SWAP) places in the 2025/26 financial year.<sup>16</sup> This scheme is in place in England and Scotland and provides employment placements for people receiving benefits who are ready for work. These placements can last up to six

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<sup>9</sup> GOV.UK, [Ministerial appointments: September 2025](#), 7 September 2025

<sup>10</sup> [HC Statement UIN HCWS930](#), Machinery of Government – Skills, 16 September 2025

<sup>11</sup> DWP/Skills England, [Letter from the Secretary of State to the joint chief executives of Skills England](#), 27 October 2025

<sup>12</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p12

<sup>13</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p14

<sup>14</sup> DWP, [Pathways to Work: Reforming Benefits and Support to Get Britain Working Green Paper](#), 18 March 2025

<sup>15</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p15

<sup>16</sup> DWP, [Skills and Training Scheme expanded to help 100,000 people into work](#), 26 February 2025

weeks and provide pre-employment training, a work experience placement and a guaranteed job interview.<sup>17</sup>

- As set out in the December 2024 [English Devolution White Paper](#), devolve the delivery of skills bootcamps to strategic authorities, beginning with the Greater Manchester Combined Authority and West Midlands Combined Authority in the 2025/26 financial year. Skills Bootcamps take up to 16 weeks to complete and are intended to help participants build up sector-specific skills, as well as guaranteeing an interview with a local employer. They are available to adults aged 19 or over.<sup>18</sup> Funding of £100 million will be provided to expand construction skills bootcamps.
- Explore the development of skills passports, which will set out an individuals' skills and competencies, and support people to move between employers and sectors. The government has said it "will consider how to test skills passports in Jobs and Careers Service Pathfinder areas".<sup>19</sup>

## 1.2 Addressing national and local skills needs

Skills England has said that by 2035 it expects 1.4 million new jobs to have been created, and that technological change may mean that the skills that will be required for these jobs could be very different from the skills that are currently needed for jobs.<sup>20</sup> The white paper says that the skills system needs to be able to adept to these changes, but that the current system "is not responsive enough to rapid change".<sup>21</sup>

The government has said that it intends to create 120,000 new training opportunities over the current parliament which it says will address skills shortages, and support young people to "develop skills where they are most needed".<sup>22</sup>

The white paper explains how the government intends to fund these new training opportunities, and how it will target this funding.

### Public investment in adult skills

The white paper sets out an ambition that all future public investment in adult skills will be through the Adult Skills Fund and the Growth and Skills Levy (see

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<sup>17</sup> DWP, [Sector-based work academy programme: learning provider guide](#), 3 January 2024

<sup>18</sup> Department for Education, [Skills for Careers: Skills Bootcamps](#) (accessed 30 May 2025)

<sup>19</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p16

<sup>20</sup> Skills England, [Skills England: Better skills for better jobs](#), 13 August 2025

<sup>21</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p16

<sup>22</sup> DfE, [Next generation of builders and carers set to rebuild Britain](#), 27 May 2025

section 1.3), rather than through separate funding streams for different types of skills.<sup>23</sup>

The government intends to focus public funding on improving skills provision in priority sectors. These are the eight sectors that have been identified as growth-driving sectors' in the Industrial Strategy, and also include the construction sector, and the health and adult social care sectors.<sup>24</sup>

The white paper refers to the Jobcentre Plus [flexible support fund](#) as a further source of funding to access training. It says that Universal Credit claimants can use this fund to “gain access to locally run training” if it would benefit them in finding employment.<sup>25</sup>

## Skills England

Skills England was established in July 2024 in ‘[shadow form](#)’ as an executive agency within the Department for Education<sup>26</sup>, and was fully established on the 2 June 2025 after the Institute for Apprenticeships and Technical Education (IfATE) was formally closed.<sup>27</sup> Skills England has taken over most of the functions that were carried out by IfATE.

Skills England will also work to identify and address skills gaps in the economy, as well as forecast the skills that will be needed in national and regional economies, by combining statistical data with insights from employers and other important stakeholders.<sup>28</sup>

The white paper explains that Skills England “will provide the single authoritative voice on the country’s current and future skills needs”, and that it will work with stakeholders including Strategic Authorities, employers and employer bodies, Industry Training Bodies, unions and the devolved governments to do so.<sup>29</sup>

Skills England will also form part of the [Labour Market Evidence Group](#), with the [Industrial Strategy Council](#) and the [Migration Advisory Committee](#). The Labour Market Evidence Group will provide evidence to inform government decisions related to skills and the labour market.<sup>30</sup>

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<sup>23</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p18

<sup>24</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p17

<sup>25</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p18

<sup>26</sup> DfE, [Skills England to transform opportunities and drive growth](#), 22 July 2024

<sup>27</sup> [HC Statement UIN HCWS672](#), Apprenticeships and Skills Training, 2 June 2025

<sup>28</sup> Department for Education, [Skills England report: driving growth and widening opportunities](#), 24 September 2024, p11

<sup>29</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p17

<sup>30</sup> Labour Market Evidence Group, [Terms of reference](#), 25 November 2025

## Role of Strategic Authorities

The white paper discusses the role of strategic authorities in the skills and employment system, with reference to the [English Devolution White Paper](#).

Strategic authorities will ‘take the lead’ in local skills plans, and will take on joint ownership of [local skills improvement plans](#) alongside Employer Representative Bodies. These plans “set out the key skills needed in a local area and the plan to deliver them”.

Strategic authorities will also be responsible for adult skills funding, funded by ‘Integrated Settlement’ (see box below).

### Integrated settlement

In spring 2023, the government agreed to introduce single financial settlements for Greater Manchester and the West Midlands.<sup>31</sup> These have subsequently been described as ‘[integrated settlements](#)’.

The premise of the integrated settlements is that funding will consist of a single block of funding, instead of coming from multiple different sources.<sup>32</sup> The government intends for integrated settlements to become the default route for grant funding within mayors’ policy areas within the mayoral strategic authorities who have them.<sup>33</sup>

The Greater Manchester and West Midlands integrated settlements went live in the 2025/26 financial year.<sup>34</sup> In due course, all combined authorities designated as ‘established mayoral strategic authorities’ are expected to receive an integrated settlement.<sup>35</sup>

The Library briefing [English Devolution and Community Empowerment Bill 2024-25](#) explains these settlements in further detail. The briefing also explains how the [English Devolution and Community Empowerment Bill](#) would amend the [Apprenticeships, Skills, Children and Learning Act 2009](#) to confer duties and powers on strategic authorities in England in relation to adult education and skills (for persons aged 19 and above).

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<sup>31</sup> Department for Levelling Up, Housing and Communities, [The Investment Funds Programme](#), 20 March 2023

<sup>32</sup> MHCLG, [Integrated Settlement: policy document](#), 11 June 2025

<sup>33</sup> MHCLG, [English Devolution White Paper: Power and partnership: Foundations for growth](#), 16 December 2024

<sup>34</sup> MHCLG, [Integrated Settlement funds for 2025 to 2026](#), 8 April 2025

<sup>35</sup> MHCLG, [Power and Partnership: Foundations for Growth](#), 16 Dec 2024, p36

## 1.3

# Employer engagement and investment in skills

The white paper reports that employers have been less engaged with the skills system in recent years, and this has led to a fall in employer investment in the skills system.<sup>36</sup>

According to data collected in the DfE Employer Skills Survey, employer investment in training reduced by 18.5% in real terms between 2011 and 2024<sup>37</sup>, and the white paper says that the level of investment is below that of other countries.<sup>38</sup>

It also says that employers have relied on migration to fill skills and employment gaps.<sup>39</sup>

The government has said it will:

- Work with businesses and industry bodies to develop and implement ‘sector Jobs Plans’.<sup>40</sup> These will set out a workforce strategy which will “maximise the use of the UK workforce” and will include “agreed training plans with skills organisations”.<sup>41</sup>
- Work with businesses and Skills England to develop sector skills packages.<sup>42</sup> Skills packages have already been announced in construction, digital skills and AI, engineering and the defence industry (see box below).
- Work with strategic authorities to create new ‘sector pathways’ which will look to bring together local employment and skills support.<sup>43</sup> These will be aligned with Local Growth Plans, which all mayoral strategic authorities will be required to produce as part of the English Devolution Bill.<sup>44</sup>
- Aim to significantly increase business investment in growth-driving sectors by 2035 by facilitating “greater partnerships between skills providers and investors to co-finance increases in training capacity”. The government intends to build ‘sector coalitions’ to enable this.<sup>45</sup>

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<sup>36</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p19

<sup>37</sup> DfE/Skills England, [Employer Skills Survey Calendar year 2024](#), 31 July 2025

<sup>38</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p19

<sup>39</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p19

<sup>40</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p19

<sup>41</sup> Migration Advisory Committee, [Guidance for sector leads](#), 5 November 2025

<sup>42</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p20

<sup>43</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p20

<sup>44</sup> MHCLG, [English Devolution White Paper](#), 16 December 2024

<sup>45</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p21

- Consider suppliers’ “commitments to the government’s skills objectives”, where relevant, in procurement exercises.<sup>46</sup>
- Raise the immigration skills charge by 32%, and use the additional funding generated to upskill the domestic workforce and reduce reliance on migration to fill skills and employment gaps.<sup>47</sup> In March 2025, the government said that this would deliver up to 45,000 additional training places over the current parliament.<sup>48</sup> The government has also said that some sectors will only be able to access workers who are immigrants if their sector has an “appropriate” [Jobs Plan](#) in place with a “commitment to supporting domestic skills”.<sup>49</sup>
- Support Industrial strategy zones to increase private investment in the skills system.<sup>50</sup> Industrial Strategy Zones exist in 22 places across the UK.<sup>51</sup>

## Sector skills packages

As part of the June 2025 [Industrial Strategy](#), three skills packages were put in place to support the skills needed across the priority sectors:

- TechFirst technology skills package: investment of £187 million for a digital skills and artificial intelligence learning package.<sup>52</sup> This includes £24 million for a ‘TechYouth’ programme to support secondary school pupils, with the remaining £163 million supporting:<sup>53</sup>
  - undergraduates (TechGrad, £97million)
  - PhD students (TechExpert, £48 million)
  - entrepreneurs and businesses (TechLocal, £18 million).<sup>54</sup>
- Engineering package: investment of £182 million over four years to support engineering skills in England. As well as funding towards technical excellence colleges (see section 2.3), this includes:
  - £47 million to fund engineering skills for adults
  - £2 million to increase the number of engineering T Levels offered,

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<sup>46</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p22

<sup>47</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p22

<sup>48</sup> DfE, [Next generation of builders and carers set to rebuild Britain](#), 27 May 2025

<sup>49</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p22

<sup>50</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p22

<sup>51</sup> MHCLG, [Industrial Strategy Zones Action Plan](#), 23 June 2025

<sup>52</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p20

<sup>53</sup> DBT/DSIT, [Digital and Technologies Sector Plan](#), 23 June 2025, p18

<sup>54</sup> DSIT/DfE, [PM launches national skills drive to unlock opportunities for young people in tech](#), 8 June 2025

- £8 million capital funding for clean energy engineering courses at levels 4 and 5 in higher education providers.<sup>55</sup>
- Defence package: investment of £182 million to increase the number of skilled workers in the defence sector.

In March 2025, the government said that it will provide funding of £600 million to train up to 60,000 more construction workers.<sup>56</sup> This followed an announcement in November 2024 that it will put in place 32 Homebuilding Skills Hubs.<sup>57</sup>

There were also sector-specific skills packages for clean energy industries, creative industries, life sciences and professional and business services. These are outlined in the [individual plans for these sectors](#).

The skills packages involve establishing 29 technical excellence colleges, with 10 announced as part of the construction package, 5 announced as part of the defence package and a further 14 announced across other sectors. Further details on these colleges is provided in section 2.3.

## Growth and skills levy

The government intends to introduce a [growth and skills levy](#) to replace the existing [apprenticeship levy](#).

From April 2026, employers will be able to use the growth and skills levy on short, flexible training courses which are called apprenticeship units. These will be available in critical skills areas and will be designed to “help employers respond quickly to evolving skills needs and invest in workforce development”. They will be intended to complement existing apprenticeships, and will be based on employer-designed [Occupational standards](#). The initial roll-out of these apprenticeship units will be in AI, digital and engineering.

Individuals will also be able to access training from September 2026 through the [Lifelong learning entitlement](#) with the first courses due to be taught from January 2027. This entitlement can be used for shorter modular courses as well as longer courses.<sup>58</sup>

In the white paper, the government has said that it will use the growth and skills levy to prioritise getting young people into ‘skilled, well-paid’ jobs.

The Library briefing [Skills policy in England](#) provides more detail on the growth and skills levy and the apprenticeship levy.

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<sup>55</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p20

<sup>56</sup> HM Treasury, [Government unleashes next generation of construction workers to build 1.5m homes](#), 23 March 2025

<sup>57</sup> DfE/MHCLG/DBT/DWP/CITB, [New skills hubs launched to get Britain building](#), 22 November 2024

<sup>58</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p21

## Foundation apprenticeships

The government has said that the introduction of foundation apprenticeships is an ‘important first step’ for the Youth Guarantee (see the box below).<sup>59</sup>

Foundation apprenticeships are intended to support young people to progress into further work-based learning and sustained employment, and to “provide a route into apprenticeships for young people who have not been able to benefit from apprenticeships up to this point”.<sup>60</sup>

They are only available to young people aged 16 to 21, or people aged 22 to 24 who have a local authority Education, Health and Care (EHC) plan, have previously been in care, or are a prisoner or prison leaver.<sup>61</sup>

The following seven foundation apprenticeships were approved at the end of April 2025:

- Building service engineering
- Engineering and manufacturing
- Finishing trades
- Hardware, network and infrastructure
- Health and social care
- Onsite trades
- Software and data<sup>62</sup>

These apprenticeships were available for starts from August 2025, and all have a typical duration of 8 months.<sup>63</sup>

Employers will receive an incentive of up to £2,000 for new starters on foundation apprenticeships.<sup>64</sup>

Additionally, the government will pay £1,000 to employers and training providers for every apprentice they take on who is:

1. aged between 16 and 18, or
2. aged between 19 and 24 and has a local authority EHC plan or is, or has been, in care.<sup>65</sup>

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<sup>59</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p21

<sup>60</sup> [Institute for Apprenticeships and Technical Education \(Transfer of Functions etc\) Bill \[HL\]](#), 22 October 2024

<sup>61</sup> DfE, [Apprenticeship funding rules, 2025 to 2026](#), 15 May 2025, para 127

<sup>62</sup> Skills England, [Apprenticeship finder](#) (accessed 30 May 2025)

<sup>63</sup> DfE, [DfE Update further education: 21 May 2025](#), 21 May 2025

<sup>64</sup> DfE, [Apprenticeship funding rules, 2025 to 2026](#), 15 May 2025, para 141

<sup>65</sup> DfE, [Apprenticeship funding rules, 2025 to 2026](#), 15 May 2025, para 104

The government expects 30,000 young people to start foundation apprenticeships this parliament.<sup>66</sup>

## 1.4 Support for young people

Studies have shown that time spent NEET can have a detrimental effect on physical and mental health, and increase the likelihood of unemployment, low wages, or low quality of work later in life.<sup>67</sup>

In response to an increase in the number of young people who are NEET, the government launched an independent investigation into the rise in youth inactivity in November.<sup>68</sup>

The review will be led by the former Secretary of State for Health and Social Care, Alan Milburn, who will work with a panel of expert advisers to identify reasons why the number of young people who are NEET has increased. It will focus particularly on mental health conditions and disability as barriers to participation in the workforce. The review will also make recommendations aimed at re-engaging young people who are already NEET and stopping other young people from becoming NEET.

The review will share interim findings with the government in Spring 2026, and the final report will be published in Summer 2026.

The white paper refers to the need to reduce the number of young people who are not in employment, education or training (NEET) as a national priority. The government has said that it will provide targeted support to help young people achieve the skills they need to get a job.<sup>69</sup>

This support includes the Youth Guarantee and the support that will be provided as part of this are covered in the box below. In addition to this support, the government has said it will:

- more effectively identify and track young people who either are NEET or are at risk of becoming NEET. This includes the development of new 'risk of NEET' indicator tools and guidance, and better collection and sharing of data on young people at risk of becoming NEET between relevant bodies.<sup>70</sup>
- Ensure each pupil has a planned destination when they leave school. The government will revise guidance so schools will provide targeted support to those at risk of becoming NEET. It will also update the guidance on the

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<sup>66</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p21

<sup>67</sup> Public Health England/UCL Institute of Health Equity, [Local action on health inequalities: Reducing the number of young people not in employment, education or training](#), September 2014

<sup>68</sup> DWP, [Independent investigation to be launched to tackle rising youth inactivity](#), 10 November 2025

<sup>69</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p23

<sup>70</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p24

support that schools provide on the role of schools in supporting students to transition into post-16 study, and how they work with local authorities to provide high-quality information, advice and guidance on post-16 options.<sup>71</sup>

- Use best practice in school attendance tracking to track when attendance starts to decline in FE.<sup>72</sup>
- Provide improved support for learners with SEND. This includes:
  - Continued investment in [supported internships](#).<sup>73</sup> Supported internships have been in place since September 2013, and look to support young people with SEND who have a education, health and care (EHC) plan into sustained, paid employment.<sup>74</sup> The government has said it will provide funding of £12 million to March 2026 for these internships. This funding will support local areas to develop their supported internship offers, and to expand a pilot which is testing supported internships for young people with SEND who do not have a EHC plan.<sup>75</sup>

Funding of £18 million was previously provided in March 2022 over a three year period for supported internships, along with a target to double the number of supported internships each year to 4,500 by March 2025, which the Department for Education met in 2024/25.<sup>76</sup>

- Working with FE and HE sector bodies to improve awareness and take-up of the [adjustment planner](#).<sup>77</sup>
- Expanded access to mental health support teams in colleges and schools.<sup>78</sup>
- Support learners to choose between the different types of training they could undertake by providing data showing the outcomes of each education and training course, occupation maps and clearer study pathways for students at age 16.<sup>79</sup>
- Improve the careers provision that is provided to students and young people. The government has said it will ensure that careers guidance is “informed by the employment and skills needs of the economy”, to support young people to make “more informed choices”. It also intends to combine Jobcentre Plus and the National Careers Service into a new

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<sup>71</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p24

<sup>72</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p24

<sup>73</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p26

<sup>74</sup> DfE, [Providing supported internships for young people with an EHC plan](#), 21 October 2025

<sup>75</sup> [PQ 83764](#), 29 October 2025

<sup>76</sup> [PQ 46216](#), 17 April 2025

<sup>77</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p27

<sup>78</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p27

<sup>79</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p27

Jobs and Careers Service in England, which it has said will align “employment support more closely with skills and careers”.<sup>80</sup>

- Ensure each student gets at least two weeks of work experience while in secondary education. The government has suggested this should be broken down into at least one week’s work experience in years 7 to 9, and a further week’s work experience in years 10 to 11.<sup>81</sup>

The Library briefing [NEET: Young People Not in Education, Employment or Training](#) provides the latest NEET statistics and outlines the government initiatives that are in place to reduce the number of young people who are NEET.

## Youth guarantee

The government announced the Youth Guarantee in the November 2024 [Get Britain Working White Paper](#). Through this guarantee, the government will look to ensure that every young person aged 18-21 in England will have access to further learning, help to get a job, or an apprenticeship. The government said that it will, at first, use existing provision and entitlements, but that it expects to put in place at a later stage “new and additional opportunities for young people”.<sup>82</sup>

In spring 2025, the government put in place ‘trailblazer’ areas to trial the new initiatives contained in the white paper, with £45 million provided in 2025/26 for these trailblazers. They will aim to identify the young people who are most at risk of becoming NEET (not in education, employment or training), and to support them into education, training or work. Various proposals will be tested with the aim of maximising participation in the Youth Guarantee. The learning from these trailblazers will then be used to help with the future development of the Youth Guarantee.<sup>83</sup>

The trailblazers will run for twelve months, and then the Youth Guarantee will be rolled out across the rest of England.<sup>84</sup>

The trailblazers are located in the following eight mayoral authorities: Liverpool City Region, West Midlands, Tees Valley, East Midlands, West of England, Cambridgeshire & Peterborough and two in London.<sup>85</sup>

In September 2025 the government said that it would offer young people guaranteed paid work if they have been on Universal Credit for 18 months

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<sup>80</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p27

<sup>81</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p28

<sup>82</sup> DWP/HMT/DfE, [Get Britain Working White Paper](#), 26 November 2024, para 113

<sup>83</sup> DWP/HMT/DfE, [Get Britain Working White Paper](#), 26 November 2024, para 120

<sup>84</sup> [PQ 35801](#), 12 March 2025

<sup>85</sup> DWP, [Biggest employment reforms in a generation unveiled to Get Britain Working again](#), 26 November 2024

without earning or learning.<sup>86</sup> This will be rolled out from Spring 2026 in the following areas:

- Birmingham & Solihull
- East Midlands
- Greater Manchester
- Hertfordshire & Essex
- Central & East Scotland
- Southwest & Southeast Wales<sup>87</sup>

The government has also said that it will automatically allocate a young person a place at a local college or FE provider if they don't have a post-16 study plan when they leave school.<sup>88</sup>

In the white paper, the government described the introduction of foundation apprenticeships as an “important first step” towards this guarantee.<sup>89</sup>

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<sup>86</sup> HM Treasury, [New youth guarantee for eligible young people and funding for libraries in all primary schools](#), 29 September 2025

<sup>87</sup> DWP, [Almost a million young people to benefit from expanded support, new training, and work experience opportunities](#), 8 December 2025

<sup>88</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p23

<sup>89</sup> DfE/DWP/DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p21

## 2

# Further education

The further education system in England comprises colleges and their partners, as well as independent training providers, which all offer education and training to post-16 learners who can undertake qualifications that generally run up to level 5.

### Qualification levels in the further education sector

Most qualifications in England have a difficulty level. The higher the level, the more difficult the qualification is. Qualifications offered by further education providers generally run from entry level to level 5 (an undergraduate degree is level 6) and, in addition to awards, certificates, and diplomas at each level, include:

- Entry level: Skills for Life and English for Speakers of Other Languages (ESOL) qualifications
- Level 1: GCSEs at grades 1 to 3, functional skills awards
- Level 2: GCSEs at grades 4 to 9
- Level 3: A Levels, T Levels, and V Levels
- Level 4: Higher National Certificate (HNC)
- Level 5: Higher National Diploma (HND)

More information is available at gov.uk, [What qualification levels mean](#).

The government's white paper argued that the further education sector had been treated as "second rate" for several decades, which had contributed to declining participation in adult education and skills gaps in the economy.<sup>90</sup> It set out a number of actions the government would undertake to improve the further education system so young people would have the skills to thrive in work and life, and adult learners could benefit from upskilling and reskilling opportunities.

The government said its objectives for the further education sector were to ensure "world-leading provision", which would be enabled by "the implementation of qualifications reform, excellent teachers, and innovative

<sup>90</sup> Department for Education (DfE), Department for Work and Pensions (DWP), and Department for Science, Innovation, and Technology (DSIT), [Post-16 education and skills white paper](#), 20 October 2025, p30

leaders.”<sup>91</sup> It also wants the sector to contribute to national economic growth by addressing skills gaps, with a clear focus on the eight priority sectors identified in the Industrial Strategy,<sup>92</sup> and also work with strategic authorities to drive local growth.<sup>93</sup>

Some of the actions included in the white paper were policy changes while others were the continuation of existing further education policies and practice. They covered the following four areas:

- Teaching
- Curriculum and qualifications
- Technical Excellence Colleges
- Investment and regulation

## 2.1

### Teaching

In response to issues with the recruitment and retention of further education teachers,<sup>94</sup> and a limited professional development offer compared to schoolteachers, the white paper set out a number of policy interventions to improve the further education workforce and their teaching experience.<sup>95</sup> The government said it would:

- Provide £1.2 billion of additional investment per year in skills by 2028/29 to maintain real terms per-student funding in light of the demographic increase in 16- to 19-year-olds.
- Legislate when parliamentary time allowed to give the Secretary of State power to bar unsuitable people from management positions in further education providers.
- With regards to recruitment and retention:
  - Continue to offer financial support for new further education teachers in priority subjects.
  - Continue the national further education teacher recruitment campaign.

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<sup>91</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p29

<sup>92</sup> Department for Business and Trade, [Sector Plans](#), updated September 2025. The eight priority sectors are advanced manufacturing, clean energy industries, creative industries, defence, digital and technologies, financial services, life sciences, and professional and business services.

<sup>93</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p29

<sup>94</sup> Institute for Fiscal Studies, [What has happened to college teacher pay in England?](#), 30 March 2023

<sup>95</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, pp30-34

- Continue the [Targeted Retention Incentive](#) that gives eligible early career further education teachers in key STEM and technical shortage subjects up to £6,000 after tax annually for their first five years.
- With regards to initial teacher training:
  - Introduce statutory guidance to ensure consistency and quality in Initial Teacher Education content and delivery
  - Require Initial Teacher Education providers to register with the Department for Education
  - Pilot a training offer in partnership with the Gatsby Charitable Foundation, Edge Hill University, and colleges to support professionals transitioning from industry into teaching
- With regards to professional development:
  - Establish “a coherent, career-long professional development pathway for teachers in further education, with evidence at its core.”
  - Refocus [National Professional Qualifications](#) and associated funding to support further education teachers and leaders better
  - Introduce new shorter and more flexible professional development courses that will sit alongside National Professional Qualifications in priority further education areas, such as technical teaching areas, post-16 English and maths, and special educational needs provision
  - Embed industry exchange into professional development to bring experts into classrooms and facilitate employer placements for teaching staff to ensure teaching remains aligned with industry standards.

## Teachers in further education

In academic year 2023/24, there were 55,260 full-time equivalent (FTE) teachers in the further education (FE) sector in England. This only covers those on permanent or fixed term contracts and excludes those on zero-hour, variable hour or other contract types.<sup>96</sup> This was 37% of the FTE workforce in the sector.<sup>97</sup>

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<sup>96</sup> Covers general FE colleges, sixth form colleges, publicly funded private sector institutions and other publicly funded FE providers.

<sup>97</sup> DfE, [Further education workforce 2023/24](#)

Just under two-thirds of FE teaching staff worked full-time in 2023/24, the majority (59%) were female, 85% were from a White ethnic background, and 44% were aged 50 or older.<sup>98</sup>

In 2023/24, the unfilled vacancy rate across the sector was 3.9 per 100 teaching positions. This was lowest in sixth form colleges (1.0 per 100) and highest in local authorities with an education remit (6.8 per 100). These figures are based on returns from around 80% of FE providers and are not comparable to data for earlier years or other education sectors.<sup>99</sup>

## 2.2 Curriculum and qualifications

There has been significant change in the post-16 qualification landscape in recent years with the rollout of T Levels and the removal of funding from many vocational technical qualifications (often called applied general qualifications), such as BTECs, which are vocational courses designed to provide learners with practical skills and knowledge valued in the workplace.<sup>100</sup>

The Curriculum and Assessment Review said too many qualifications (there were nearly 2,000 eligible for level 3 funding in 2024/25) and a lack of clear pathways at age 16 have made it challenging for young people to decide on their options, which in turn has led to poor outcomes for individuals and the economy.<sup>101</sup>

However, the review also said that the move under the previous Conservative government to offering learners either an academic or technical pathway, with just A Levels or T Levels available alongside smaller, complementary academic and technical qualifications, did not meet the needs of all sectors, occupations, and learners.<sup>102</sup> Instead, the review proposed a third vocational pathway based on new 'V Level' qualifications, which it said should be "broad, sector-based, and applied, and support learners' effective progress to a wide range of destinations, including related work-based training or apprenticeships, related further/higher education, or employment."<sup>103</sup>

The curriculum review also highlighted the number of learners studying at level 2 in 16 to 19 education, and the over-representation of disadvantaged learners within this group, including those with special educational needs or eligible for free school meals.<sup>104</sup> It also set out a number of issues with the current policy of continued maths and English study for those learners who

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<sup>98</sup> DfE, [Further education workforce 2023/24](#)

<sup>99</sup> DfE, [Further education workforce 2023/24](#)

<sup>100</sup> House of Commons Library, [Technical education in England: T Levels; The review of level 3 qualifications reform](#)

<sup>101</sup> DfE, [Curriculum and Assessment Review Final Report](#), 5 November 2025, pp143-44

<sup>102</sup> DfE, [Curriculum and Assessment Review Final Report](#), 5 November 2025, pp142-48

<sup>103</sup> DfE, [Curriculum and Assessment Review Final Report](#), 5 November 2025, p148

<sup>104</sup> DfE, [Curriculum and Assessment Review Final Report](#), 5 November 2025, p148

had not achieved a GCSE grade 4 at 16, and called for a more nuanced approach that would better support them to make progress.<sup>105</sup>

All these challenges were acknowledged by the government's white paper, which said there needed to be a high-quality post-16 offer at level 2 to help learners progress to level 3 study or employment, and a different approach to the study of English and maths at post-16 that disincentivised repeated resits for students.<sup>106</sup>

With regards to improving post-16 pathways to support the progression of learners, the white paper said the government would:

- Replace the range of vocational technical qualifications at level 3 with 'V Levels', which will sit alongside A Levels and T Levels as the only pathway of vocational qualifications for 16 to 19-year-olds. These qualifications will be similar in size to an A Level and their content will be linked to occupational standards set by Skills England, working with employers. The government launched a consultation to test the new qualification's design principles on 20 October 2025.<sup>107</sup>
- Work with schools, colleges, and awarding organisations to develop two clear post-16 pathways at level 2. Each pathway will be a 16-19 study programme and will have a relevant qualification, alongside English and maths study where necessary. Students will be able to choose between:
  - an occupational pathway, in which employability skills and enrichment activity will prepare students to progress directly into level 2 occupations
  - a further study pathway, in which students will develop independent study skills and exposure to level 3 teaching and assignments to enable progression to level 3 study

On a new approach to the continued study of English and maths, the white paper said the government would:

- Introduce new 16-19 English and maths level 1 qualifications, which will prepare students at GCSE grade 2 or below before they undertake a GCSE resit. Those with a grade 3 would continue to work towards a GCSE grade 4 directly. The government will work with the sector to develop the new qualification and will consult in 2026.
- Support colleges to emulate best practice, with the Further Education Commissioner tasked with collaborating with the sector to develop guidance.

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<sup>105</sup> DfE, [Curriculum and Assessment Review Final Report](#), 5 November 2025, pp158-64

<sup>106</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p36

<sup>107</sup> DfE, [Post-16 level 3 and below pathways consultation](#), 20 October 2023

- Continue to provide additional investment for students who have not yet achieved a grade 4, including through increased funding rates and the disadvantage payment.
- Monitor the implementation of clearer Department for Education guidance on which students should and should not be entered for an exam re-sit in the November exam series.<sup>108</sup>
- Revise the [16 to 18 English and maths Progress Measure and Qualification Achievement Rates](#) to ensure providers are recognised for the progress their students make towards a level 2.

## Further Education Commissioner

The Further Education (FE) Commissioner is an independent adviser and leads a team of experienced former principals and finance experts from the further education sector. They play an important role in the Department for Education's college oversight policy, working with teams from the Department for Education and Ofsted, as well as sector representative groups such as the Association of Colleges.

The Commissioner's primary mission is to work with colleges and local authorities delivering further education to achieve three main goals:

- Improve the quality of education for learners.
- Strengthen financial resilience.
- Improve the quality of leadership across the sector.

The work encompasses both support and intervention. The Commissioner and their team provide active support to all colleges, helping them to recognise and address challenges early. Where serious weaknesses or a high risk of failure are identified, the Commissioner conducts formal intervention assessments. This process involves evaluating the college's governance and leadership capacity and making recommendations to ministers for a course of action to secure improvement.

More information is [available on gov.uk](#).<sup>109</sup>

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<sup>108</sup> DfE, [2025 to 2026 academic year: 16 to 19 funding: maths and English condition of funding](#), updated July 2025

<sup>109</sup> [Further Education Commissioner, About us](#)

## 2.3

## Technical Excellence Colleges

The government's white paper noted a "significant reduction" in the amount that employers have invested in education and training since 2011. It called for a model of further education characterised by specialisation in key sectors and employers fully engaged with education and training provision.<sup>110</sup>

To this end, the government is introducing 'Technical Excellence Colleges' (TECs), which will be further education colleges that have demonstrated excellent provision in one of the government's growth-driving priority sectors. The government hopes each TEC will act as "a hub of excellence" in a specific sector, with advanced facilities and resources, including high-quality staff and course materials, and strong partnerships with employers, businesses, strategic authorities, trade unions, and local government.

In June 2025, the government announced 10 TECs in construction, backed by £100 million.<sup>111</sup> In September 2025, it announced 5 would cover defence,<sup>112</sup> while 4 would focus on advanced manufacturing, 5 on clean energy, and 5 on digital.<sup>113</sup> These new TECs would be backed by £175 million, with selection processes to start by the end of 2025, and delivery planned to begin from April 2026.<sup>114</sup> The white paper set out the government's plans for the TEC programme, including:

- Employers would play an important role in shaping course offers and curriculum design.
- TECs will draw on the experience and expertise of Institutes of Technology, which are post-16 education providers that specialise in delivering higher technical education, particularly at levels 4 and 5, and collaborate with employers, further education providers, and universities.
- There should be a partnership between TECs and employers to co-finance capital investment in colleges.
- Strategic authorities will work with local partners, including Employer Representative Bodies, to encourage collaboration and facilitate relationships between employers and TECs, to ensure skills delivery is matched with local employer need.

<sup>110</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, pp39-40

<sup>111</sup> DfE, [40,000 people to get skills in new Technical Excellence Colleges](#), 12 August 2025

<sup>112</sup> Department for Education, [Major skills boost at the heart of transformative new Defence Industrial Strategy](#), 6 September 2025

<sup>113</sup> Prime Minister's Office, [Prime Minister unveils reforms to transform further and higher education](#), 30 September 2025

<sup>114</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p40

## 2.4

## Investment and regulation

The government's white paper set out plans to invest in the further education system and change the funding regime, as well as simplifying the regulatory framework, so providers are better able to deliver education and training that meets the needs of individuals and employers.<sup>115</sup> This is in response to issues with the current system, which the government says does not adequately incentivise or enable delivery of the right provision, particularly high-value provision in technical areas, which can often be more expensive to run.<sup>116</sup>

The government has said it will:

- Invest in the sector to ensure all 16- to 19-year-olds have an education or training place, including through increased funding of £400 million in the 2025-26 financial year, and £800 million extra in 2026-27 from the Spending Review.
- Undertake a 16-19 funding formula review to simplify the formula and ensure high-value courses are funded sufficiently. The aim is for a revised formula to be in place for the 2027/28 academic year.
- Invest in the further education estate and facilities, including through:
  - £200 million of capital investment over the Spending Review period through a new Skills Mission Fund, which will focus on addressing skills shortages in priority sectors, including expanding Technical Excellence Colleges.
  - £375 million of capital investment over the Spending Review period to support post-16 capacity to accommodate additional individuals entering the system.
  - £1.7 billion of capital funding from the 2026-27 financial year until the 2029-30 financial year to help colleges maintain the condition of their estate, including an annual allocation rising in line with inflation.
- Explore measures to allow further education colleges to secure loans from local or strategic authorities.
- Support colleges to make efficiencies savings, for example through collective purchasing and the work of the Further Education Commissioner.
- Bring higher and further education providers closer together by simplifying the regulatory framework for higher level study. This would

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<sup>115</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p42

<sup>116</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p42

see the Office for Students (OfS) become the single primary regulator for all higher education providers offering courses at level 4 or above.

Any providers offering Lifelong Learning Entitlement-funded provision at levels 4 to 6 would have to register with the OfS, and the regulator will consult in autumn 2025 on what this will look like, including whether certain conditions of registration for providers in the further education sector should be disapplied.<sup>117</sup> The Advanced Learner Loan funding system will also be extended until summer 2030 and so will operate alongside the Lifelong Loan Entitlement for a few years in offering funding for some level 4 and above courses.

- Work to improve quality and outcomes for learners, including through the introduction of Regional Improvement Teams in further education and a consultation on a consistent way of measuring performance across all 16 to 18 learners.<sup>118</sup>

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<sup>117</sup> OfS, [OfS proposes changes to streamline its regulation of further education colleges in England](#), 2 December 2025

<sup>118</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, pp42-44

## 3 Higher education

Higher education generally comprises qualifications at [level 6 and above in England](#), which are completed at universities and other higher education providers. Many of these institutions will also offer qualifications at levels 4 and 5, such as [higher technical qualifications](#).

The government's white paper described the higher education sector as one of the country's "most valuable strategic assets" and "a powerful engine of economic growth and a vital component of the wider skills system".<sup>119</sup> Citing a report published by Universities UK, the representative body for universities, the white paper asserted that the total direct and wider economic impact of the UK higher education sector was more than £265 billion, and for every £1 of public money invested in the higher education sector across the UK, £14 was put back into the economy.<sup>120</sup>

The white paper then went on to note a number of financial pressures facing the sector, including recent inflation, the increased cost of research, volatility in international student numbers, and sustained reductions in per-student funding. It said it was necessary to reset the system, to create "a more sustainable, more specialised and more efficient sector, better aligned with the needs of the economy".<sup>121</sup> The government said it wants the sector to:

- Drive economic growth by protecting "curiosity-driven research and applied research and development", supporting priority sectors, contributing to knowledge exchange, start-ups, spinouts, and research-intensive industries, and creating a highly skilled workforce.
- Maintain a high-quality experience for all, underpinned by internationally competitive teaching and research, which attracts the best research talent and teaches the most advanced knowledge.
- Provide national capability through specific research expertise (for example, nuclear, artificial intelligence, and across the Industrial Strategy) and critical skills needs in these areas.
- Deliver regional impact for citizens by driving local economic growth, creating social value, inspiring people to succeed in life and work, and

<sup>119</sup> Department for Education (DfE), Department for Work and Pensions (DWP), and Department for Science, Innovation, and Technology (DSIT), [Post-16 education and skills white paper](#), 20 October 2025, p45

<sup>120</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p55, citing Universities UK, [The economic impact of higher education, teaching, research and innovation](#), August 2024

<sup>121</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p46

breaking down barriers to opportunity for students from all backgrounds.

- Increase the UK's international standing through facilitating science diplomacy, international collaboration, and teaching the world leaders of tomorrow.

The white paper sets out a number of areas in which the government will make policy interventions, including:

- the degree to which providers specialise and collaborate
- the financial sustainability of the sector
- access and participation
- the role of providers in contributing to economic growth
- regulation and quality

## Higher-level learning target

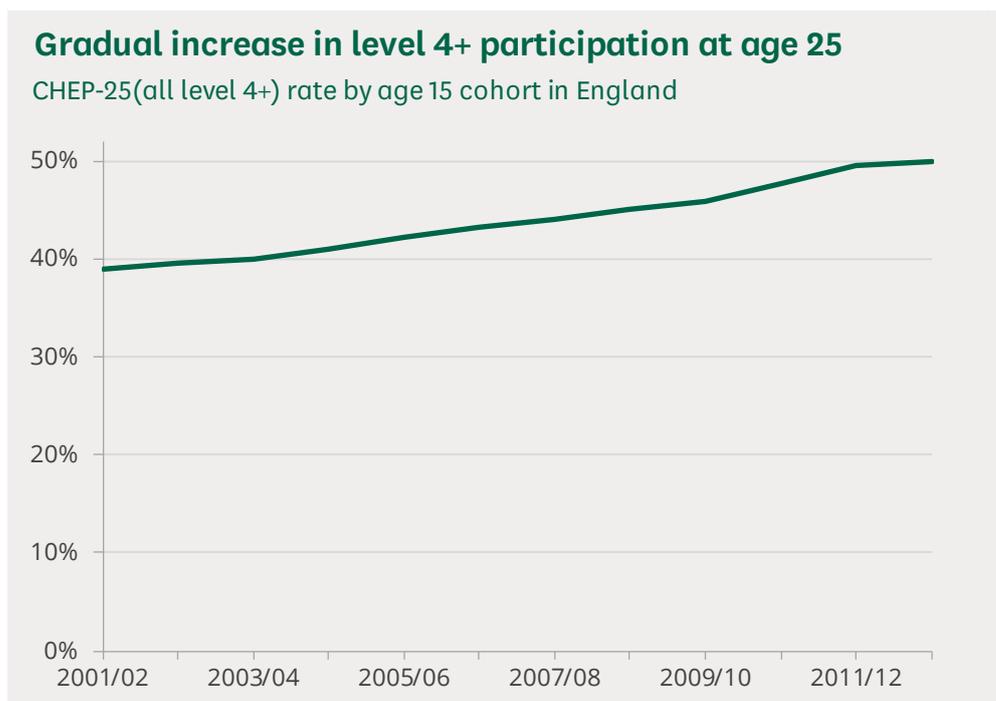
Ahead of the white paper's publication, the government had already committed itself to a target of two-thirds of young people participating in higher-level learning – academic, technical, or apprenticeships – by age 25. This includes a sub-target of at least 10% of young people going into level 4 or 5 study, including apprenticeships, by 2040.<sup>122</sup>

The higher-level learning target was re-stated in the white paper, which also gave details of how progress will be measured. Higher level learning is defined as all recorded qualifications at level 4 and above including further and higher education and work-based learning such as apprenticeships. Progress will be measured using the Cohort-based Higher Education Participation measure at age 25 known as CHEP-25(all level 4+) and published by the Department for Education in its annual [Participation measures in higher education publication](#).

The latest data on this measure is for the cohort who were aged 15 at the start of academic year 2012/13 and looks at their participation up to age 25 in 2022/23. 50% of this cohort had started some form of higher level learning at level 4 or above by this age. Trends in this measure for different cohorts is shown in the chart below. Less than 40% of the cohorts who were aged 15 at the start of the 2000s has started higher level learning by age 25. This rate has gradually increased in each subsequent cohort.

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<sup>122</sup> Prime Minister's Office, [Prime Minister unveils reforms to transform further and higher education](#), 30 September 2025



Source: DfE, [Participation measures in higher education 2022/23](#)

The government has not set a date for this target to be met. Data on higher level participation by age 20 suggest that, if the pattern of participation between ages 20 and 25 continues,<sup>123</sup> the rate will continue to gradually increase over the next five years to around 55% for the 2017/18 cohort.

The government has published a breakdown of the different qualification levels within the CHEP-24 (all level 4+) measure for recent cohorts only. This shows that 5.8% of the 2012/13 cohort had participated in a level 4 or 5 qualification (but not any higher ones) by age 25. The government’s target for this measure is 10% by 2040.

## 3.1 Specialisation and collaboration

The government’s vision for the sector is a much more collaborative system, where higher education providers work together to create a “compelling regional offer”, that contributes to the skills and wider economic needs of their area, driving local growth.<sup>124</sup> This collaboration could extend from providers based in the same city sharing back-office functions and estates to regional groupings being formed to meet local needs across skills, teaching, and research, with students able to pursue a diversity of subjects, qualifications, and different modes of study.

The government wants to move away from “increasing homogeneity” in the system, where “too many providers with similar offerings are chasing the

<sup>123</sup> An average increase in the rate of around five percentage points.

<sup>124</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p48

same students” and all universities pursue research in every area.<sup>125</sup> Within this more collaborative system, therefore, the government wants to encourage providers to determine their unique contribution and specialise in areas of strength. This might include specialising across multiple disciplines or focussing on one or two where they are strongest. Providers may also choose to specialise in teaching or specific type of research, whether that be more applied or curiosity driven. The white paper stated:

We are clear that we do not expect every provider to hold the same objectives or deliver them in the same way, and some will provide a very broad offering, but we will not structure our support in a way that assumes every institution must do everything. [...]

Ultimately, we anticipate that, over time there will be fewer broad generalist providers and more specialists. This will include specialists in teaching only, specialists in research, and some institutions who specialise in teaching with applied research in specific disciplines.<sup>126</sup>

The white paper also called for more collaboration between higher and further education providers, so individuals studying level 4 higher technical provision can progress to level 5 study at college or university, or directly into the second year of an undergraduate degree.

The higher education sector is independent and autonomous, and so while the white paper acknowledged the government cannot impose any changes, it will encourage them by:

- Reforming research funding to incentivise “a more strategic distribution of research activity across the sector”, which might see universities jointly sharing research grants, facilities, and equipment.
- Clarifying how collaboration between providers can happen within the existing legal framework, as overseen by the Competition and Markets Authority, and setting out the types of collaboration the government sees as beneficial.
- Working with the Office for Students, the higher education regulator, to ensure there is a more robust process for market entry.

## 3.2

### Financial sustainability

According to the Office for Students, 45% of higher education providers are forecasting a deficit in the 2024/25 academic year.<sup>127</sup> The white paper stated that while the government has a responsibility to ensure the higher education sector is sustainably funded, the sector is responsible for ensuring it delivers

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<sup>125</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, pp48-49

<sup>126</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p49

<sup>127</sup> Office for Students, [Financial sustainability of higher education providers in England](#), May 2025, p25

the best value for students and operates as efficiently as possible.<sup>128</sup> It went on to note the increasing reliance of a growing number of higher education providers on income from international student fees and franchising arrangements, which it said was not sustainable. It also highlighted issues around “overly optimistic strategic and financial planning”.<sup>129</sup>

To improve the financial position of the higher education sector, the white paper said the government will:

- Increase undergraduate tuition fee caps for all higher education providers in line with forecast inflation in the 2026/27 and 2027/28 academic years
- Legislate when parliamentary time allows to increase tuition fee caps automatically for future academic years. Annual increases in fees will be linked to inflation and conditional on providers achieving a higher quality threshold through the Office for Students’ quality regime.
- Work with the sector and other funders to address a number of issues around the sustainability of research funding. This will include ensuring funding meets three distinct priorities:
  - protecting and promoting curiosity-driven research
  - supporting the delivery of government priorities, missions, and the Industrial Strategy
  - providing targeted innovation, commercialisation, and scale-up support to drive growth

The government has said it will also reform the research assessment system “to better incentivise excellence and support the government’s vision for the sector” through a three-month pause and reset that will maintain the current timetable of 2029.

- Seek to better understand concerns within the post-1992 higher education sector about the costs to providers of pension provision.<sup>130</sup>

To improve efficiency in the sector, the government has said it will:

- Ask the sector to share best practice when it comes to collaboration, particularly in areas such as shared services, infrastructure, and research partnerships.

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<sup>128</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p51

<sup>129</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p51

<sup>130</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, pp51-53. For more information on these concerns and costs, see the Commons Library briefing [Universities and the Teachers’ Pension Scheme](#).

- Make efficiencies by supporting the Student Loans Company and its transformation plan.
- Support the Office for Students in developing a reformed regulatory framework, including through work with UK Research and Information, and in its strengthening of financial monitoring and data collection.<sup>131</sup>

The cap on fees for domestic undergraduates in England was increased only once between 2012 and 2024. This meant its value to universities was eroded over time by inflation. The Institute for Fiscal Studies has said that the real value of the fee cap fell by 25% between 2012 and 2024. It has estimated that the total resources available per home undergraduate student (which includes government funding) fell by 17% in real terms over these years.<sup>132</sup>

The Library Briefing [Higher education finances and funding in England](#) looks at the issue of financial sustainability in more detail.

The briefing [International students in UK higher education](#) includes data on the importance of overseas fee income to universities. This increased from around 5% in the mid-1990s to 23%, or £12.1 billion, for the sector as a whole in 2023/24. Its importance varies substantially between institutions and at some universities overseas students make up more than half of the total student population.

The white paper also covered the issue of governance. While the government acknowledged the higher education sector is autonomous, it called for governing bodies to ensure they “have the diverse skills and capability to oversee strategy, plan prudently, understand and manage risk, challenge, deliver change and put in place sustainable business models”. It also said the government supports the Office for Students’ strengthening of its management and governance [conditions of registration](#) and the governance review led by the Committee of University Chairs, which will identify good practice, known issues, and barriers to effectiveness.<sup>133</sup>

### 3.3 Access and participation

The government’s white paper described higher education as having the potential to be one of the biggest contributors to closing the gap between people from disadvantaged backgrounds and their peers, saying it “should be a gateway open to all who have the ability and desire to pursue it”.<sup>134</sup>

The white paper argued that while progress is being made, there remained significant gaps between disadvantaged students and their peers in accessing education, completing courses, and achieving successful labour

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<sup>131</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p54

<sup>132</sup> IFS, [Annual report on education spending in England: 2024–25](#), January 2025

<sup>133</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, pp53–54

<sup>134</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p55

market outcomes. The white paper noted that, to a large extent, access to higher education is constrained by inequalities in prior attainment at GCSE level. Those students from poorer backgrounds who do progress to university are more likely to rely on income from part-time work and graduate with higher levels of debt, and less likely to complete their studies or progress to postgraduate study.<sup>135</sup>

The white paper went on to highlight a number of other issues facing students, including:

- a lack of accommodation in some places, and significantly increased prices elsewhere, especially in London
- increasing numbers of mental health issues
- an increase in antisemitic incidents
- an increased chance of experiencing sexual harassment.<sup>136</sup>

To address these issues, the white paper set out a number of policy interventions, some of which were already announced by the previous Conservative government.<sup>137</sup> These included:

- Measures relating to the student finance system, such as:
  - increasing maintenance loans in line with forecast inflation every academic year and making care leavers automatically eligible to receive the maximum rate of maintenance loan.
  - continuing the policy started by the previous government of replacing the higher education student finance system with the [Lifelong Learning Entitlement](#) (LLE).<sup>138</sup> This will provide all new learners with a tuition fee loan entitlement to the equivalent of four years of post-18 education to be used for courses and modules over the course of their working lives. A residual entitlement will also be available to returning eligible learners who have already received publicly funded student finance.

The white paper said that modular funding would initially be focussed on key subjects for the economy, as informed by the Industrial Strategy, but the government would look to expand this following the launch of the LLE.

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<sup>135</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p55

<sup>136</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, pp55-56

<sup>137</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, pp56-59

<sup>138</sup> House of Commons Library, [The Lifelong Learning Entitlement](#)

- launching an [Alternative Student Finance](#) product – something first proposed by the UK Government in 2013 – which will be consistent with Muslim beliefs about interest-bearing loans.<sup>139</sup>
- Introducing new targeted means-tested maintenance grants by the end of the parliament, funded by a new levy on international student fees. These grants will be for students from the lowest income households studying priority courses that support the government’s Industrial Strategy.<sup>140</sup>
- Measures to improve university access and participation for disadvantaged groups by:
  - Reforming the regulation of access and participation plans, which set out how higher education providers will improve equality of opportunity for students from disadvantaged backgrounds to access, succeed in, and progress from higher education. The white paper said the new approach will be more risk-based and less uniform, meaning greater accountability for those providers not adequately addressing inequalities, and reduced bureaucracy and more of a focus on continuous improvement for those providers doing well.
  - bringing together a Task and Finish group of sector experts, charities, UCAS, and the Office for Students (OfS), which regulates higher education in England, to focus on how the system can best widen access for those from disadvantaged backgrounds.
  - exploring the challenges that lead to disparities in access to PhD programmes for those from lower socio-economic backgrounds. This will be supported by reforms to how the OfS oversees equality of opportunity, including addressing the barriers faced by disadvantaged students in participating at postgraduate level for the first time. The government will also fund the [UK Council for Graduate Education](#) to create an online resources hub for universities seeking to improve access and participation for postgraduate students.
  - changing the terms and conditions of UK Research and Innovation’s postgraduate grants to better support students, including by increasing medical leave, improving leave for new parents, and requiring all partner organisations to have a policy on providing reasonable adjustments to disabled students.
- Measures to improve the student experience by:

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<sup>139</sup> House of Commons Library, [Sharia-compliant alternative student finance](#)

<sup>140</sup> DfE, [Targeted maintenance grants for students to be reintroduced](#), 29 September 2025; [Maintenance grant amounts and eligibility criteria](#), 26 November 2025; [International student levy technical detail](#), 26 November 2025

- working with the sector and others so that the supply of student accommodation meets demand and affordability needs.
- extending the Higher Education Mental Health Implementation Taskforce for a further year and expanding the membership to include greater student representation.
- supporting the OfS’ new registration requirement that all registered providers must take steps to prevent and tackle harassment of all kinds.
- enabling universities to prevent, identify, and tackle antisemitic abuse on campus. This has included committing £7 million in funding through the Tackling Antisemitism in Education Programme, and, as part of this programme, launching a ‘Tackling Antisemitism in Education Innovation Fund’ to test approaches to tackling mis- and dis-information and to promote interfaith relationships on campus, with delivery commencing in April 2026.<sup>141</sup>

The government has increased the maximum maintenance loan in line with forecast inflation for more than a decade. However, differences between forecast and actual inflation, especially in 2022/23 and 2023/24, meant the real value of the maximum loan fell in real terms by around 10% over these years and has not recovered since. More details can be found in the Library briefing [The value of student maintenance support](#). In addition, the household income threshold below which a student qualifies for the maximum loan has been frozen at £25,000 since 2008. This means fewer students qualify for the maximum loan than if the threshold had maintained its real value.

The white paper says that a new targeted maintenance grant will be introduced before the end of the Parliament and be funded by the new international student levy.<sup>142</sup> [More detail on the new grant](#) was published at the end of November stating that the grant will be introduced in academic year 2028/29 and have a maximum value of £1,000.<sup>143</sup> The last time new students in England were eligible for maintenance grants was in 2015/16 when the maximum was £3,387. The new grant available from 2028/29 will be worth around 80% less than this level in real terms.<sup>144</sup>

The Library briefing paper [Student support for undergraduates across the UK](#) looks at differences in student support, its total level, balance between loans and grants and how it varies with household income, in the different parts of the UK.

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<sup>141</sup> Department for Education press release, [£7 million to tackle antisemitism in education confirmed](#), 7 October 2024

<sup>142</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p57

<sup>143</sup> DfE, [Maintenance grant amounts and eligibility criteria](#), 26 November 2025

<sup>144</sup> Prices adjusted using the all-items CPI index for Q1 of calendar years 2016 and (forecast) 2029, taken from OBR, [Economic and Fiscal Outlook November 2025](#), detailed economy table 1.7

The briefing [Equality of access and outcomes in higher education in England](#) summarises the latest data on how access to higher education, continuation and attainment rates and outcomes after graduation vary between different groups of young people. The briefing [Higher education student numbers](#) looks at how participation rates for different groups have changed over time.

## 3.4

### Higher education and economic growth

The white paper noted that higher education contributes to growth by generating exports and training skilled workers and the “scientists, engineers, marketeers, designers and organisational leaders who commercialise innovation”.<sup>145</sup> It also stated that there remain higher level skills shortages in a number of areas, including science, technology, engineering, mathematics, creative industries, health, and technician roles. These shortages are not helped by limited supply and low demand, despite these qualifications having good outcomes for individuals. To address these issues, the government’s white paper said it will:

- Reform the Strategic Priorities Grant, ensuring alignment of funding with the priority sectors which support the Industrial Strategy and the Plan for Change and future skills needs.
- Consult on making student support for level 6 degrees conditional on the inclusion of break points in degree programmes. This will give students the option to break down their learning, achieving a qualification at level 4 after the first year and level 5 after their second year of study.
- Make it easier for providers and awarding organisations to offer standalone high-quality, occupationally focused higher technical (level 4 and 5) courses.
- Strengthen the statutory guidance on Local Skills Improvement Plans, setting out clearer expectations on higher education providers to engage with the development, review and implementation of these plans, and a stronger expectation that they cover technical skill needs at all levels including levels 4 to 8.<sup>146</sup>
- Develop a new market monitoring function, with the aim of providing a clear, single picture of higher education supply and demand. This should help identify areas where there are cold spots in availability of provision.

With regards to supporting research and associated commercialisation, the white paper said the government will:

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<sup>145</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p59

<sup>146</sup> Skills England, [Guidance for developing a Local Skills Improvement Plan \(LSIP\)](#), updated 18 November 2025

- Continue to ensure there is the right balance across the three research funding priorities:
  - protecting and promoting curiosity-driven research
  - supporting research and development for the delivery of government priorities, missions, and the Industrial Strategy
  - providing targeted innovation, commercialisation and scale-up support to drive growth.
- Support postgraduate research students and early career researchers.
- Review [higher education innovation funding](#) so the outcomes universities deliver help drive economic growth at both a local and national level.
- Continue to improve support for university commercialisation and spin-outs, building on the national [spin-outs register](#), published in June 2025, which will allow government and universities to better monitor spin-out performance and demonstrate this to investors.
- Use the [Local Innovation Partnerships Fund](#) to invest up to £500 million to grow high-potential innovation clusters across the UK, aiming to generate at least £1 billion in co-investment and £700 million in added local value.

To support the international competitiveness of the UK's universities, welcome international students, and maintain UK exports, the government will:

- Place providers on a more sustainable footing through annual inflationary increases in tuition fees and addressing issues with research funding
- Ensure providers can attract international talent and skills, including through the £54 million Global Talent Fund.<sup>147</sup>
- Refresh the International Education Strategy
- Work with the sector to maintain a welcoming environment for high-quality international students, but ensure recruitment practices are sustainable and do not undermine the integrity of the UK's immigration system.

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<sup>147</sup> Department for Science, Innovation, and Technology, and Department for Business and Trade, [UK launches global talent drive to attract world-leading researchers and innovators](#), 22 June 2026

## 3.5

### Regulation and quality

The government's white paper said many providers offered an excellent experience and outcomes for students, it was still necessary "to raise the bar across the system" with regards to teaching.<sup>148</sup> The white paper argued pockets of poor provision undermined the reputation of the sector while there were "serious value for money concerns" with franchised provision.<sup>149</sup>

The government has said it will ensure a stronger system that drives up quality so students can benefit from higher education by:

- Taking measures to ensure the Office for Students has the capacity and power to identify low-quality teaching provision, and intervene to tackle it swiftly. This will include legislating to ensure the Office for Students can impose recruitment limits where growth risks poor quality.
- Taking firm action to address serious concerns about poor-quality provision, financial exploitation, and fraudulent practices among some franchise providers. This will include defunding large franchise providers unless they are registered with the Office for Students and legislating to strengthen the Office for Students' powers to intervene in cases of poor quality provision, the abuse of public money, and provision with poor outcomes for students.
- Taking steps to tackle abuse of the system by recruitment agents.
- Conducting quality and regulatory checks for providers interested in delivering modular provision eligible for the Lifelong Learning Entitlement from January 2027.
- Working with UCAS, the Office for Students, and the sector to improve the quality of information for applicants so they can make informed decisions when choosing what to study.
- Supporting the Office for Students with its plans to reform its approach to degree awarding powers, including by assessing the merits of the sector continuing to use the external examiners as part of the assessment process.
- Working with the Office for Students to develop options for measuring and comparing progress in higher education, such as a similar measure to [Progress 8 in schools](#).

The white paper also said the government will ensure that higher education remains a space for "robust discussion, intellectual rigour and exposure to new ideas" by making amendments to the Higher Education (Freedom of Speech) Act and giving the Office for Students stronger regulatory powers to

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<sup>148</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p64

<sup>149</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, p64

take robust action against providers who do not meet their duties under the act.

It also sets out plans for a pilot to seek better information on how strategic institutional research funding is used and the measures it is taking to ensure that the benefits of higher education can be harnessed for the higher education sector.<sup>150</sup>

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<sup>150</sup> DfE, DWP, and DSIT, [Post-16 education and skills white paper](#), 20 October 2025, pp67-69

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## 4 Comment and reaction

### 4.1 Opposition parties

Responding to the government's statement to the Commons on the post-16 education and skills white paper, the Shadow Education Secretary, Laura Trott, criticised proposals for new post-16 maths and English qualifications, describing them as the “soft bigotry of low expectations” and calling for pupils who fail their English or maths GCSE to be expected to retake them rather than pursue “second-tier qualifications”.<sup>151</sup>

She also criticised the tuition fee increase, saying the cost would fall on both students and taxpayers, and argued the Conservatives had a plan to “put an end to debt-trap low-quality degrees and to double the budget for apprenticeships.”<sup>152</sup>

Former Conservative universities ministers were less critical of the government's proposals, with Robert Halfon praising V Levels and the government's continued commitment to the Lifelong Learning Entitlement,<sup>153</sup> while David Willetts welcomed inflation-linked tuition fee increases being tied to teaching quality.<sup>154</sup>

The Liberal Democrat spokesperson for universities and skills, Ian Sollom, said there was much to welcome in the white paper's ambition, but he warned against unintended consequences, arguing that modelling has shown the international student levy “could cut up to 135,000 domestic student places over five years and reduce our economy by £2.2 billion”.<sup>155</sup> He also called for BTECs to be retained until 2030, rather than defunded as V Levels are rolled out.<sup>156</sup>

The government's proposals were also debated in the House of Lords.<sup>157</sup>

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<sup>151</sup> [HC Deb \[Post-16 Education and Skills Strategy\] 20 October 2025](#), c662

<sup>152</sup> [HC Deb \[Post-16 Education and Skills Strategy\] 20 October 2025](#), c662

<sup>153</sup> FE Week, “[The post-16 white paper could deliver for businesses](#)”, 27 October 2025

<sup>154</sup> Conservative Home, [David Willetts: Conservatives must see higher education as it is, not how they fear it might be](#), 21 October 2025

<sup>155</sup> [HC Deb \[Post-16 Education and Skills Strategy\] 20 October 2025](#), c665

<sup>156</sup> [HC Deb \[Post-16 Education and Skills Strategy\] 20 October 2025](#), c665

<sup>157</sup> [HL Deb \[Post-16 Education and Skills Strategy\] 22 October 2025](#)

## 4.2

## Education and skills sector

The education sector's reaction to the government's white paper was broadly supportive of the overall ambition to create a more unified and skills-focused system, characterised by flexible pathways designed to meet the study and employment needs of individuals throughout their lives.

### Further education and skills

The white paper's focus on vocational and technical training was generally welcomed by sector representative bodies and organisations dedicated to skills and workforce development, which saw it as a significant step towards aligning education with the needs of learners and the economy.

With regards to qualification reform, the proposals for new level 3 vocational qualifications, V Levels, were seen by the Association of Colleges as “more based in the realities of the students colleges work with and meeting the needs of every young person”.<sup>158</sup> They have also been praised as potentially giving vocational education more credibility and bringing greater coherence to the post-16 landscape, but only if they are designed with “clarity, consistency and collaboration at their core.”<sup>159</sup>

The Local Government Association has published what it sees as the implications of the government's proposals for local government, saying:

The ambition for a joined-up, high-quality skills system supporting young people, including those who are not in education, employment or training, employers, and local economies is welcome. We value the Government's commitment to engage on the reforms with local government and sector partners to ensure they are practical, inclusive, and responsive to local needs.<sup>160</sup>

### Higher education

The higher education sector welcomed the white paper as a necessary reset and a recognition of universities as a national asset. The commitment to raise undergraduate tuition fees in line with inflation was especially welcomed in light of growing concerns about the financial sustainability of some providers, as was the emphasis on greater collaboration across the sector.<sup>161</sup>

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<sup>158</sup> Association of Colleges, [AoC responds to Post-16 Education and Skills white paper](#), 19 October 2025

<sup>159</sup> FE Week, “[V Levels are an opportunity for coherence if we get it right](#)”, 20 October 2025; FE Week, “[V Levels can bring clarity to confused system, if we get balance right](#)”, 13 November 2025

<sup>160</sup> Local Government Association, [Post 16 education and skills strategy: implications for local government](#), 3 December 2025

<sup>161</sup> Universities UK, [Universities UK responds to the Government's Post-16 Education and Skills Strategy](#), 20 October, 2025; MillionPlus, [MillionPlus comments on Post-16 education and skills white paper](#), 21 October 2025; Russell Group, [Response to the Post-16 Education and Skills White Paper](#), 21 October 2025

However, the sector expressed opposition to the proposed international student levy. Representative bodies warned that linking funding for maintenance support to international recruitment was a risky and unsustainable financial model. They also warned it could force universities to reduce spending on students and research if they either absorb the costs of the levy or recruit fewer international students due to higher fees.<sup>162</sup>

Some of the measures in the white paper relating to access and participation have been criticised for not significantly improving the current system, especially with regards to the maintenance support available to students.<sup>163</sup>

Maintenance loans are already increased each year in line with RPIX inflation (the Retail Prices Index excluding mortgage interest) as predicted by the Office for Budget Responsibility. However, there is no mechanism to correct errors in these predictions, and so in years when actual inflation has been higher than predictions, as has been the case since 2020/21, maintenance loans have been cut in real terms.<sup>164</sup>

Another issue not addressed by the white paper is that the household income threshold at which students are no longer entitled to the maximum loan has been frozen at £25,000 since 2008. This means that a student from a household with a single parent working 40 hours a week on the national minimum wage would not qualify for the maximum maintenance loan, and their parent would be expected to contribute to their living costs. In November 2025, the House of Lords social mobility policy committee described the freezing of this threshold as the “single biggest practical impediment to those wishing to pursue a university education.”<sup>165</sup>

## 4.3

### Think tanks

Analysis of the white paper by the Institute for Fiscal Studies (IFS) commended its scope but said the focus on individual policy measures meant the proposals did not always add up to a coherent overall strategy.<sup>166</sup> It made a number of points:

- The government's goal for two-thirds of young people in higher-level learning would be stronger if there was a clear deadline, since current

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<sup>162</sup> University Alliance, [University Alliance responds to the Post-16 Education and Skills white paper](#), 21 October, 2025; Russell Group, [Response to the Post-16 Education and Skills White Paper](#), 21 October 2025

<sup>163</sup> Wonkhe, [“Improvements to maintenance support are nothing of the sort”](#), 21 October 2025

<sup>164</sup> Times Higher Education, [“Inflation ‘leaves student loans £2,000 short’”](#), 17 January 2024; Institute for Fiscal Studies, [Student living cost support cut to lowest level in seven years](#), 15 June 2022

<sup>165</sup> House of Lords Social Mobility Policy Committee, [Social Mobility: Local Roots, Lasting Change](#) (PDF), HL Paper 201, 18 November 2025, p42

<sup>166</sup> Institute for Fiscal Studies, [Funding, finance and reform: an analysis of the Post-16 Education and Skills White Paper](#), 24 November 2025

trends suggest it would be achieved by the late 2030s without any interventions.

- While funding announcements translate into a 3% increase in real-terms spending per 16-19 student between 2025–26 and 2026–27, this still means funding levels will be below those of the early 2010s, with real-terms funding per student around 4% lower in colleges and 18% lower in school sixth forms.
- Confirming inflation-linked tuition fee increases for future years provides certainty for universities and prospective students alike, and reverses a long-term real-terms cut in higher education funding.
- The success of the Lifelong Learning Entitlement will depend on learners and employers seeing value in undertaking individual modules, which is something undermined by recent trials.
- If the freezing of the household income thresholds that determine the amount of loan people are eligible for continues, some students could borrow 15% less in real terms by 2029/30, significantly impacting living-cost support for middle-income families.
- Reintroducing maintenance grants for low-income students in “priority subjects” would mean only around 10% of students would be eligible, costing about £500 million compared to the £2.6 billion in today’s prices that would be needed to restore the former system in place until 2016/17.
- The government should be clear on the economic rationale for the international student levy, which would constitute a tax on the UK’s exports.
- There remain questions over the design of the Growth and Skills Levy, which will be introduced from April 2026.

The Edge Foundation, which publishes research and policy recommendations on vocational education and skills, welcomed many of the government’s proposals, particularly the introduction of V Levels and the plans to improve the professional development offer for further education teachers.<sup>167</sup>

The Social Market Foundation (SMF), an independent public policy think tank, described V Levels as a “potentially promising step forwards”, but said their success will depend on their implementation and whether they can simplify a “complex and fragmented range of post-16 pathways”.<sup>168</sup> The SMF also welcomed the support for students struggling to gain a pass in English and maths at GCSE, but said:

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<sup>167</sup> Edge Foundation, [Edge responds to the Post-16 Education and Skills White Paper](#), 21 October 2025

<sup>168</sup> Social Market Foundation, [Post-16 White Paper has potential to improve social mobility: but must be accompanied with additional measures on careers guidance and family support, says think tank](#), 20 October 2025

Children cannot be expected to thrive when their families face instability, low incomes and precarious work, sometimes coupled with limited experience of the education system themselves. Efforts to raise attainment must therefore go hand in hand with strong family and community support, access to adult education, and sustained action to reduce the impact of poverty on young lives.<sup>169</sup>

The Sutton Trust, which is a social mobility charity that also publishes research and policy analysis, welcomed the linking of maintenance loans to inflation and the automatic extension of the maximum maintenance loan to care leavers, but criticised the frozen parental income thresholds and the decision to offer maintenance grants only to those studying “priority subjects”.<sup>170</sup>

Other comment from thinktanks included:

- Learning and Work Institute, [Responding to the post-16 education and skills white paper](#), 20 October 2025
- Education Policy Institute, [EPI comment on Post-16 education and skills white paper](#), 21 October 2025
- National Foundation for Educational Research, [NFER statement on the Post-16 Education and Skills White Paper](#), 21 October 2025
- The Higher Education Policy Institute published a [series of blogposts responding to the white paper](#).

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<sup>169</sup> Social Market Foundation, [Post-16 White Paper has potential to improve social mobility: but must be accompanied with additional measures on careers guidance and family support, says think tank](#), 20 October 2025

<sup>170</sup> Sutton Trust, [What the Post-16 Education and Skills White Paper means for access and participation](#), 28 October 2025

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