

A Year in Higher Education 2024

Articles and blogs on higher education from the Vice-Chancellor of LSBU

Introduction



The election of a new Government marks 2024 as a year of change in the higher education sector.

Having previously called for a body to bring together various skills stakeholders, including businesses, training providers, government and local authorities, to deliver a national skills strategy, I was pleased to see the Government launch Skills England in shadow form. It will bring coherence to identifying national skills needs and coordinating regional decision making and I look forward to working alongside it once it officially launches in April 2025.

Labour has begun legislating to replacing the Apprenticeship Levy with the Growth and Skills Levy, increasing the amount employers can spend on nonapprenticeship training and refocusing funding from higher to lower level apprenticeships. I will monitor these plans closely as the recent growth in degree and higher apprenticeships have been a positive feature in what is, internationally, a weak technical education system.

The headline announcement of the year has been the first increase to maximum tuition fees I have made policy interventions since 2017. From next year, they will rise with inflation from £9,250 to £9,535 against a backdrop of perilous higher education finances; the Office for Students has reported that three quarters of institutions are likely to be running deficits in 2025-26. This will go some way to offsetting the 1.2% increase to employer

national insurance contributions announced in the Budget, which will cost the sector £430m a year.

Alongside these hikes, a long overdue £400 uprate to maximum maintenance loan for living expenses will come into effect next year. This takes the figure to over £10,000 for the upcoming academic year and will help support students amid rising living costs.

The Government also committed to increase investment in research and development to £20 billion a year by 2025 and raise overall investment in R&D to 2.4% of GDP by 2027.

As I look ahead to 2025 I will be following developments on Research Exchange Framework 2029 as guidance is developed and People, Culture and Environment criteria published, engaging with colleagues as a member of the Advisory Board at the Lifelong Learning Institute ahead of the nowdelayed rollout date of the Lifelong Learning Entitlement, and pushing the Government to commit to a more collaborative tertiary education system.

on these and other educational issues this year. I hope you find them interesting.

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We Must Coordinate Skills Provision to Encourage Employers to Invest

8 January 2024, NCUB

In November the Department for Education published further information on how the <u>fee limits</u> and <u>residual entitlement</u> will operate in practice for the Lifelong Learning Entitlement (LLE) once it is rolled out in 2025.

Central to the Government's plans, is the ambition that workers will be able to retrain throughout their working lives to meet the skill demands of tomorrow, allowing a more agile workforce to develop which will help address the UK's stagnant productivity.

Although this is a laudable aim, as I have outlined <u>elsewhere</u>, there are still plenty of issues which must be addressed before the LLE overhauls the current student finance system. Among these, is the missed opportunity to address the minimal employer involvement in our skills system. So far, the Government framework focuses on providers and students but fails to address the role that employers – a chief beneficiary of a highly skilled workforce – will play.

billion last year, and despite the introduction of the Apprenticeship Levy six years ago, employer investment in skills <u>is down</u> by 28% since 2005 to £1,530 per employee per year, half the EU average.

One in six adults – 6.7 million people – in the UK have low (Level 1) or zero qualifications. People aged 50–64 are the most likely to lace qualifications and digital skills, leaving older workers vulnerable to the encroaching role

Subject to an Office for Students consultation, in 2027 it is likely that the LLE will be expanded to cover modules currently funded through Advanced Learner Loans, including "nonprescribed" courses (mainly diplomas, certificates and awards taught by colleges or training providers) which vary in credit weight. Many non-prescribed qualifications are related to specific occupational skills and involve professional bodies, which would suggest they meet employer needs. Should the LLE's remit be expanded to include these then it risks employers transferring investment of their own money into the skills system, to an expectation that workers will self-fund through the loan system. Such a move would leave employers even more firmly entrenched as skills system customers, not collaborators.

There is an appetite for coordinated investment in skills. More adults are seeking to re-enter the workforce post Covid restrictions, creating a clear demand for opportunities to retrain. This year, the number of adults taking part in learning reached its highest level since the Adult Participation in Learning Survey began in 1996, rising by 8% from 2022 to 49% of the adult population. This increase has come in spite of reduced skills investment not just by employers but the State as well. In absolute terms, Government expenditure on tertiary education has fallen from £4.7 billion to £4.5 billion last year, and despite the introduction of the Apprenticeship Levy six years ago, since 2005 to £1,530 per employee per year, half the EU average.

One in six adults – 6.7 million people – in the UK have low (Level 1) or zero aualifications. People aged 50-64 are the most likely to lack qualifications and digital skills, leaving older workers vulnerable to the encroaching role of generative artificial intelligence and with the most to gain from upskilling opportunities. At present, there is no entity that is able to coordinate the multiple dimensions required for a functional skills system. Such an entity would need to consider future need, for example links to the Government Innovation strategy, the need for inward investment and regional infrastructure as well as how to engage employers and educational institutions. Without any overarching skills strategy there is a danger that ad hoc decisions around the LLE could further undermine the role of employers is supporting workforce development.

Local Skills Improvement Plans could yet be impactful in this space but, by failing to fashion a role for providers and focusing on further education college curricula meeting local employer requirements, they have so far served as little more than a shopping list for businesses.

The Government should create a cross departmental Skills Council which oversees strategy development for tertiary education and coordinates genuine partnerships between employers, colleges and universities. More fundamentally, the dwindling level of employer investment in the skills system must be addressed. In 2024, the LLE cannot morph into another excuse for businesses to continue relying on a state benefit system for skills. Instead, an overarching framework must incentivise employers to engage in both the funding and design of employer led qualifications and to fund short skills based training courses that benefit the businesses.



Supporting SMEs to innovate is vital to regional prosperity

22 April 2024, NCUB

SMEs – making up 99% of the UK's businesses – are a crucial part of the UK economy and a critical driver of regional prosperity, being more likely to recruit local candidates and maintain local supply chains.

Small business owners, however, are rarely catalysts for innovation and new processes to drive productivity. Although the private sector funded 59% (£38.7 billion) of all UK R&D in 2021, this was entirely driven by large firms, with AstraZeneca spending more (£6.1 billion) than all higher education institutions combined (£5.6 billion).

One reason for this is that SMEs typically don't have the money to invest in their own R&D facilities and it can prove challenging for them to access the facilities and expertise within universities. As a result, publicly-funded innovation programmes, which support HEIs to seek our collaborations with local SMEs, can make valuable contributions to local economic growth.

As NCUB has <u>pointed out</u>, the proportion of businesses engaged in 'growth-related behaviours' including innovation actually declined between 2019 and 2022. The Covid-19 pandemic is one obvious contributor, though another factor is likely the ending of business innovation programmes funded through the European Regional Development Fund (ERDF).

Between 2014 and 2022, my institution, London South Bank University (LSBU) was the largest ERDF funded HE provider of business innovation support programmes in London. Across seven programmes, valued at over £15 million, the university supported 740 SMEs – in a range of sectors including health tech, low carbon and creative tech.

Under the replacement UK Shared Prosperity Fund (Pillar 2 of which is Supporting Local Business), LSBU submitted two successful bids with other delivery partners, to provide innovation and inclusive supply chain support to 226 SMEs with £1.75 million funding. The reduced scale of this work is a reflection



of the much smaller size of funding available through UKSPF compared to European Structural Funds. London's UKSPF allocation between 2022 and 2024 is £144 million, around 40% less than would have been received over a comparable period under ERDF.

European Union structural funds were worth a total of €11bn to the UK over the 2014-20 EU budget cycle (£1.5 billion a year). While the Government has committed to matching this (though allocation for the first two years equals £1.3 billion a year), the shared prosperity fund supports a far greater number of objectives than ERDF – with up to a third of the funds going to Communities and Place (Pillar 1) projects such as improving

local green spaces, which will inevitably reduce the funding available for supporting businesses. Given the funding pressures local authorities are facing – there is also a high risk they will deprioritise innovation support in order to use UKSPF to help prop up their core services.

ERDF provided a route for smaller businesses to work with their local universities on taking an idea for a new product and process through development and testing to the point where it could be rolled out and/or commercialised. Over the course of our ERDF funding, LSBU supported over 250 new products being brought to market, which in turn created over 140 new jobs.

The policies around supporting regional economic growth have gone through considerable flux over the over the last decade but the fact remains that the UK has some of the deepest productivity and spatial inequalities among OECD countries. 'Economic Growth' is one of the Labour Party's five missions for Government and while this includes a commitment to help small business it has no mention of innovation. If Labour wants to avoid another lost decade of languishing productivity, then it must invest in enabling SMEs to innovate and grow. One of the best ways they could do this is by ringfencing spending for Pillar 2 within UKSPF and ensuring that the funding is increased to bring it to comparable levels to ERDF.

Innovation under Regulation

23 April 2023, HEPI

Has regulation of higher education gone too far? Those in Government would say certainly not and most likely point at the National Audit Office's recent report on <u>student loan fraud</u> at franchised providers or explain that – given higher interest rates have increased the cost of funding the student loans system in England by £10bn a year – successful graduate outcomes are crucial to keeping the system affordable.

Ask those in the sector, however, and you would be hard-pressed to find anyone who thinks the current system is working well.

Added to the issues posed by the primary regulators, OfS and Ofsted, many technically-focused universities face further challenges. Courses with accreditation are subject to scrutiny by Professional, Statutory and Regulatory Bodies – which do not have a consistent approach for engaging with education providers – and apprenticeships and Higher Technical Qualifications (HTQs) are additionally regulated by the Institute for Apprenticeships and Technical Education.

The House of Lords Industry and Regulators Committee summarises this issue succinctly:

The proliferation of regulators in the higher education sector has caused duplication and red tape, increasing the burdens on providers—particularly in the area of graduate apprenticeships, where at least four other regulators have responsibilities in addition to the OfS. This issue is exacerbated by the apparent lack of effective collaboration between regulators.

This proliferation of post-16 regulators – particularly in the technical education space – disincentives universities from collaborating with colleges and others to develop and signpost pathways for learners. The bureaucratic burden of tertiary education quality assurance also prevents them from innovating to develop new qualifications and courses at the speed needed to meet evolving employer demands. This is ironic, because – as the development of T Level and HTQs has shown – the Government is keen to boost the provision and take up of technical qualifications.

HTQs are not a qualification in themselves but a 'quality mark' for existing Level 4 and 5 courses indicating their alignment to employer-led occupational standards. Why can't we learn from the cost and constraints generated through the Council for National Academic Awards (CNAA) model that we dispensed with last century and push this idea of a 'quality mark' further – creating one not just for individual courses but for providers?

The Institute for Apprenticeships and Technical Education could introduce a new kitemark for universities and institutions that have a proven track record of validating technical education provision at Level 4 and above. Such recognition could be based on a basket of measures such as validation experience, employer engagement, experience of working with professional bodies etc to provide evidence of scale and standing in this space. Once received, such a kitemark would free the institution up from certain monitoring and regulatory validation requirements – enabling them to approve programmes in much the same way traditional bachelor's qualifications have been validated for decades.

So, if a university was approached by an employer about developing a new module for an existing higher technical course to meet a specific business need, they would be able to develop and validate it quickly under their degree awarding powers; and, with their technical education kitemark would then be exempt from having the to additionally seek approved by IfATE. This would not only decrease the cost burden but would increase the speed of response to local employer needs and help support innovation within an existing, well-tested framework. It would also help support the differentiation of the sector by enabling some institutions to become

more specialised in professional and technical delivery. Given qualifications at Level 4 and above have to align with international quality standards if they are credit-bearing, the current system seems to focus on a low-trust, highly bureaucratic model. Under this proposal universities and OfS registered providers which are successfully recognised would be able to put their focus, not on monitoring visits and additional paperwork, but on delivery, collaboration and responding to local needs.



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Student financial support is between a rock and a hard place

8 May 2024, Wonkhe

Research published in February by London Economics and Nuffield Foundation highlighted that the Treasury contributes approximately 16 per cent of the total cost of higher education provision per cohort in England, while learners contribute the remaining 84 per cent. This compares to an Exchequer contribution of 44 per cent in Wales, 51 per cent in Northern Ireland, and 113 per cent in Scotland.

At the same time, maintenance loans were increased by just 2.8 per cent in England for the 2023–24 academic year, despite inflation averaging 9 per cent last year. Northern Ireland increased maximum student loans by 40 per cent, Wales by 9.4 per cent for undergraduate students, and Scotland by 11.1 per cent for the worst-off students.

In short, students in England are making the greatest contribution for their higher education but receiving the least support whilst studying.

Regression

This is having a direct impact on provider admissions. UCAS figures published at the start of this academic year showed a decline in disadvantaged students applying to university across the country. The cost-of-living crisis has left many unable to afford rising transport, food and bills. According to research by Save the Student, the average student's monthly living costs have increased by 17 per cent since 2022, and student food bank usage has almost doubled. In February 2023, the Office for National Statistics found that three in five students felt their loans didn't cover necessary costs.

Against this backdrop, I was pleased to welcome colleagues from the Office for Students, Universities UK, the National Union of Students and other organisations across the higher education sector to London South Bank University earlier this year to discuss student financial support.

There was much agreement that the system is unsustainable and that, in the short term, the sector needs to engage with the Department for Education to stress the importance of increasing the value of maintenance loans with inflation.

One way in which maintenance support could be uprated immediately would be by unfreezing the lower parental earnings threshold at which learners are eligible to receive the maximum student loan. Despite increases in nominal earnings over the past 15 years, this figure has remained static at £25,000 since 2008. If it had been uprated with inflation, it would be around £36,500 (46 per cent higher) this year, making thousands more students eligible for full loans. This could potentially be funded by increasing repayments from the highest earning graduates through interest rate increases, given that the system is regressive in its current form, with students from the poorest backgrounds leaving with the highest amount of debt.

Distribution

Reform needn't involve the Treasury simply putting more money into the system, however – there are also opportunities to better utilise existing funds. After its grant <u>funding call for evidence</u> closes on 23 May, the Office for Students should consider how the £1.5 billion they distribute each year can more effectively support institutions who have a greater number of vulnerable students.

Excluding funding for Uni Connect and disabled students, around £250 million goes towards supporting disadvantaged learners through the Student Access and Success Premium. However, the way these allocations are currently calculated – ignoring numerous students characteristics that are known to affect attainment – means that this funding is spread too thinly to be truly effective.

Some 7.8 per cent of the least deprived quintile of students (Index of Multiple Deprivation quintile 5, or IMD5) fail to complete their qualification – but that figure jumps to 18.5 per cent for students from IMD1 backgrounds, the most deprived. As well as leaving disadvantaged learners behind, this has a long-term impact on the sustainability of the student finance system and leaves taxpayers picking up the cost. Providers who are performing particularly well in this and similar metrics should be recognised and supported accordingly.

Across the sector as a whole, universities have, on average, 17 per cent of students that were eligible for free school meals and 31 per cent from IMD1 and IMD2 neighbourhoods. Why not then set a stretching baseline above these figures, coupled with outcome targets, which institutions must meet in order to qualify for the Student Access and Success Premium?



Investment

In the absence of increased real-terms funding from the DfE and OfS, it is worth exploring which other stakeholders – particularly those who benefit from a highly educated population – could contribute. Employer investment in skills is already half the EU average and there has been a 26 per cent drop in employer investment in training since 2005. Businesses should not be able to take further advantage of state and individual investment into a skills system of which they are one of the main beneficiaries.

Either directly through a similar mechanism to the apprenticeship levy, or indirectly through a corporate social responsibility system which would allow them to make tax deductible contributions, employers should be expected to stake a greater contribution to the system.

Providers should also be expected to do more within existing parameters. Higher education students are not one homogenous group – many have caring responsibilities, are disabled, and/or have long commutes to campus. HEIs should revisit how they assess student need so that they understand the individual requirements of students and offer tailored support, rather than making assumptions based on demographics.

The rollout of the Lifelong Learning Entitlement later this decade may present a challenge as students begin to move between institutions haphazardly, but this could serve as an impetus for providers to adapt aspects of their delivery and focus resources on continuous programmes of advice and guidance so that learners are more adequately able to make informed decisions about the skills they require.

Perceptions

Finally, it is also worth noting that potential antidotes to the current situation will achieve limited success unless the broader perception of student hardship is changed.

Despite more than two in three students undertaking parttime work on top of their studies, student poverty is seen as an acceptable form of suffering by much of society, with struggling to make ends meet and "living off beans on toast" often trivialised as a rite of passage for learners. It is inconceivable that comparable sentiment would be expressed toward any other demographic.

The sector must unite to shift these optics.

How Labour can seize the opportunity on tertiary education

29 June 2024, FE Week With Ann Limb

Consensus is emerging around moving towards a tertiary system for post-compulsory education. However, while much ink has been spilled on the potential benefits of closer links between industry, further and higher education, much less has been said about how we might bring such a system into effect.

To effectively meet the needs of individuals, businesses and society, we must consider regulation, process, funding and the role of individual institutions in a holistic fashion. In other words, an integrated tertiary system will not come about organically through our current approach of ad hoc collaborations within an otherwise competitive quasi-market.

Since 2007, more than 200 sixth forms have emerged, coinciding with a decline in numbers at FE colleges. At the same time, a range of new universities and 'alternative providers' have arisen and around 11 colleges and four college groups (comprising 19 individual institutions) have acquired degree-awarding powers.

A further 130+ colleges are registered with the Office for Students to deliver validated provision on behalf of a university. They are likely to be joined by a swathe of independent training providers once the new registration category comes into play for the delivery of smaller technical qualifications funded by the Lifelong Loan Entitlement.

These changes, along with the plethora of qualifications in existence, mean that the post-compulsory landscape is riddled with complexity, duplication and redundancy. This lack of national planning results in significant regional variations. Millions are left behind in educational cold spots like Boston, where only 23 per cent of the resident workforce hold higher education qualifications and less than half (47 per cent) have post-16 qualifications. In other regions more than 60 per cent of the workforce are qualified at Level 4 or above.

If we define a system as a set of institutions working together as parts of an interconnecting network, it is clear we don't currently have a functional educational system in England.

The quasi market and siloed thinking of those delivering post-16 education and training – whether its FE, HE, sixth forms or independent training providers – prevents the development of novel solutions to address local skills shortages in a collaborative fashion. So too do our funding and regulatory regimes, which simply don't support cross-sector innovation.

The post-compulsory landscape is riddled with complexity

Should the polls prove to be correct, the Labour Party will soon have a mandate to make significant changes; we are pleased to see many indications in their manifesto that they intend to do so.

These include commitments to establish a new Skills England body, further devolve adult skills funding to combined authorities and to transform FE colleges into specialist technical excellence colleges. Pleasingly, the manifesto also proposes to create a post-16 skills strategy to better integrate further and higher education.

As ever, the devil will be in the detail when it comes implementing these ideas.

Enabling colleges to specialise, for example, is a positive proposal. However, if some are to focus on 'technical excellence', surely others should be supported to focus on gateway provision. After all, there are nine million working-age adults with low basic skills and many others who wish to acquire new skills to change careers.

Other colleges will also have existing specialisms (such as land provision) or emerging ones (such as creative technology). These should be recognised and encouraged to develop if they meet local learner and employer need.

It will be the job of Skills England (via cross-departmental working) to set the national framework through which combined authorities determine how education and training can best be delivered at a local level. It will first need to decide where the boundaries should be drawn across overlapping sixth form, college and university delivery within regions – a thorny task.

In the hope of contributing to thinking through some of the detail around this vision, we are pleased to be working with Universities UK to consider how different institutions might play their part in a tertiary landscape.

We are keen to ensure that the FE sector's views are reflected. Therefore, if you have thoughts on how a tertiary system might be constituted – including what its components should be and what existing barriers will need to be overcome – then we would encourage you to get in touch.

Let's be ambitious – not apologetic – about wanting more people qualified to level 4+

3 October 2023, FE Week With Ann Limb

As a new government elected on a promise of change, a focus on growth and a close eye on the skills sector settles into the realities of decision-making, now is the time for colleagues across the further and higher education sectors to find common ground on which to campaign and work together.

Our co-authored chapter for this week's UUK <u>report</u>, Opportunity, Growth and Partnership: a blueprint for change from the UK's universities makes the case for "a whole-oftertiary sector participation target of 70 per cent of the population aged 25 studying at level 4 or above by 2040, with a particular focus on increasing access in low-participation neighbourhoods".

To deliver this, colleges, universities and employers, along with local leaders – whether mayors or council leaders – must seize this moment to create and build on the strong regional and civic partnerships we need to deliver economic growth and widen participation in skills training and technical qualifications.

This proposal is not about universities making a landgrab to significantly increase the number of graduates they produce each year. On the contrary, it is an acknowledgement that the old dichotomy of school leavers vs graduates is no longer relevant to the needs of today's employers and tomorrow's economy.



The competitive edge

What is required is an approach that brings together universities, colleges and employers to increase educational attainment and improve skills levels across the country and meet the needs of current and emerging industries.

This means not only producing more graduates but also creating an employable, home-grown workforce trained to sub-degree levels, with an embedded appetite for lifelong learning.

International evidence supports this approach. Advanced economies such as South Korea, Japan and Canada have increased higher education participation rates to between 60 and 70 per cent. The Australian government has set a target of 80 per cent participation in tertiary education.

Meanwhile, the UK remains stubbornly divided by educational attainment, as recorded in the <u>2021 census</u>; 33.8 per cent hold a level 4+ qualification and 18.2 per cent have no qualifications. This clearly demonstrates the scale of the challenge our economy faces.

A sustainable pipeline

While UUK's target highlights those aged 25, the reality is that we need investment to bring up the educational attainment of large sections of the adult population too.

All could benefit from a collective ambition for their future, made possible through the flexible and accessible funding approach to the Lifelong Learning Entitlement which we argue for in the report.

While the 'graduate premium' has been reducing in recent years, the demand for sub-degree qualifications remains high, particularly in technical areas. As much as 36 per cent of job vacancies were described as hard to fill due to skills shortages in 2022.

Colleges already play a critical part in this. They have an even more important role in creating the pipeline of part-time and adult learners who study for level 4 qualifications, particularly learners from non-traditional and disadvantaged backgrounds.

What's needed

To do this, however, they must be supported by a wholesystem approach. This will require changes to funding and regulatory systems as well as changes to the way FE-HE works.

Additional financial support must be provided for gateway provision. Arbitrary funding cliffs at ages 19 and 24 must be removed and additional funding for catch-up learners provided.

We will also need to streamline the regulatory process to remove requirements for duplicate reporting to different regulators for those institutions that collaborate on delivery or offer a mix of provision.

To underpin this, UUK is also calling for a tertiary education opportunity fund to support collaborative programmes to respond to the needs of learners in low-participation areas. Ideally, this would extend to the co-development of new level 3 and 4 provision.

We encourage colleagues across the FE sector to join with universities and employers in pressing the government for such reforms. Rather than holding individuals back through dysfunction, together we can create a skills system that works for everyone, delivering a qualified workforce equipped to support a growing, productive and innovative economy.



We can't afford complacency in the fight for BTECs

6 November 2024, FE Week

Despite being one of the most established technical qualifications at Level 3, the future of BTECs has been overshadowed in recent years.

The previous Conservative government had planned to remove funding for all BTECs between 2024 and 2028 in order to clear the ground for T Levels while also citing perceived quality issues.

Then in July, just weeks ahead of the beginning of the new academic year, defunding was paused. New secretary of state for education, Bridget Phillipson announced that a 'short, focused review' of Level 3 qualifications overseen by skills minister Jacqui Smith would take place before the end of the year.

This news has no doubt brought a sense of relief to colleagues in the sector who have been arguing for at least the past six years that defunding BTECs would generate a number of negative impacts for learners and institutions.

We should not, however, be complacent and assume that the outcome of the review is a forgone conclusion in favour of BTECs, particularly since it is unclear what will be in scope given the department for education have declined to publish the terms of reference.

Instead, we must continue to press the government to keep these qualifications.

The loss of BTECs would limit choice for learners who want applied general qualifications that combine the development of practical skills with academic learning and would force them instead to make a binary choice between purely academic qualifications and technical qualifications that lead (though not always seamlessly) to a specific occupation.

In 2018, one in four students entering higher education held a BTEC (double the 2008 figure); and it remains far from clear that T Levels will ever be able to match this scale.

T Levels can make a valuable contribution to the Level 3 landscape but they are unproven and their lack of flexibility and their size, rigour and links to specific occupations mean they will only ever appeal to a minority of learners.

This could cause universities to enter into financial insolvency

Only 16,000 young people enrolled on a T Level this year and the lack of learner demand has caused some colleges to roll back on their T Level programmes.

This muted enthusiasm is compounded by the fact that the high number of teaching hours, need for specialist equipment and securing a 45-day work placement for each enrolled learner also makes them challenging and expensive for sixth forms and colleges to deliver.

Indeed, I have previously argued that to ensure they deliver the quality expected they should be limited in delivery to colleges and 'technical' sixth forms that have sufficient business links to provide high-quality placements.

It is difficult to see a situation where T Levels will be able to serve the 200,000 students who are currently enrolled on BTECs – leaving the risk that a significant number of these young people, who are disproportionately from underprivileged backgrounds, could be disenfranchised from the skills system.

This risk was identified in the Department for Education's own impact assessment, which concluded that disadvantaged students had the most to lose if BTECs were defunded

In addition to the significant impact on learners, there would also be a knock-on effect on the finances of the sixth forms and colleges that offer them, as well as the universities that recruit BTEC award holders.

The apparent quality issues cited by government failed to take into account work prior to 2016 to reconstitute BTECs as more rigorous RQF BTEC Nationals.

As more higher education institutions move towards authentic assessment and away from traditional exambased examinations, the use of continuous assessment and portfolio work favoured by BTECs also puts them more in line with the expectations of some university courses than A Levels.

In any case, at a time when 40 per cent of higher education providers are expected to be in deficit in 2023/24, a significant cut to the number of young people holding eligible Level 3 qualifications could be the thing that causes one or more universities to enter into financial insolvency.

Technical skills are severely lacking in the UK. In Coursera's 2024 Global Skills Report we were ranked as the 45th most technically proficient country, behind European neighbours Switzerland (1st), Germany (3rd), and France (5th).

If Labour is serious about kickstarting economic growth, they need to open up more routes through our skills system into technical roles, not cut them down. T Levels are one answer, but not the whole answer.

As a sector, we need to be unapologetic about the need to retain BTECs. Now is not the time to withdraw one of the most reputable technical Level 3 qualifications on offer.



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