

# Executive Summary

In England, today, around two and a half million young people are aged 14 to 19. The vast majority are engaged full or part time in education, and they are growing up in a world where long periods of study and formal credentials are the norm. Vocational education is an important part of that world. Most English young people now take some vocational courses before they are 16; and post-16 the majority follow courses which are largely or entirely vocational.

Vocational education today includes, as it always has, courses and programmes which teach important and valuable skills to a very high standard. It offers a direct route into higher education which has been followed by hundreds of thousands of young people; and prestigious apprenticeships which are massively over-subscribed. Conventional academic study encompasses only part of what the labour market values and demands: vocational education can offer different content, different skills, different forms of teaching. Good vocational programmes are, therefore, respected, valuable and an important part of our, and any other country's, educational provision.

But many vocational students are not following courses of this type. Alongside the many young people for whom vocational education offers a successful pathway into employment or higher education, there are hundreds of thousands for whom it does not.

For example:

- Many of our 16 and 17 year olds move in and out of education and short-term employment. They are churning between the two in an attempt to find either a course which offers a real chance for progress, or a permanent job, and are finding neither.

- The staple offer for between a quarter and a third of the post-16 cohort is a diet of low-level vocational qualifications, most of which have little to no labour market value. Among 16 to 19 year olds, the Review estimates that at least 350,000 get little to no benefit from the post-16 education system.

- English and Maths GCSE (at grades A\*-C) are fundamental to young people's employment and education prospects. Yet less than 50% of students have both at the end of Key Stage 4 (age 15/16); and at age 18 the figure is still below 50%. Only 4% of the cohort achieve this key credential during their 16-18 education. Worse, the funding and accountability systems established by government create perverse incentives to steer 16+ students into inferior alternative qualifications.

The result is that many of England's 14-19 year olds do not, at present, progress successfully into either secure employment or higher-level education and training. Many of them leave education without the skills that will enable them to progress at a later date.

The Review received many hundred submissions from individuals and groups with extensive knowledge of our vocational education system. Many highlighted its strengths and achievements. But none wanted to leave things as they are; nor did they believe that minor changes were enough. This is surely correct.

### ***What we want to achieve***

Our society believes in equality of opportunity for all its citizens. That means equipping young people for a world in which their education makes a critical difference to their future lives, and for an economy undergoing constant and largely unpredictable change.

We need to make sure that vocational education for 14-19 year olds really does serve the purpose of creating and maintaining opportunities for all young people.

This review makes a number of detailed recommendations to that end. Underlying them are three very clear organising principles for reform.

***First***, our system has no business tracking and steering 14 year olds, or 16 year olds, into programmes which are effectively dead-end. Any young person's programme of study, whether 'academic' or 'vocational', should provide for labour market and educational progress on a wide front, whether immediately or later in life.

***Second***, we should tell citizens the truth. That means providing people with accurate and useful information, so that they can make decisions accordingly. Good information becomes more critical the more important the decisions. For young people, which vocational course, qualification or institution they choose really can be life- determining.

14-19 education is funded and provided for their sakes, not for the sake of the institutions who provide it. This may be a truism; but it is one which policy too often seems to ignore. In recent years, both academic and vocational education in England have been bedevilled by well-meaning attempts to pretend that everything is worth the same as everything else. Students and families all know this is nonsense. But they are not all equally well placed to know the likely consequences of particular choices, or which courses and institutions are of high quality. Making that information available to *everybody* is the government's responsibility. Too often, it, and its agencies, have failed at this task.

At issue here is not simply good general careers guidance and advice to individuals, to which everyone signs up happily. It is also, and fundamentally, about how government oversees and reports on performance. Vocational education has been micro-managed from the centre for decades. This is a bad idea, and not just because it is inherently ineffective. It also means that government takes direct public responsibility for success and failure, and finds it correspondingly impossible to be honest

***Third***, the system needs to be simplified dramatically, as a precondition for giving people good and accurate information, to free up resources for teaching and learning, and to encourage innovation and efficiency. English vocational education is extraordinarily complex and opaque by European and international standards. This is because of central government: its repeated, overlapping directives, and the complex, expensive and counterproductive structures that result. We have had over twenty years of micro-management and mounting bureaucratic costs, and it is time this changed. Of course, good information is only helpful if people are able to act upon it. The institutional framework for 14-19 education is one in which most young people are already able to exercise a considerable degree of choice – and do. However, the review also looked at constraints on institutions' ability to respond efficiently to students' preferences and demand.

### ***The wider environment***

We know from well-based research studies that 30 or 40 years ago vocational routes offered young people better and more secure prospects than is the case today. It is always tempting to look back at a golden age; but trying to recreate 1960s education is not the answer. It was a different world and, above all, a different economy and labour market. Today's vocational education system must respond to five key labour market characteristics. *First*, full-time education or training to age 18 is now the dominant pattern. In England, virtually everyone stays on post-GCSE, and an overwhelming majority participate to age 18. This change has knock-on effects for the labour market and is also in part a response to (and not just the mirror image of) the implosion of the youth labour market. This change in the youth labour market is the *second* critical aspect of today's labour market which vocational education must recognise. It is quite recent and involves a dramatic change in teenagers' options. Even twenty years ago, there were very large numbers of jobs available for 16 and 17 year olds. Today, this is not true, for a variety of reasons including changes in employment-related regulation and employers' assumptions about school-leavers' skills. In this and other respects, the English labour market is more and more like that of our major European neighbours.

*Third*, employers nonetheless continue to value and reward employment experience and not just formal credentials. Good apprenticeships are valuable as much for the general skills they teach as for the specific ones; and employment of any sort has value for people's later careers and chances. Even though formal credentials are seen as increasingly important, they are not, in fact, all-determining. Work experiences still offer an alternative progression route, while many formal qualifications are not worth having at all.

*Fourth*, good levels of English and Mathematics continue to be the most generally useful and valuable vocational skills on offer. They are a necessary precondition for access to selective, demanding and desirable courses, whether these are 'vocational' or 'academic'; and they are rewarded directly by the labour market throughout people's careers.

*Fifth*, young people change jobs very frequently, within a labour market which is also in constant flux. So students need general skills; and the educational system needs to respond quickly and flexibly to change. All five of these developments need to inform vocational as much as academic curricula.

### ***The way forward***

Today's labour market conditions bear very hard on young people. Underlying structural trends have been made worse by recession. We need to ensure that students have every opportunity to gain the most important and generalisable skills, including those gained in employment. This means making certain that institutions focus on students' demands and needs, not those of government agencies, and that the funding and oversight regime for 14-19 year olds helps institutions to be flexible, efficient, and directly responsive to labour market changes. Government should focus on its key roles of monitoring and ensuring quality, and providing objective information, and withdraw from micro-management. To that end, the Review proposes some major changes. Funding should be on a perstudent basis post-16 as well as pre-16, and institutions should be expected to offer and provide coherent programmes of study, within broad parameters, rather than being funded on the basis on individual qualifications. Post-16, English and Mathematics should be a required component of study programmes for those without good GCSEs in these subjects. Programmes will vary in how they organise this, depending on the students concerned. For some, intensive remedial

reading will be required; for others, alternative qualifications such as the Free-standing Mathematics qualifications will be appropriate; for others, immediate GCSE re-sits. Every other country in the developed world concentrates on improving the language and mathematics skills of its post-16 vocational students, and so, belatedly, should England.

At the same time, there should be much greater freedom for awarding bodies to develop and for institutions to offer the vocational qualifications they prefer for 16-19 year old students. Regulation should move away from qualification accreditation towards awarding body oversight, and there should be no obligation for vocational qualifications for 16-19 year olds to be part of the Qualifications and Credit Framework. Pre-16, it is critical that young people not be tracked in irreversible ways. High quality vocational qualifications can and should be identified by the government, as part of its task of providing objective information to citizens. Only those qualifications – both vocational and academic – that meet stringent quality criteria should form part of the performance management regime for schools. However, schools should also be free to offer whatever other qualifications they wish from regulated awarding bodies.

Performance measures should also reinforce the commitment to a common core of study at Key Stage 4, with vocational specialisation normally confined to 20% of a pupil's timetable; and should remove incentives for schools to pile up large numbers of qualifications for 'accountability' reasons. This retention of a large common core is, the Review notes, consistent with recent developments and current practice among our European and other OECD partner nations. The proposed changes to funding and accountability regimes should remove the perverse incentives which currently encourage schools and colleges to steer young people into easy options, rather than ones which will help them progress. This should reduce costs, and allow closer and more direct links among awarding bodies, employers and 'providers' (i.e. schools, colleges and training providers.) In addition, the Review suggests a number of other measures which should improve the quality and efficiency of provision.

Clarifying and activating the legal right of colleges to enrol students under 16 should increase 14-16 year olds' access to high quality vocational provision, and increase the range of institutional innovation. The Review also recommends reforms in teacher qualification requirements and that QTLS (the FE equivalent of Qualified Teacher Status) should be recognised in schools. It recommends that employers should be directly involved in quality assurance and assessment activities at local level, and argues that this is the most important guarantor of high quality vocational provision. The proposed funding changes should also make it easier for institutions to collaborate in innovative ways.

Last but by no means least major efforts should be made to provide greater access to the workplace for 16-18 year olds. Apprenticeship offers great opportunities to young people, and this government is, like its predecessor, committed to increasing apprenticeship numbers. However current trends underline the difficulty of doing so rapidly for those under 19. The Review therefore recommends subsidies to employers when they are involved in general education rather than specific skill training. It calls for apprenticeship contracting arrangements to be aligned with international best practice, through joint activity by DfE and BIS. It also recommends, as a matter of urgency, that more 16-19 year olds be given opportunities to spend substantial periods in the workplace, undertaking genuine workplace activities, in order to develop the general skills which the labour market demonstrably values. Vocational education already offers great benefits to many of our young people, and makes enormous contributions to the economy and to their lives. The recommendations of this Review are designed to extend these benefits, and offer better education and training, better prospects, and continued opportunities for progression to all English young people.

# Recommendations

## **Recommendation 1**

The DfE should distinguish clearly between those qualifications, both vocational and academic, which can contribute to performance indicators at Key Stage 4, and those which cannot. The decision criteria should be explicit and public. They will include considerations of depth and breadth (including consultation with/endorsement by relevant outside bodies), but also assessment and verification arrangements which ensure that national standards are applied to all candidates.

## **Recommendation 2**

At Key Stage 4, schools should be free to offer any qualifications they wish from a regulated Awarding Body whether or not these are approved for performance measurement purposes, subject to statutory/health and safety requirements.

## **Recommendation 3**

Non-GCSE/iGCSE qualifications from the approved list (recommendation 1 above) should make a limited contribution to an individual student's score on any performance measures that use accumulated and averaged point scores. This will safeguard pupils' access to a common general core as a basis for progression. At the same time, any pointbased measures should also be structured so that schools do not have a strong incentive to pile up huge numbers of qualifications per student, and therefore are free to offer all students practical and vocational courses as part of their programme. (See also Recommendation 26 below)

## **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. Performance management indicators and systems should not give schools incentives to divert low-attaining pupils onto courses and qualifications which are not recognised by employers or accepted by colleges for progression purposes.

(See also recommendation 28)

## **Recommendation 5**

The overall study programmes of all 16-18 year olds in 'vocational' programmes (i.e. currently everything other than A levels, pre-U and IB, and including 'Foundation Learning') should be governed by a set of general principles relating primarily to content, general structure, assessment arrangements and contact time. Provided these are met (and see recommendation 6 below), institutions should be free to offer any qualifications they please from a recognised (i.e. regulated) awarding body, and encouraged to include non-qualifications-based activity.

## **Recommendation 6**

16-19 year old students pursuing full time courses of study should not follow a programme which is entirely 'occupational', or based solely on courses which directly reflect, and do not go beyond, the content of National Occupational Standards. Their programmes should also include at least one qualification of substantial size (in terms of teaching time) which offers clear potential for progression either in education or into skilled employment. Arrangements for part-time students and work-based 16-18 year olds will be different but the design of learning programmes for such students should also be considered.

### **Recommendation 7**

Programmes for the lowest attaining learners – including many with LDD as well as those highly disaffected with formal education – should concentrate on the core academic skills of English and Maths, and on work experience. Funding and performance measures should be amended to promote a focus on these core areas and on employment outcomes rather than on the accrual of qualifications.

### **Recommendation 8**

The DfE and BIS should evaluate the extent to which the current general education components of apprenticeship frameworks are adequate for 16-19 year old apprentices, many of whom may wish to progress to further and higher education. It does not appear appropriate, given this Government's commitment to progression through apprenticeship, that frameworks should, as at present, be drawn up entirely by SSCs, who conceive their role in relation to *current* employers, and current, occupationally specific job requirements. The review of frameworks should also consider ways to increase flexibility and responsiveness to local labour markets and conditions.

### **Recommendation 9**

Students who are under 19 and do not have GCSE A\*-C in English and/or Maths should be required, as part of their programme, to pursue a course which either leads directly to these qualifications, or which provide significant progress towards future GCSE entry and success. The latter should be based around other Maths and English qualifications which have demonstrated substantial content and coverage; and Key Skills should not be considered a suitable qualification in this context. DfE and BIS should consider how best to introduce a comparable requirement into apprenticeship frameworks.

### **Recommendation 10**

DfE should continue and if possible increase its current level of support for CPD for mathematics teachers, and give particular attention to staff who are teaching post-16 students in colleges and schools. DfE and BIS should discuss the possibility of joint funding for post-16 CPD activities in English and Mathematics, especially as they relate to apprentices and to general FE colleges recruiting adults as well as young people.

### **Recommendation 11**

Funding for full-time students age 16-18 should be on a programme basis, with a given level of funding per student. (This can and should be adjusted for differences in the content-related cost of courses, and for particular groups of high-need student.) The funding should follow the student.

### **Recommendation 12**

There should continue to be no restrictions placed on a young person's programme in terms of which level or type of qualification they can pursue. If it is appropriate for a student or apprentice to move sideways (or indeed 'downwards') in order to change subject or sector, that is their choice.

### **Recommendation 13**

Young people who do not use up their time-based entitlement to education (including apprenticeship) by the time they are 19 should be entitled to a corresponding credit towards education at a later date. The existing system of unique student numbers plus the learning accounts being developed by BIS should make this straightforward.

#### **Recommendation 14**

Employers who take on 16-18 year old apprentices should be eligible for payments (direct or indirect), because and when they bear some of the cost of education for an age-group with a right to free full- time participation. Such payments should be made only where 16-18 year old apprentices receive clearly identified off-the-job training and education, with broad transferable elements.

#### **Recommendation 15**

DfE and BIS should review contracting arrangements for apprenticeships, drawing on best practice internationally, with a view to increasing efficiency, controlling unit costs and driving out any frictional expenditure associated with brokerage or middleman activities that do not add value.

#### **Recommendation 16**

DfE and BIS should discuss and consult urgently on alternative ways for groups of smaller employers to become direct providers of training and so receive ‘training provider’ payments, possibly through the encouragement of Group Training Associations (GTAs).

#### **Recommendation 17**

At present teachers with QTS can teach in FE colleges; the FE equivalent – QTLS – should be recognised in schools, which is currently not the case. This will enable schools to recruit qualified professionals to teach courses at school level (rather than bussing pupils to colleges) with clear efficiency gains.

#### **Recommendation 18**

Clarify and evaluate rules relating to the teaching of vocational content by qualified professionals who are not primarily teachers/do not hold QTLS. Many schools believe that it is impossible to bring professionals in to demonstrate/teach even part of a course without requiring the presence of additional, salaried teaching staff. This further reduces the incidence of high quality vocational teaching, delivered to the standards that industries actually require.

#### **Recommendation 19**

Make explicit the legal right of colleges to enrol students under 16 and ensure that funding procedures make this practically possible. Colleges enrolling students in this age group should be required to offer them a full KS4 programme, either alone or in collaboration with schools, and be subject to the same performance monitoring regime (including performance indicators) as schools.

#### **Recommendation 20**

All institutions enrolling students age 16-18 (post-KS4), and those offering a dedicated entry route for 14-year old entrants, should be required to publish the previous institutions and, where relevant, the qualifications and average grades at the time of enrolment of previous entrants. (This should be done on a course-related rather than an institution-wide basis)

### **Recommendation 21**

DfE should evaluate models for supplying genuine work experience to 16-18 year olds who are enrolled as full-time students, not apprentices, and for reimbursing local employers in a flexible way, using core funds. Schools and colleges should be encouraged to prioritise longer internships for older students, reflecting the fact that almost no young people move into full-time employment at 16; and government should correspondingly remove their statutory duty to provide every young person at KS4 with a standard amount of “work-related learning”.

### **Recommendation 22**

DfE should encourage Ofqual to move as quickly as possible away from regulating individual vocational qualifications and concentrate on regulating awarding bodies. When there is reason for concern about a particular qualification, Ofqual should continue to intervene.

### **Recommendation 23**

DfE should confirm and clarify that qualifications offered to 14-19 year olds and funded through YPLA will not in future need to be either QCF-compliant or belong to a specified group with additional approval criteria (GCSE, A Level, Diploma etc). They should, however, be offered by a regulated awarding body. As an immediate and temporary measure the Secretary of State should use his powers, under Section 96, to approve the funding of key established qualifications which have not been approved by SSCs, and have therefore not been accredited, but which are recognised by DfE as playing an important role in the country’s vocational education system, and which are clearly valued by employers and/or higher education.

### **Recommendation 24**

DfE and BIS should discuss and consult on the appropriate future and role of National Occupational Standards in education and training for young people, and on whether and how both national employer bodies – including but not only SSCs – and local employers should contribute to qualification design.

### **Recommendation 25**

The legislation governing Ofqual should be examined and where necessary amended, in order to clarify the respective responsibilities of the regulator and the Secretary of State

### **Recommendation 26**

DfE should introduce a performance indicator which focuses on the whole distribution of performance within a school, including those at the top and bottom ends of the distribution.

### **Recommendation 27**

At college and school level the assessment and awarding processes used for vocational awards should involve local employers on a regular basis. Awarding bodies should demonstrate, when seeking recognition, how employers are involved directly in development and specification of qualifications.