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# David Phillips

## Foreword

There is a misconception amongst some circles that most people will leave full time education with all of the basic qualifications they need to go onto further study, pursue a career and live a fulfilling life, but sadly that isn't always the case. For many reasons ranging from simply not enjoying the school environment through to serious life challenges such as illness, disability, having caring responsibilities or living in situations that affect their life chances. In fact in 2019 a third of school leavers did not achieve a 'pass grade' 4 in their GCSE English and Maths.<sup>1</sup>

For many decades, Level 2, as well as entry level qualifications providing basic workplace skills such as literacy, numeracy and digital skills have formed an important stepping stone for many who have not achieved all of the qualifications they needed whilst in full time education. Or simply for people who want to specialise in particular industries where knowledge at Level 2 is required to progress.

That is not to say that all of the qualifications that are currently available are fit-for-purpose. There are an array of very similar qualifications available as well as large numbers of qualifications that are close to being obsolete, with extremely low take up. This situation devalues other good level 2 qualifications that are on offer as employers and learners struggle to identify quality 'brand names' in the same way they can with GCSE's, A Levels and Degrees within the academic education system. Therefore, at City & Guilds Group we welcome the Government's move to streamline and simplify the further education system and bring parity with the academic system. But it must be done sensitively and in collaboration with those who have an intimate understanding of the Further Education sector and the groups of people that it serves. Otherwise, we could well be throwing the baby out with the bathwater.

We have produced this report in collaboration with Research Base in which we interviewed key stakeholders from the Further Education sector to get their opinion on the changes that were looming because we wanted to create a channel for their voices, which had not been clearly heard in this debate to date.

Without careful consultation from those with this knowledge, the proposed revisions to Level 2 and below qualifications could kick away the ladder for people who don't achieve at GCSE level. Whilst the heavy focus on full time courses at Level 3 could disadvantage older learners who have financial responsibilities and are unable to undertake full-time study if they find themselves out of work. We would like to see a more nuanced approach to post 16 education in the future with opportunities for people to retrain or just get 'a second chance' at all ages and stages of their lives.

When it comes to lifelong learning, the creation of progression opportunities should be the priority, which is why high quality level 2 qualifications – which provide a valuable route into work and skills for so many remain crucially important. We would also like Government to consider the realities of the lives of adult learners and create more flexible, part time and online learning solutions that will help to support learners of all ages and at all stages of their careers.

I hope that you enjoy reading this report and the recommendations that it contains and that it resonates in this important debate.



**David Phillips**  
Managing Director  
City & Guilds and ILM

<sup>1</sup> The Independent: <https://inews.co.uk/news/education/headteachers-students-fail-gcse-english-maths-351770>

## Key messages

1. Whilst the review of post-16 qualifications is greatly needed, in its current format is felt by many to carry significant risk, particularly to learners who are yet to achieve a Level 2 qualification.
2. The data on which both the review and the proposals is based fails to provide the full picture of the skills climate in England and excludes consideration of the value of Level 2 qualifications.
3. The interviews conducted as part of this report note the relationship between Level 2 attainment and socio-economic mobility, which is at risk should the Government proceed with its proposals.
4. Level 2 qualifications are perceived by stakeholders to offer great value to learners and employers, providing opportunities to develop key skills, both specific and general.
5. Level 2 attainment is viewed as a critical stepping stone for some candidates whilst being the ultimate goal for others, with many careers pathways accessible for people whose highest qualification is at Level 2.

## 2.1 Assessing review assumptions

From the findings of the review of level 2 attainment across the UK, light touch assessment of the data on which the government review has been based and interviews with key stakeholders, the following assumptions have been identified on which it is assumed the Government has based its proposals:

**Review assumption 1: The proposed transition year(s) will be effective in supporting level 2 attainment, preparing students who have previously failed to attain level 2 to move on to level 3.\***

The proposal assumes that the majority of learners will move on to level 3 in the form of A levels and T levels, meaning those learners who have not previously attained the required level 2 qualifications will undertake the proposed transition year(s). Stakeholders interviewed for the study expressed significant doubt at the efficacy of this approach. Concern was also expressed for the fact that where some level 2 qualifications were currently already allowing learners to access employment, the transition year is seen as a transition to T levels only, affecting the potential pathways for learners for whom level 2 attainment might otherwise be sufficient.

**Review assumption 2: The majority of learners aged 16-19 and beyond are already at, or can be supported to attain, level 2 in order to progress to level 3.**

The Government has been clear in its aspirations for all learners to achieve level 3, as has the evidence on which it has based its proposal, namely the Sainsbury Review. Stakeholders interviewed believe this approach to be flawed as it is reliant on the assumption that learners who have not attained level 2 thus far will be able to move on to level 3 after a transition year, or are already functioning with level 2 skills.

**Review assumption 3: The data on which the proposal has been based offers the full picture regarding the skills climate in England/the UK.**

The proposal assumes that the data used as evidence in the proposal fully and accurately represents the skills climate. Whilst some drivers of the review were echoed by stakeholders, and interviewees were supportive of a review of the technical qualifications system, significant concern was expressed regarding the Government's use of and engagement with data generally, with one interviewee describing government engagement with data as a 'veneer', and concern expressed about the basis of the details of the proposal.

**Review assumption 4: Level 3 is required for progression into careers, or for meaningful professional development.**

Considering the focus on level 3 attainment and the planned elimination of a large number of post-16 level 2 qualifications, the proposal assumes that in order to progress into a career, learners need to achieve level 3. Interviewees disagreed with this, stating that there are a huge majority of industries where the level 2 is a passport [to a job]', including construction, hospitality, catering, transport and childcare. Whilst many people would hope to progress to higher levels throughout their careers, which should of course be encouraged and supported, some of the workforce who enter at Level 2 are happy to remain in an entry level position throughout their careers. The value of the technical skills gained at level 2 were also raised by three interviewees, who felt that the skills learned at level 2 may be missed by transition directly to level 3.

**Review assumption 5: T levels or A levels are appropriate for the vast majority of learners.**

A further assumption of proposal is, in the withdrawal of funding for the majority of level 2 and 3 qualifications, that A levels and T levels will be suitable for the vast majority of learners. One policymaker highlighted that T Levels would not be suitable for all learners not taking the A level pathway, and that supporting individuals through a wider range of options would be more practical.

\* Since this report was written, Government have proposed this transition year becoming two years.

## 2.2 Risks of the Current Proposal

With consideration of the proposal against the findings of this study and the assumptions listed above, the following key risks have been identified:

### Missed opportunities at level 2

Learners may be put off by the focus on further education that exists in level 3, and as a result may miss the opportunity to develop skills at level 2. Level 2 can also be very useful to engage learners who may

## 2.3 Recommendations and alternative proposals

The following recommendations were offered by the stakeholders interviewed for this study for how the post-16 education system might be improved without incurring some of the risks identified.

### Stakeholder recommendations

#### Improving level 2 and foundation levels

Two policymakers spoke of the importance of improving qualifications at level 2 and below so that they reflect the skills needs and abilities of all individuals likely to take them. This should mean, in part, making sure that all levels have up to date and relevant technical as well as general strands. An FE interviewee spoke of the importance of giving learners a range of high-quality choices so that they could find something appropriate to their skills and career ambitions.

#### Smaller bite-sized courses / part time learning programmes also have a place

It is important to give learners who might not know what they want to do yet the opportunity to take smaller bite-sized courses. This will enable them to find out what opportunities are available to them in the world of work and what they are good at rather than forcing someone to commit to a longer course that might not be fit-for-purpose. Also we must not forget that a full time course might not be suitable for someone who has other commitments such as a mortgage or childcare and offer those people the opportunity to study more flexibly (i.e. in the evenings or weekends).

#### Improving progression pathways

It was stated that effective qualifications frameworks were based on detailed data and understanding of how individuals were likely to progress through the system:<sup>2</sup> 'So, where is it that the jobs [are]; what qualifications did you need to do those jobs? And then look at the other side, where people are and what qualifications they've got and then establish pathways through so that each of those stepping stones is available.'<sup>3</sup>

#### Changes to level 3 qualifications

Two interviewees suggested a different approach to teaching level 3 for young people who are not performing well at school or do not enjoy 'traditional' subjects.<sup>4</sup> In one instance, it was recommended that the qualification be divided in a manner similar to pass degrees and honours degrees, or two versus three A levels, with one form of level 3 qualification offering a broader and less intense curriculum of core studies, enabling more students achieve some form of qualification. In the other instance, it was suggested that level 3 qualifications which focus less on the qualification than the whole experience are more effective. This was based on student testimonies of more vocational and less exam-focused courses: '[They say] if I would have had to go down any sort of traditional education route, where I was focused on examinations, I would not be where I

# Introduction

## 3.1 Study objectives

In May 2018 the Government confirmed its plans to conduct a review of post-16 qualifications at level 3 and below in England. The stated aim of the review is to streamline the availability of qualifications at level 3 and below, ensuring that public funding only subsidises 'high-quality qualifications that serve a clear and distinct purpose.'

The ultimate outcome of the review is anticipated to be far fewer funded qualifications at this level for post-16 learners, with funding withdrawn for any qualifications that are 'poor quality and poorly understood.'<sup>4</sup> This, consequently,



Attainment levels: Literacy and numeracy

England<sup>17</sup>

In September 2019, the Children’s Commissioner for England published research which examined the number of children leaving English schools at 18 without reaching level 2.<sup>18</sup> In 2018, this number was 98,799, representing 18% of the total cohort. This was a 28% increase in children leaving school without a level 2 qualification since 2015. The occurrence rate thus rose for the first time in over a decade, after continuously falling between 2005-2015. Many of these young people will have been in compulsory education for 14 years, with more than £100,000 of public money invested into their education, and yet the system has not supported them in achieving the qualifications they may need to find meaningful employment.<sup>19</sup>

These figures are despite the extension of the compulsory education age from 16 to 18 years in 2015 and a drop in 18 year olds outside of education, employment or training from 6.6% to 4% since then. The Department for Education believes these changes in attainment levels are the result of 2013/14 reforms introduced after the 2011 Wolf Review, which reduced incentives for schools to offer non-GCSE courses such as GNVQs. Following this research, the Children’s Commissioner formally requested that the Department for Education conduct an independent review into falling level 2 attainment, commit to reducing the number of children failing to achieve a level 2 qualification by the age of 19 within

five years and set out a clear action plan for improving opportunities for those who do not achieve five GCSEs by the age of 16, such as access to apprenticeships and vocational courses.<sup>20</sup>

According to Department for Education statistics, published in April 2019, 84% of state-funded 19 year old learners were qualified to NQF level 2 in 2018.<sup>21</sup> 70.7% of these 19 year olds were qualified to level 2 in English and Maths, a fall of 0.7 percentage points compared to 2017. The progression rate between 16 and 19 years old of those who had not achieved a level 2 qualification by 16 but had at 19 rose from 25.9% in 2017 to 27.2% in 2018.<sup>22</sup>

In England, the percentage of 16 year olds attaining level 2 English at the age of 16 fell slightly overall between 2014 (71.2%) and 2018 (69.6%). However, this is offset by an overall increase in those who have attained the qualification by the age of 19. The largest increase in attainment between age 16 and age 19 was in 2016, where there was a 10.1 percentage point change in levels; the smallest was in 2014 where the was a 5.6 percentage point increase.

Level 2 English by GCSE or equivalent by age of attainment, state sector (%)

|        | 2014 | 2015 | 2016 | 2017 | 2018 |
|--------|------|------|------|------|------|
| Age 16 | 71.2 | 69.0 | 69.2 | 70.7 | 69.6 |
| Age 19 | 76.8 | 77.9 | 79.3 | 80.4 | 79.5 |

The percentage of 16 years olds attaining a level 2 in maths reached 71.6% in 2016. There has since been a slight decrease, reaching 68.4% in 2018. Again, this is offset by a general increase in those who had attained the qualification by age 19. The largest percentage point change between attainment between the two ages was in 2018 (7.2) and the smallest in 2015 (2).

Level 2 Maths by GCSE or equivalent by age of attainment, state sector (%)

|        | 2014 | 2015 | 2016 | 2017 | 2018 |
|--------|------|------|------|------|------|
| Age 16 | 67.0 | 70.4 | 71.6 | 69.5 | 68.4 |
| Age 19 | 70.5 | 72.4 | 75.6 | 75.9 | 75.6 |

Wales

The percentage of Welsh pupils attaining a level 2 threshold, including English/Welsh<sup>23</sup> and mathematics range from 55.4% in 2014 to a high of 60.3% in 2016.

Pupils attaining level 2 threshold Including a GCSE pass in English/Welsh and Mathematics (%)<sup>25</sup>

| 2014 | 2015 | 2016 | 2017 | 2018 |
|------|------|------|------|------|
| 55.4 | 57.9 | 60.3 | 55.8 | 56.6 |

<sup>17,21 & 22</sup> Level 2 and 3 attainment in England  
<sup>18,19 & 20</sup> Almost one in five children left education at 18 last year without basic qualifications

<sup>23 & 24</sup> Welsh as a First Language  
<sup>25</sup> Examination results: September 2018 to August 2019

Northern Ireland<sup>26</sup>

The percentage of pupils attaining GCSE English at grade A/7-C/4 rose steadily between 2014 (73%) and 2018 (80.2%). The percentage attaining the same grades in maths was lower; it was generally stable in the region of 66% for most years, increasing slightly to 68.1% in 2018.

GCSE Grade A/7-C/4 Attainment (%)

|         | 2014 | 2015 | 2016 | 2017 | 2018 |
|---------|------|------|------|------|------|
| English | 73   | 75.8 | 77.8 | 79.6 | 80.2 |
| Maths   | 66.2 | 66.6 | 64.9 | 66.4 | 68.1 |

Scotland

In Scotland, SCQF5 Literacy unit attainment rose from 14,639 in 2015 to 23,028 by 2017. Numbers then fell by 40% to 13,496 in 2018 and recovered slightly to 14,401 in 2019. Numeracy attainment numbers followed a similar broad pattern, increasing from 21,830 in 2015 to 30,871 in 2017 before falling by 37% to 19,513 in 2018 and recovering to 23,032 in 2019.<sup>31</sup>

SCQF5 Unit Attainment<sup>32</sup>

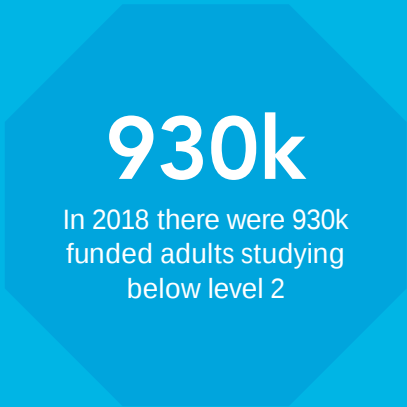
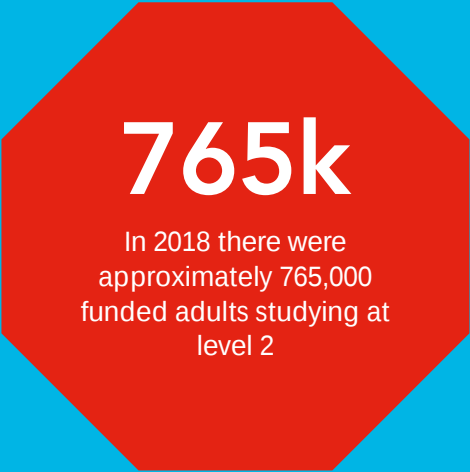
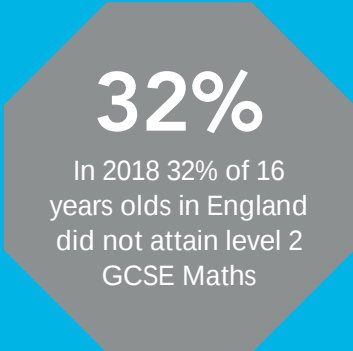
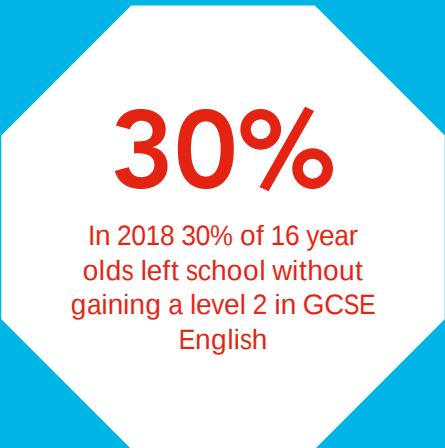
|          | 2015   | 2016   | 2017   | 2018   | 2019   |
|----------|--------|--------|--------|--------|--------|
| Literacy | 14,639 | 20,840 | 23,028 | 13,496 | 14,401 |
| Numeracy | 21,830 | 26,131 | 30,871 | 19,513 | 23,022 |

<sup>26</sup> Insites report

<sup>31</sup> The Scottish Qualifications Authority does not offer an explanation for the 2018 drops

<sup>32</sup> Statistics 2020

2018 GCSE / Level 2 statistics - England



## 4.2 Perceived value of level 2 qaulifications

### Perceived value

Interviewees noted that assessing the usefulness of level 2 qualifications was complex because these qualifications come in diverse vocational and general forms, some of which are more useful than others.<sup>33</sup> However, all interviewees deemed these qualifications to be useful to a significant degree and the following comments were made in supporting that stance:

### As a stepping stone

Level 2 qualifications are for many an essential educational stepping stone or springboard to further education such as level 3 and degree level courses.<sup>34</sup> They make these higher levels of education possible for school leavers who might otherwise have a low knowledge base and/or need to hone their skills or career plans:



## Learner and employer perspectives

### Learners

It was pointed out, however, that learners often do not know what is the best qualification for them;<sup>32</sup> they want to work towards a qualification that will get them into steady work and earning, but they rely on their institutions to inform them of what these are.

In relation to pre-16 level 2 GCSEs, one interviewee commented that learners' impressions generally appeared to be negative because in subjects like maths there is perceived to be no real world application.

### Employers

The Social Mobility Commission notes that GCSEs, as the most widely recognised qualification at level 2, have been adopted by employers as a clear criterion for recruitment and a standard measure for interpreting whether a candidate has the basic skills for entry level roles. Employers often fail to look deeper to consider which GCSEs are actually needed for the role in question.<sup>33</sup> A 2018 Ofsted report stated that 'it has become common practice to view the examination syllabus as the curriculum', which means it is the quantity and level of qualifications alone that is the focus of many employers, rather than the content of the courses and the skills they impart.<sup>34</sup>

This was picked up on by one policymaker who stated that the qualifications with the highest brand awareness among employers when looking for job entrants are GCSEs, A levels and degrees. An FE interviewee suggested that level 2 qualifications that were not BTECs, City & Guilds or GCSEs have little to no brand awareness among employers, while another noted that in some sectors like digital, which need specialised skills, a level 2 qualification is simply not sufficient to enter the workplace in most roles. Others suggested that in many sectors employers would have a preference for entrants at level 3.<sup>50</sup>

Nonetheless, in the service sector and in trades, individuals with level 2 qualifications are often highly valued and can make up the bulk of the workforce:

Social mobility and inclusion

There is a very deep connection between social mobility and level 2 attainment, according to most interviewees.<sup>58</sup> There is a significant quantity of research from bodies such as the Youth Commission that highlight the way level 2 attainment enables progress and mobility from a socio-economic perspective. Difficulties with attainment of level 2 at lower secondary stage when sitting GCSEs are exacerbated among the most disadvantaged, such as those with free school meals,<sup>43</sup> while private schools are able to teach and offer exams in ways which lend to higher scores.<sup>44</sup> One FE interviewee spoke of students from deprived backgrounds who joined their college at level 1 or 2 and stayed until ready to go through higher education.

The connection between social mobility and attainment of Level 2 can manifest in different ways:

Generational context

One policymaker thought that the divide between those with and without level 2 qualifications was growing from generation to generation. While older adults were able to get into the workplace with fewer qualifications and further training, the current generation of young people are not having the same experience: ‘If you don’t come out, particularly with a level 2 in English and maths, it’s a massive barrier to further opportunities. So, it’s really important as a determinant of where you go next.’<sup>45</sup>

Regional context

One FE interviewee stated that there are fewer jobs in some regions, for example the North East. In those regions, gaining a level 2 qualification and starting a reliable job with decent prospects and salary is a goal and necessity for many.

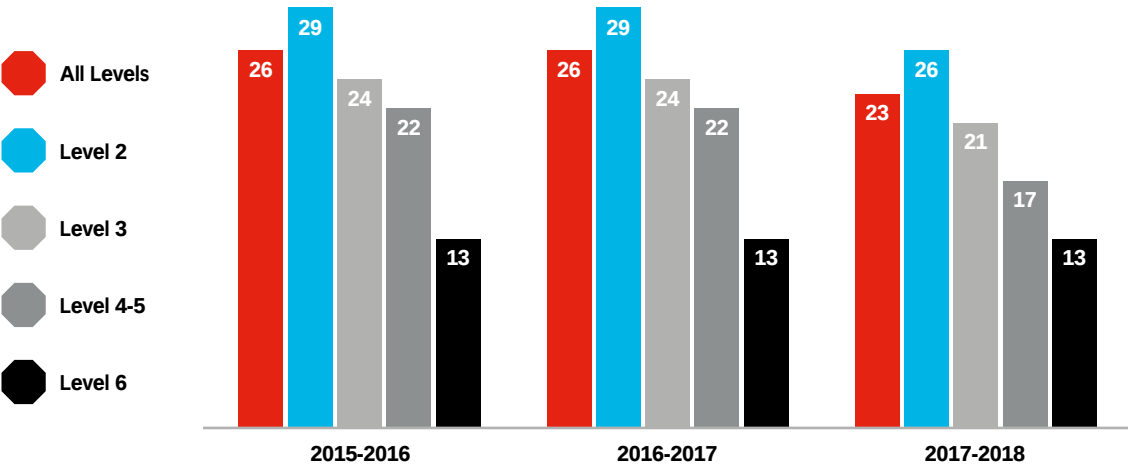
One interviewee believed that attainment of level 2 was a question of social inclusion, rather than mobility, since the latter involves moving into a higher socioeconomic grouping than one’s parents, whereas social inclusion is a less specific goal.<sup>46</sup> This interviewee believed that level 2 attainment is essential to social inclusion because it remains the primary avenue into the labour force. For many, according to this participant, this is far more attainable than an extensive T level workload that is far harder than material covered at level 2 or in planned transition years.

Another interviewee remarked that it was access to education in general that was connected to social mobility. They believed problems with accessing education for disadvantaged young people could not be pinpointed on level 2 alone, and that level 1 and below were just as important for those who needed more time and support in their education because of their socioeconomic circumstances.

Apprenticeships held by disadvantaged students<sup>47</sup>

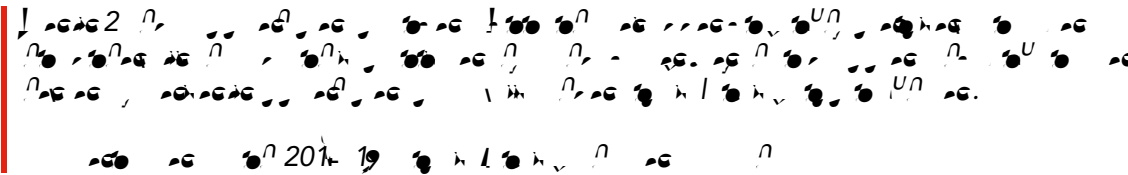
Level 2 apprenticeships have the highest proportion of students from disadvantaged backgrounds (29% of students in 2015-2016 and 2016-2017; and 26 % of students in 2017-2018). This is three percentage points higher than the overall proportion of disadvantaged apprentices in each year. The proportion of disadvantaged students falls for each consecutive apprenticeship level reaching only 13% of those undertaking Level 6 apprenticeships.<sup>49</sup>

Proportion of each apprenticeship level held by a disadvantaged student (%)



The State of the Nation 2019 report notes that the number of level 2 and 3 apprenticeships, which are more likely to be taken up by those from disadvantaged backgrounds, decreased by 16% and 38% respectively in 2017/18. Contrastingly, higher level apprenticeships, which are typically undertaken by those with a more affluent background, grew by 32%. There is also concern that a reduction in level 2 apprenticeship offers, combined with a focus on T Levels (which will be level 3) will mean that options for those that don’t hold a level 2 qualification by the age of 16 will shrink significantly.<sup>48</sup>

In terms of specific apprenticeships, Level 2 Information and Communication Technologies is one of the top five apprenticeships for progression to high earning for disadvantaged students.



<sup>58</sup> Four policymaker interviewees and eight FE interviewees  
<sup>42</sup> One FE interviewee  
<sup>43</sup> Two policymaker interviewees, one FE interviewee

<sup>44</sup> One policymaker interviewee  
<sup>45</sup> Dr Fiona Aldridge, Learning and Work Institute  
<sup>46</sup> One policymaker interviewee

<sup>47</sup> & <sup>48</sup> State of the Nation 2018-19  
<sup>49</sup> Post-16 education: outcomes for disadvantaged students

## 4.4 Attainment rates by sector

### Hospitality and catering

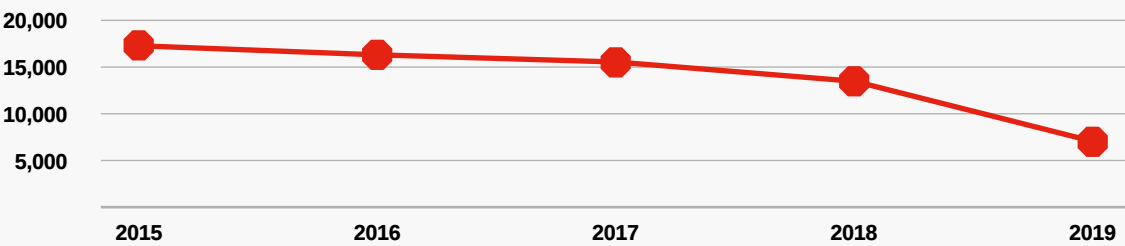
Hospitality and catering is one of London's largest industries and 21% of the UK's chefs work in London as of 2019 (55,000 chefs and cooks).<sup>55</sup> The number of chefs working in the city tripled between 2009-2019.<sup>56</sup> However, the industry is struggling to maintain talent as approximately 20,000 chefs leave the profession annually in the UK.<sup>57</sup> This is more than the numbers choosing to enter the profession, and a shortage may become more apparent following the UK's exit from the European Union, as 85% of London's chefs were born abroad.<sup>58</sup>

While hospitality and catering is a highly in-demand field, research suggests that those who take Hospitality and Catering as a subject at age 14 tend to have the lowest prior attainment test scores.<sup>59</sup> In the decade between 2009-2019 the number of students taking Food Preparation and Nutrition at GCSE fell by 50% and now sits at a total of fewer than 50,000.<sup>60</sup>

#### Overall apprenticeships<sup>61</sup>

The attainment numbers for level 2 apprenticeships in Hospitality and Catering have declined over the last five years, from 17,187 in 2015 to 13,363 in 2019. The sharpest fall was between 2018 (13,363) and 2019 (7,242) with a relative decrease of 46% between the two years.

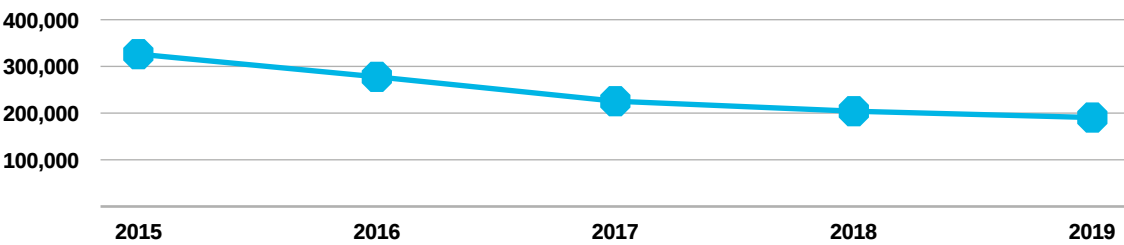
Hospitality and catering level 2 apprenticeships: UK



#### Overall vocational qualifications<sup>62</sup>

The overall attainment numbers for Level 2 vocational qualifications in Hospitality and Catering have declined over the last five years, from 317,901 in 2015 to 192,575 in 2019. This is an absolute decline of 125,326 and a relative decline of 39% across the period.

Hospitality and catering level 2 vocational qualifications: England, Wales and Northern Ireland



<sup>55</sup> London's booming food scene could turn sour without action on education and working conditions  
<sup>56, 57 & 58</sup> Kitchen Talent: Training and retaining the chefs of the future  
<sup>59</sup> Social class, gender and ethnic differences in subjects taken at age 14  
<sup>60</sup> How we can get the talent pipeline flowing properly  
<sup>61</sup> Apprenticeships and traineeships data

<sup>62</sup> Ofqual, Qualifications Wales and Council for the Curriculum, Examinations & Assessment; plus calculations.



## 5

## The Government's review

### Key findings

#### Validity of drivers

Both FE and policymaker interviewees echoed the importance of some of the Government's stated drivers of the review, suggesting their validity, including: skills gaps and social mobility; quality and consistency; and developing a climate for the success of T levels. However, interviewees also stated some concerns, citing false assumptions about the existing skills climate and a lack of government familiarity with level 2; flaws in evidence on which the proposal is based; a lack of consultation; and an over reliance on T levels.

#### Government use of data

Interviewees felt that the proposal was insufficiently backed by data, with the Government in 'huge denial' of the realities exposed by the data it does not use and it's engagement with data perceived to be superficial.

#### Evidence

Whilst some interviewees reported that the Government had proposed the changes to the system based on key supporting evidence including the qualifications available and the number of enrolments, all interviewees expressed a desire to see further evidence in at least one area of the review, with listed areas including: the evaluation of T levels; the purpose of qualifications; investigation into low attainment of level 2; and industry need.

#### Unconsidered factors

Stakeholders reported their understanding that several key factors had not been considered in developing the proposals, including that some roles do not require anything higher than level 2; the current high failure rate at level 2 (namely GCSEs); and unpopularity vs. specialisation in the assessment of qualification relevance.

#### Lack of consultation

Stakeholders reported the perception that the Government had failed to appropriately consult stakeholders in the process of developing the proposal in the past, meaning it lacked relevance in the 'real world setting'. The call for evidence expected in early 2021 will therefore be critical in contributing to Government thinking going forward.

## 5.1 Overview

In May 2018, the Government confirmed its plans to review post-16 qualifications at level 3 and below. The stated aim of the review is to streamline the qualifications available at this level,<sup>72</sup> ensuring that public funds are only used to subsidise 'high quality qualifications that serve a clear and distinct purpose.' The overall objective is to offer a technical qualification system at level 3 and below on which stakeholders can rely and in which they can have confidence,<sup>73</sup> with the anticipated result being fewer funded qualifications at level 3 and below.<sup>74</sup>

### Principles for technical qualifications

The review has been underpinned by the Department for Education (DfE)'s key principles of quality, purpose, necessity and progression and contains proposals for ensuring early progress is secured and the system is properly regulated. The proposed principles for the technical qualifications system put forward for feedback in the consultation are:

- To ensure qualifications deliver well on their intended purpose;
- To promote T and A levels as the qualifications of choice for 16-19 year olds, withdrawing funding for any qualifications that overlap with them; and
- To ensure that post-16 qualifications below level 3 have a strong focus on progression to higher levels of study (in line with the Government ambition to see more people achieve level 3). For students for whom entering employment with level 3 or below is a good outcome, ensuring that study below level 3 imparts skills that grant access to a range of careers, with support mechanisms to re-engage, re-train and reeducate those who may want to return to further education at a later stage.<sup>75</sup>
- To work towards giving students clearer choices, as well as ensuring that the qualifications meet an educational or skills need, and to build these needs into qualification design;
- To offer clear progression routes to higher levels of study, technical excellence or high quality employment;
- To ensure qualifications are good quality, with quality recognised as the content, design and size of the qualification aligning with and supporting its purpose;

<sup>72</sup> Entry level, level 1, level 2 and level 3, excluding GCSEs, AS and A Levels, and qualifications that have recently been subject to or are in the process of reform or development.

<sup>73</sup> Post 16 level 3 and below qualifications review - Impact Assessments.pdf

<sup>74</sup> Post 16 level 3 and below qualifications review - Consultation Document.pdf

<sup>75</sup> Post 16 level 3 and below qualifications review - Consultation Document.pdf

### 5.1.1 Review and consultation structure

A consultation - the first of two that have been planned for this review - was held on the between March and June 2019, marking the first stage of the review.

The consultation allowed for stakeholders to offer their views on the principles that will guide the review, and provided evidence showing that strengthening the quality and comparability of the relevant qualifications for 16-19 year olds and adult learners would be of benefit.<sup>76</sup>

This first stage invited opinions, thoughts and views on the general processes, guiding principles and broader considerations. Views were also sought on how removal of approved funding for qualifications that are already covered in newer T levels and Applied General Qualifications (AGQs) might affect the system and its users.<sup>77</sup> As part of the ongoing process, the decision was made in February 2020 to remove the approval for funding for approximately 5000 post-16 qualifications (more than 40% of the total) from August 2021 onwards, based on evidence laid out from former reviews, research papers and consultations.<sup>78</sup> The ESFA will continue to review qualifications on an annual basis going forward and will remove any with low take up.

The second stage will lay out proposals in more detail and present the criteria for determining which qualifications will be considered for funding. Additional opinions will be sought regarding the processes and timescales that will be implemented to effect these changes.<sup>79</sup>

#### Response to first stage: Low and no enrolments

The Government published a response to the question of qualifications have low or no enrolment in February 2020. The key takeaways were as follows:<sup>80</sup>

- 78% of 415 respondents agreed with the proposed government criteria for identifying qualifications with no enrolments. Those who answered no generally opposed the streamlining of qualifications or the proposed timeline of two years.
- A small majority of 406 respondents (52%) felt there were no specific reasons that a qualification with no enrolments should remain approved for funding. Those who answered yes and gave a reason suggested that such qualifications may be related to niche skills or industries and there may be future change in demand for certain roles or skills.
- 57% of 448 respondents did not agree that the Government should consider removing approval for funding from qualifications with low enrolments. Reasons given included retaining funding for qualifications related to niche skills and industries.
- 84% of 424 respondents felt there were specific reasons that a qualification with low enrolments should remain approved for funding, with a variety of reasons given.

### 5.1.2 Drivers of the review

The impact assessment that accompanied the consultation documents laid out some of the key reasons, based on the data sources referred to by the DfE, that the review has been deemed necessary. The technical education system has some 12,100 different qualifications approved for public funding for students aged 16 to 19 years. These include a wide range of qualification types with diverse purposes, and significant variety in qualification size (number of guided learning hours) and design features (e.g. forms of assessment, marking and moderation). There are also multiple qualifications of different types addressing similar occupational skill areas, with only light-touch regulation in place for the large majority-0.00iety in1 6d low -ace so mul568ug5a.monat sk4ivalification

**Skills gaps and  
social mobility**

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5.1.3 Concerns related to drivers of the review

Whilst some interviewees echoed the justifications given for the review by the DfE, as above, several also remained unconvinced about the validity of these drivers.<sup>97</sup> Some of these concerns included the following:

False assumptions about existing skills climate

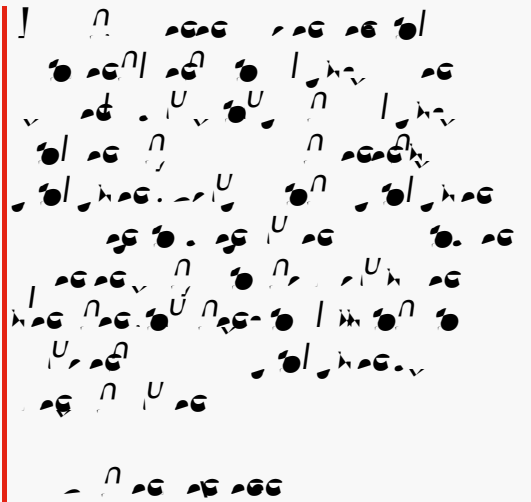
Three interviewees believed that the Government may have had good intentions with its review, but that it was built on the false assumption that learners starting level 3 qualifications are already, or will be, competent at level 2.<sup>98</sup> It was also suggested that the Government should be conducting necessary whole system overhaul and starting more from scratch,<sup>99</sup> even though it has only recently made significant changes, because more change is needed, particularly at pre-16 level.<sup>100</sup>

Flaws in the Sainsbury Review

It was also argued that the Sainsbury Review was flawed, and thus not a good basis for further reform.<sup>101</sup> The two column level 3 qualifications structure of technical or general education (now T levels or A levels) was considered to be 'naïve' by one policymaker, who went on to suggest that the Sainsbury Review had begun paving the way for the removal of level 2 qualifications. Although, now there does seem to be a recognition within Government that there is a place for some Level 2 qualifications, whether there is a thorough understanding of which ones hold value is another question.

Over reliance on T Levels

The stripped back, dual focus on A levels and T levels could see the elimination of other valuable qualifications, such as the AGQs.<sup>102</sup> 'I think [it] is showing there's significant lack of understanding of the sector and of learners and of the volume of learners that are currently on those types of qualification. I don't think colleges will be able to replicate that provision through T Levels.'<sup>103</sup>



Lack of consultation with stakeholders

There was concern that the Government had not sufficiently consulted with stakeholders:<sup>117</sup> 'They've made certain assumptions and then have gone ahead and acted on them.' As a result it was felt that the proposal lacked relevance in a real world setting. Three FE interviewees stated that from their experience employers are aware of the qualifications that are relevant to their subject area and subsequently know the people that they are trying to recruit without the need to replace these qualifications with T levels. One FE interviewee went on to say that colleges will not run level 2 courses if they do not need to and are working to support the complex individual needs of students.

Inappropriate assessment methods

One FE interviewee suggested that the Government should be moving away from examination culture when dealing with a scale-based qualifications system. They contended that technical and professional qualifications need to assess knowledge in a different way and it is this that should be a government priority.

Lack of government familiarity with level 2

One interviewee pointed out that there is a growing understanding in Government that level 2 qualifications can be valid and useful. However, this is hampered somewhat by a belief among interviewees that those in Government have not come into contact with such qualifications a great deal.<sup>118</sup> One interviewee described post-16 qualifications as being perceived in Government as for 'other people's children' while another stated: 'It's fair to say that a lot of people in Government haven't actually experienced these qualifications or been through them so they are perhaps less aware of their value and their role in the market.'

<sup>97</sup> Two policymaker interviewees, four FE interviewees  
<sup>98</sup> One policymaker interviewee, two FE interviewees  
<sup>99</sup> One policymaker interviewee, one FE interviewee  
<sup>100</sup> One policymaker interviewee

<sup>101</sup> One policymaker interviewee and one FE interviewee  
<sup>102</sup> One policymaker interviewee and one FE interviewee  
<sup>103</sup> One FE interviewee

<sup>117</sup> Two FE interviewees  
<sup>118</sup> Three policymaker interviewees

## 5.2 Evidence

The Government's review builds on findings from a variety of previous publications such as the Wolf Review in 2011, the Sainsbury Review in 2016 and the post-16 Skills Plan in 2016.<sup>119</sup> The fact that these pieces of research form the basis of this review was echoed by the policymakers interviewed for this study, of whom one mentioned the Wolf Review, and three the Sainsbury Review. Other sources of data were used as evidence to support the findings in the consultation. The majority of these are additional government papers, consultations and reviews, with the key sources as follows:

### Ad-hoc statistical release

This was a supporting document to the consultation and provides an overall view of 16-18 year olds and the qualifications studied. Trends in enrolments for qualifications at level 3 and below are also analysed in this release to support proposals for system reform.<sup>120</sup>

While it was argued the Government has used data to correctly identify the value of attaining a level 2 qualification, particularly in English and Maths, and moving on to level 3, they are leaving some key factors unaccounted for.<sup>113</sup> These missing factors are laid out below:

### **Labour market information (LMI)**

While level 2 and 3 qualifications open up career paths and increase earning potential, there are jobs in the economy that do not require a qualification above level 2 or even a level 2 qualification.<sup>114</sup> Similarly, some vocational fields value qualifications from City & Guilds and BTECs, but no research has been conducted on this value.<sup>135</sup>

### **The pre-16 grading system**



## 6

# Potential impact of the proposal

## Key Findings

### FE colleges

Interviewees generally felt that the proposal would have a negative impact on colleges and other learning providers, with withdrawal of funding requiring colleges to redesign their offerings and risk losing staff whose experience in taught courses does not translate to T levels, and a number of other training providers having to close as a result.

### Learners

Significant concern was expressed regarding the likely impact of the proposals on learners, with key concerns including: lower engagement from students who feel level 3 is unattainable; a lack of alternative routes and career options; and the efficacy and appropriateness of the transition year(s) and T levels.

### Transition year(s)

The proposed transition year(s) also concerned interviewees, who cited a lack of clarity of what the year (or two years) would look like and the demonstration of the 'naive' assumption that it could prepare all learners to commence level 3.

## Impact on FE institutions

Stakeholders reported concerns that the proposed withdrawal of funding would have a significant negative impact on FE colleges.

Five of the nine FE representatives interviewed reported that their colleges were largely focussed on level 2 qualifications, so would need reshaping in order to survive the financial hit of the withdrawal of funding:<sup>144</sup> 'For the college itself I'm not sure how we would survive. I'm not sure what we would do. Because we have lots of apprentices, we have lots of adults, and we have a percentage of our learners on level 3, we have lots of foundation learning. But we have a large number of students that are on level 2, and if there is no provision for them, we'd obviothem,

Level 2 substitute equivalent

One policymaker interviewee felt that the colleges would be devastated if there was no replacement offer for level 2 qualifications, and another that colleges would need to be resilient and adaptable.<sup>147</sup>

Resilience

One policymaker felt that there was a need for colleges to become more financially resilient and able to cope with the demands of learners.<sup>148</sup>

Post-16 Education sector

One FE interviewee emphasised the need to have some stability and strategy to the post-16 education sector, and felt that often the levels of education were dealt with in an isolated way, rather than a holistic way.<sup>149</sup> ‘What we’re in danger of doing is just dealing with these things in sort of isolation, rather than looking at the coherence of how do we take young people from being school pupils to being young people that can play a key part in our society, from level 1, level 2, level 3, level 4, level 5, some going to university. And I think we sometimes look at those in isolation.’ However, they felt optimistic that the new ministers for HE and FE in the DfE had joint responsibility for education strategy post-16.

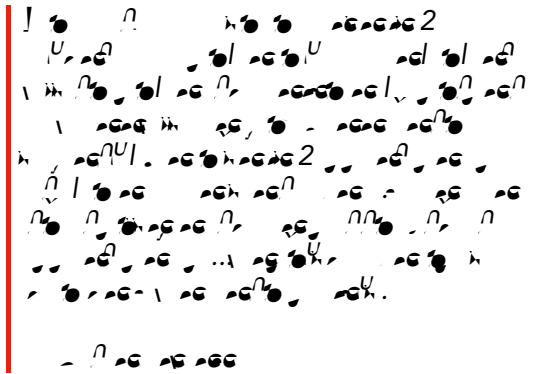
One FE provider noted that the negative impact on FE colleges would be exacerbated by the COVID-19 outbreak and difficulties findings jobs or apprenticeships.

Impact on learners

Interviewees reported similar concerns about the impact of reduced level 2 qualifications on learners:

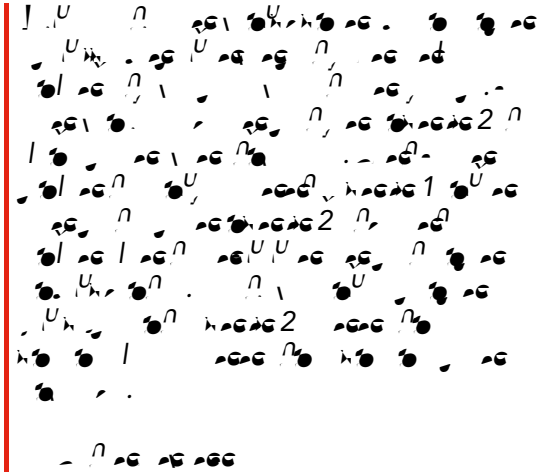
Less engagement from students

Four interviewees felt that there would be less engagement from students,<sup>150</sup> with one feeling that students would lose hope, as coming in at level 1 they can aspire to level 2, and then progress further later on. However, without level 2 as an in between, it leaves little for them to aspire to.<sup>151</sup> Another stated: ‘I don’t think there’s enough recognition of how some individuals could have become NEET [Not in Employment, Education or Training] without that level 2, or gone down a very different pathway. It’s not always just about the statistics. If in every single region 10-20 learners would become NEET, what’s the economic impact of that across regions?’



Lack of alternative routes

Five interviewees felt that there were limited other options for these students, who were not on an academic path and needed to be able to learn skills that they could achieve.<sup>152</sup> ‘Quite often level-2 learners have not had a particularly good experience at school, they have not particularly achieved well at school, they have got through it. And so they often come...to college because they can suddenly do something that they are interested in, rather than something that they have been told they have got to do, which is the case with the national curriculum. Students are quite excited about coming and doing something like brick work...because it is something they feel that they can do and achieve that.’ One interviewee expressed concern that there were no other options for this level of learner without sufficient level 2 qualifications in FE, as there are not enough level 2 apprenticeships to accommodate them, and a policymaker interviewee felt that there would be negative effects if this step in progression was removed without a replacement option.<sup>153</sup>



Limitations of T Levels

Interviewees discussed T Levels as an option, but only for some of the students who otherwise would be taking level 2 qualifications, as they would not suit all due to the academic aspects of the courses.<sup>154</sup> ‘I’m sure that there will be loads of young people who if you showed them the T level curriculum would look at it and say “Oh, I don’t want to do that, it’s way too hard, it’s really boring, very academic a lot of it. I’m not interested in doing that, I want to go and get a job.” ...So, I guess that they do the transition year. But then what do they transition to? Because there are no level twos available. The only thing that’s available is A levels or T levels or an apprenticeship. And the chances of getting an apprenticeship given what’s happening to the 16 to 19 apprenticeship numbers is not all that good.’<sup>176</sup>

Impact of fewer options

In line with the Government’s approach, one interviewee believed that learners might benefit from the proposed changes by having a smaller number of much higher quality level 2 qualifications to participate in; having fewer options in a pathway could stop institutions making decisions on qualifications based on cost or the ease with which students can pass.<sup>177</sup> However, they noted that their concern was not with the reduction of qualification pathway options (e.g. ten different options in bricklaying) but rather the removal of pathways (e.g. no option in watch making).

<sup>147</sup> Two policymaker interviewees  
<sup>148</sup> One policymaker interviewee  
<sup>149</sup> One FE interviewee

<sup>150</sup> Three FE interviewee and one policymaker interviewee  
<sup>151</sup> Two FE interviewees and one policymaker interviewee

<sup>152</sup> Three FE interviewees and two policymaker interviewees  
<sup>153</sup> One policymaker interviewee  
<sup>154</sup> One FE interviewee and one policymaker interviewee

<sup>176</sup> Professor Ewart Keep, SKOPE  
<sup>177</sup> One FE interviewee

Proposed transition year(s)\*

Interviewees expressed some concern and confusion about the proposed transition year.<sup>155</sup> One policymaker was not clear on what the transition year (or years) would look like and was concerned that many experts in the field did not appear to know either: ‘I have asked all sorts of people, “Well okay, what’s in the transition year?” and I get slightly different answers, but it appears to be that it’s maths and English and general learning skills. I naively had assumed that the transition year would probably include a level two qualification but at least some of the people I’ve talked to have indicated that that’s not what they are thinking of at all.’

The proposed transition year was also described as ‘naïve’ by a policymaker who did not believe in the premise that everyone can start level 3 after completing the year: ‘Those that are looking at it are saying, with a bit of triage we can get someone ready to go into a level 3 and they don’t need a certificate or anything...It’s just a fundamental misunderstanding of the importance of a full range of Level

2 programmes.’<sup>156</sup>

FE interviewees argued that a significant proportion of students struggle to attain level 2 in subjects like English and maths in secondary school.<sup>157</sup> They expressed concern that if the transition year was weighted towards English and maths then learners would continue to find motivation and attainment difficult and likely not be able to reach level 3 understanding in less than two years in post-16 education.<sup>158</sup> ‘To take a qualification out of level two for a learner who is most likely to be from a deprived background and to have experienced academic failure; to then make them resit the exams that they’ve failed, that they likely don’t like doing and remove the qualification or say study that for 12 months but there’s nothing at the end of it; that’s going to impact learner motivation. I think there’ll be issues of attainment across the country.’

One FE interviewee commented that not enough research had been done to ensure the transition year would benefit students: ‘You’ve got to be pretty certain [the students are] going to succeed and get up to that standard...I don’t think we can do that scientifically enough to be confident in advising the kids. So, you’re giving them some dubious advice if you’re not careful, which might be out to reach recruitment targets rather than what’s best for the student.’<sup>159</sup> Another FE interviewee continued that for many of these individuals a better option is taking more practical subjects from lower levels and building up to getting a job in something that they are more confident in.<sup>160</sup>

One policymaker had a generally positive view of the proposed transition year. They felt that the designed principles were sensible, based on good practice and encouraged successful progression to level 3. As a caveat, they noted that there likely needs to be more time spent investing the development of the transition year to ensure it is a successful programme. Others reserved their judgement on how well a transition year would work, saying they would wait until they knew more about it but that it would have to be a ‘genuine enabler’ for students if it was to work.<sup>161</sup>

Key demographics

FE interviewees generally believed that the most affected by the proposed changes of reducing the number of level 2 qualifications would be the students who were struggling the most with school before reaching post-16 level:<sup>162</sup> ‘I think it’s the marginal students, in every sense of that word. So the less able who don’t really want yet more academic type work thrust at them.’ One interviewee remarked that reducing the choice of offerings for the most disadvantaged could compound that disadvantage.<sup>163</sup> Another went on to say that all of those achieving fewer than full straight As at school would be at risk with reduced choice at level 2.<sup>164</sup>

It was also stated that there is a need to focus on engaging these individuals who are less interested in subjects like history, maths and geography but blossom at college when they have the opportunity to try new things.<sup>164</sup>

<sup>155</sup> Two policymaker interviewees and six FE interviewees  
<sup>156</sup> Mark Dawe, AELP  
\* Since this paper was first drafted the Government is now considering a two year transition period

<sup>157</sup> Four FE interviewees  
<sup>158</sup> Two FE interviewees

<sup>159</sup> One FE interviewee.  
<sup>160</sup> One FE interviewee.  
<sup>161</sup> Two FE interviewees  
<sup>162</sup> Five FE interviewees

<sup>162</sup> One FE interviewee  
<sup>163</sup> One FE interviewee  
<sup>164</sup> One FE interviewee



## 7

## Conclusions and recommendations

### 7.1 Assessing government assumptions

From the findings of the review of level 2 attainment across the UK, light touch assessment of the data on which the government review has been based and interviews with key stakeholders, the following assumptions, on which the Government has based its proposals, have been identified.

**Government assumption 1:**

**The proposed transition year(s) will be effective in supporting level 2 attainment, preparing students who have previously failed to attain level 2 to move on to level 3.**

One assumption of the proposal is that the majority of learners will move onto level 3 in the form of A levels and T levels, meaning those learners who have not previously attained the required level 2 qualifications will undertake the proposed transition year (or years). However, several of the stakeholders interviewed expressed significant doubt at the efficacy of this approach.

Concern was also expressed for the fact that where some level 2 qualifications were currently seen as a transition to employment, the transition year is seen as a transition to T levels only, affecting the potential pathways for learners for whom level 2 attainment would otherwise be sufficient.

**Government assumption 2:**

**The majority of learners aged 16-19 and beyond are already at, or can be supported to attain, level 2 in order to progress to level 3.**

The Government has been clear in its aspirations for all learners to achieve level 3, as has the evidence on which it has based its proposal, namely the Sainsbury Review. Stakeholders interviewed believe this approach to be flawed as it relies on the assumption that learners who have not attained level 2 thus far will be able to move on to level 3 after a transition year (as above), or are already functioning with level 2 skills.

**Government assumption 3:**

## 7.2 Risks

With consideration of the proposal against the findings of this study and the government assumptions listed above, the following key risks have been identified:

### Missed opportunities at level 2

Learners may be put off by the focus on further education that exists in level 3, and as a result may miss the opportunity to develop skills at level 2.

### Failure of transition year

Similarly, there are significant concerns about the possibility of preparing students who have previously failed to attain level 2 to commence level 3. And indeed a question around whether achievement of a level 3 is appropriate, or necessary, for all learners.

### Increase in NEET rates

Learners who have struggled with level 2 attainment may drop out of full time education as the jump to level 3 is perceived to be too high, risking an

## 7.3 Recommendations and alternative proposals

With consideration of the proposal against the findings of

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A2. Detailed methodology

Research framework

| Research questions                                                                                |                                                                                                         | Lit review | Data review | Policy interviews | FE interviews |
|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------------|-------------|-------------------|---------------|
| What is the Government's proposal?                                                                | What is the consultation for?                                                                           |            |             |                   |               |
|                                                                                                   | What does the consultation propose?                                                                     |            |             |                   |               |
|                                                                                                   | Why has this been proposed now?                                                                         |            |             |                   |               |
| What is the evidence to support the Government's proposed change?                                 | What data is available to support the basis of the Government's proposal?                               |            |             |                   |               |
|                                                                                                   | What other evidence is used by the Government in their consultation documents?                          |            |             |                   |               |
|                                                                                                   | How is data used to inform policy change?                                                               |            |             |                   |               |
| How is the UK doing in terms of level 2 attainment?                                               | Literacy                                                                                                |            |             |                   |               |
|                                                                                                   | Numeracy                                                                                                |            |             |                   |               |
|                                                                                                   | Hospitality & Catering                                                                                  |            |             |                   |               |
|                                                                                                   | IT & Digital                                                                                            |            |             |                   |               |
|                                                                                                   | Transport & Logistics                                                                                   |            |             |                   |               |
|                                                                                                   | Are there gaps in the data? Why?                                                                        |            |             |                   |               |
| What is the significance of level 2 attainment?                                                   | Who are level 2 qualifications for?                                                                     |            |             |                   |               |
|                                                                                                   | What do level 2 qualifications do; how are they used?                                                   |            |             |                   |               |
|                                                                                                   | How are level 2 qualifications viewed?                                                                  |            |             |                   |               |
|                                                                                                   | What is the relevance of level 2 qualifications in terms of further attainment and career trajectories? |            |             |                   |               |
|                                                                                                   | What is the relationship, if any, between level 2 attainment and social mobility?                       |            |             |                   |               |
| What is the potential impact of defunding level 2 qualifications on learners and social mobility? | Who are the key stakeholders who will be affected by the proposed changes?                              |            |             |                   |               |
|                                                                                                   | What impact might the proposed changes have?                                                            |            |             |                   |               |



The Wolf Review

The Wolf Review assessed the state of education for learners in 2011 with a focus on vocational education options and other elements of post-16 education. It found that many young people are moving between education and short-term employment because of the difficulty in finding full-time, permanent work and not knowing what course can help progress them. Low-level vocational qualifications are common in post-16 learners, which the review finds to hold little labour market value; the review estimated that a minimum of 350,000 learners get little/no benefit from the post-16 education system. Under 50% of learners have English and maths at ages 15/16 and 18. It is reported in this review that these are some of the reasons why young people are not securing employment or higher-level education/training, which triggers a need for change across post-16 qualifications. Three principles of reform were established within the review:

- 1. The education system has no business tracking and directs 14-16 years olds into ineffective programmes.
- 2. There is a need to ensure people have access to accurate and useful data to help inform decisions. This could include readily available information for everybody on courses and institutions that offer high quality education. This is related to good careers guidance and advice as well as how the Government reports on performance.
- 3. The system needs to be streamlined and simplified, avoiding micro-management and rising 'bureaucratic' costs for the English vocational education system.

A set of 27 recommendations came from the Wolf Review; such as recommendation 4: 'DfE should review current policies for the lowest-attaining quintile of pupils at Key Stage 4, with a view to greatly increasing the proportion who are able to progress directly onto Level 2 programmes at age 16.'

<sup>187</sup> Review of Vocational Education – The Wolf Report

The Sainsbury Review<sup>188</sup>

The Sainsbury Review took place in 2016 and assessed technical education in England calling for reform based on the authors' findings, broken down by themes:

Technical education within the education and training system

this involves a number of considerations. Setting the system up correctly to create benefit for individuals and employers; delineating technical options from academic options but allowing movement between the two; consider adult learners as well as young people.

A system of technical education routes:

using labour market information to propose

