

Skills and Post 16 Bill - Committee Stage Evidence

About Pearson

Learning is the most powerful force for change in the world. More than 20,000 Pearson employees deliver our products and services in nearly 200 countries, all working towards a common purpose – to help everyone achieve their potential through learning. We do that by providing high quality, digital content and learning experiences, as well as assessments and qualifications that help people build their skills and grow with the world around them. We are the world’s leading learning company. Our key products in the UK include BTEC, Higher Nationals, and Pearson Test of English.

Executive summary

- Although a welcome move, the Secretary of State’s announcement of a one-year delay to the funding timetable does not go far enough in providing ample opportunity to evaluate whether new programmes are high-quality and deliver positive outcomes.
- Caution should be taken when considering the removal of funding from existing courses that are high-quality and lead to student progression. Future options need to be shown to work, before the defunding of qualifications that already deliver positive outcomes.

1. The Bill as amended by the House of Lords

1.1. Pearson welcomes the introduction of T Levels and are one of four awarding organisations delivering the new qualifications. We are concerned, however, that **the current timeline for switching off funding for qualifications that overlap with T Levels does not allow sufficient time for evaluation of these new programmes** and the outcomes they support for students. Our understanding is that defunding such qualifications could happen before any students have graduated from the first T Level programmes. In the absence of a clear evidence base at the local and national level this could narrow choice and opportunity for young people progressing to higher education and employment.

1.2. Although the Secretary of State’s announcement at Second Reading of a one-year delay to the current timetable is a step in the right direction, we do not believe this will provide enough time to see whether new programmes are high quality and deliver positive outcomes for students. We therefore support the amendments made to the Bill during its passage through the Lords and believe they should be preserved on the face of the Bill:

- **Page 10, line 38:** Funding for Level 3 courses including BTECs cannot be withdrawn for 4 years after the Act is passed “to ensure that T levels are fully embedded and acceptable to students, employers and universities.”
- **Page 10, line 41:** Inserts “No student will be deprived of the right to take two BTECs, AGQ or a Diploma or an extended Diploma.”

2. Disruption to high-quality qualifications that work

2.1. Significant changes have been made to qualifications in recent years. These newly reformed qualifications, meeting government performance table requirements, have been welcomed. They are recognised as being robust by providers, employers, and learners. Care should be taken to ensure that decisions are based on up-to date information and public consultation.

- 2.2.** Many qualifications at risk of defunding, including BTEC qualifications, have been identified by the DfE as ‘High Value Courses’ as they lead to higher wage returns, support the Industrial Strategy, and enable increased productivity¹.
- 3. Narrowing learner access and opportunity**
- 3.1.** Based on DfE estimates 15% of all 16 to 19 enrolments at level 3, and 43% of non-A level enrolments at level 3 are for qualifications at risk of defunding as part of the review.²
- 4. Wage returns and employment prospects**
- 4.1.** It is important to protect qualifications that are proven to enhance earning and employment prospects. Research shows that BTEC learners tend to be earning more than A level learners by age 22, even accounting for the fact that A level learners are more likely to enter the labour market later.³
- 5. Diversity and inclusion**
- 5.1.** Learners with SEN, from Asian and Black ethnic groups, males, and those from disadvantaged backgrounds are all more likely to be negatively affected by the proposed changes.
- 5.2.** 44,000 learners from Asian and Black ethnic groups could be affected. The proportion of learners currently enrolled on qualifications at risk of losing funding is almost 10% points higher in the most disadvantaged quintile (24%) than as in the least disadvantaged quintile (16%). 27,000 (25%) SEN learners could see their provision removed.⁴
- 6. Higher level skills, diversity and inclusion in higher education, and supporting higher level skills needs**
- 6.1.** The proposed changes at level 3 (underpinned by this Bill) could have a negative impact on thousands of individuals progressing to HE. Qualifications, such as BTEC Nationals, are accepted by all UK universities. Around one in four enter HE with a BTEC - over 100,000 students a year.
- 6.2.** The proposals could reverse recent trends to widen diversity and broaden inclusion. HESA data shows that a greater proportion of BTEC learners entering HE come from an ethnic minority background when compared with A level learners (17% Asian and 14% Black and 12% Asian and 5% Black respectively) and come from the bottom four socio-economic groups (32% and 17% respectively).⁵
- 6.3.** Research by the National Education Opportunities Network (NEON) shows that widening access to HE will reverse from 2024. If half of the learners taking BTECs or a combination of

¹ Department for Education: <https://www.gov.uk/guidance/16-to-19-funding-high-value-courses-premium>

² See DfE Impact Assessment: Review of post-16 qualifications at level 3 in England <https://www.gov.uk/government/publications/review-of-post-16-qualifications-at-level-3-in-england>

³ DfE <https://www.gov.uk/government/publications/review-of-post-16-qualifications-at-level-3-in-england> & FFT Education Datalab <https://ffteducationdatalab.org.uk/2018/11/long-term-outcomes-how-did-life-turn-out-for-those-who-took-level-3-btec-qualifications/>

⁴ The government’s own analysis shows that the most disadvantaged students are twice as likely to be enrolled on qualifications likely to be withdrawn than the least disadvantaged. See DfE Impact Assessment: Review of post-16 qualifications at level 3 in England: <https://www.gov.uk/government/publications/review-of-post-16-qualifications-at-level-3-in-england>

⁵ HESA dataset available on request from Pearson

A levels and BTECs were no longer able to progress to HE this would, relative to 2020, set participation by the most disadvantaged groups back to 2015/2016 levels.⁶

7. Employment and the UK economy

7.1. Limiting the development of all qualifications to employer-led standards will not allow for the flexibility and agility needed to meet newly emerging demand, and jobs of the future. In the 2011 review of vocational education, Baroness Wolf argued that the micro-management of qualification specifications impeded awarding organisations' ability to respond to market need.⁷

7.2. Many qualifications under threat of defunding contribute to the UK education export strategy and to net education export targets. Applied General qualifications overall contribute £180m annually to GDP, according to the 2021 Ofqual annual report. BTEC is taught and recognised in more than 80 countries around the globe.⁸

8. University drop out rates

8.1. During the passage of this Bill ministers have referred to those BTEC students who progress to university being three times more like to drop out of university.

8.2. It is misleading to compare BTEC and A level students in this way. As the Conservative Peer, Lord Lucas pointed out during the Lords Report Stage of the Skills and Post-16 Bill, when trying to compare A level and BTEC students, *"you absolutely cannot legitimately statistically compare the subsequent path of the two groups. You can remark on and look at them, but to compare them and say that one is therefore better than the other is not something you can do... They are two different groups."*⁹

8.3. We need to be mindful of comparing students based only on prior qualification, as BTEC students are much more likely to be from more disadvantaged backgrounds and from ethnic minority communities. A number of reports have highlighted this, for example:

8.4. **October 2019, CVER, BTECs, higher education and labour market outcomes using the Longitudinal Education Outcome (LEO) dataset** The report finds that despite the fact that returns and employment prospects for young people who take BTECs and then go to higher education are positive and high, that it is not helpful to compare the BTEC and A level cohorts given differences in prior attainment and socio-economic background. *'... individuals selecting different routes are markedly different in terms of prior attainment and*

⁶ Research by the **National Education Opportunities Network (NEON)** suggests that level 3 qualification reform will *"set access to HE back at least 5 years"*.

<https://www.educationopportunities.co.uk/news/new-report-shows-level-3-qualification-reform-will-set-access-to-he-back-at-least-5-years/>

⁷ **The Federation of Awarding Bodies** has pointed out that the economy requires a number of qualifications to serve its diverse requirements: *"The notion in a British economy, with over 75,000 different job roles currently available, that the number of qualifications made available can be reduced to a mere handful is fanciful. If policymakers listened to parents, learners and college community leaders, as much as to employers, they would know that"*.

<https://awarding.org.uk/fab-statement-on-the-post-16-review-of-qualifications-at-level-3/>

⁸ Applied General qualifications overall contribute £180m annually according to Ofqual annual report from Feb 21

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/960952/Annual_Qualifications_Market_Report_academic_year_2019_to_2020.pdf

⁹ [https://hansard.parliament.uk/lords/2021-10-12/debates/49E8CD08-E5F1-420B-8A15-E9B58AA8EE17/SkillsAndPost-16EducationBill\(HL\)](https://hansard.parliament.uk/lords/2021-10-12/debates/49E8CD08-E5F1-420B-8A15-E9B58AA8EE17/SkillsAndPost-16EducationBill(HL))

other characteristics and this should be considered when analysing the findings and the variation in the estimates across different specifications.’ (page 23)¹⁰

8.5. July 2019, HEFCE Catalyst Project, TRANSFORMING TRANSITIONS This work by HEFCE called on HEIs to provide better experiences for BTEC learners to ensure parity with A level learners, saying: *‘it would be unwise to draw any simplistic causal assumptions based only on prior qualification. To better understand and address these differential outcomes, we might consider the research on students’ experiences at university, particularly research which identifies the experiences of students who are not from the predominant white, middle class, traditionally-qualified group.’ (page 12)¹¹*

¹⁰ October 2019, CVER, [BTECs, higher education and labour market outcomes using the Longitudinal Education Outcome \(LEO\) dataset](#)

¹¹ July 2019, HEFCE Catalyst Project, [TRANSFORMING TRANSITIONS](#)