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Institute of Directors 116 Pall Mall London SW1Y 5ED

20/01/2022

The Clerk Education Committee House of Commons London SW1A 0AA

Dear Sir/Madam,

# The future of post-16 qualifications: IoD response to the Education <u>Committee's inquiry</u>

## About the IoD

The IoD is an independent, non-party political organisation representing over 20,000 company directors, senior business leaders, and entrepreneurs. It is the UK's longest-running organisation for professional leaders, having been founded in 1903 and incorporated by Royal Charter in 1906. Its aim is to promote good governance and ensure high levels of skills and integrity among directors of organisations. It campaigns on issues of importance to its members and to the wider business community with the aim of fostering a climate favourable to entrepreneurial activity in the UK.

The IoD welcomes the opportunity to submit evidence to this inquiry on the future of post-16 qualifications. Issues of this nature are of considerable interest to the IoD and its membership, and we are therefore pleased to present our views.

In the first section, we provide a summary of our key perspectives on the post-16 qualifications system. We then offer more detailed views in respect of the strengths and weaknesses of the current system, the rollout of T Levels, and the Government's reforms to Level 3 qualifications.

# Summary of the IoD view

The IoD welcomes the introduction of T Levels as rigorous, employer-led qualifications. However, we believe that a longer period of evaluation is needed before alternative vocational qualifications are defunded. We are of the view that employers need additional support to be able to offer the volume of industry placements required for T Levels to be a viable option for all young people pursuing a vocational pathway.

We also believe that more needs to be done to prepare young people on all post-16 pathways to develop the employability skills that will enable them to thrive in the workplace.

# **Detailed response**

In the following section, we provide our views on five of the questions posed in the inquiry's call for evidence.

# 1) THE STRENGTHS AND WEAKNESSES OF THE CURRENT SYSTEM OF POST-16 QUALIFICATIONS.

# IoD view:

From an employer perspective, the complex and frequently changing nature of the post-16 qualifications landscape can hinder understanding of the value and currency of the various qualifications and pathways. We therefore welcome the underlying principle of the Government's simplification of the post-16 system into A Levels, T Levels, and apprenticeships.

Employers consistently report that the education system fails to produce young people ready to enter the world of work. Previous IoD research, for instance, found that 68% of business leaders believe that the communication skills of school leavers need to be improved. The ability to work to deadlines (44%), problem solving (38%), teamworking (35%), and creativity (25%) also emerged as key employability skills which members believe require improvement among school leavers<sup>1</sup>.

High-quality work experience is an essential tool in developing employability skills in young people. We welcome the introduction of 45-day industry placements within T Levels and believe that Government should consider how optional work experience can be systematically extended to all young people studying for A Levels. Given the demand this would place on employers, a commitment equivalent in time to T Level placements is unlikely to be sustainable, but alternative approaches to firmly embedding work experience into all post-16 pathways should be considered.

## 2) THE BENEFITS AND DISADVANTAGES OF INTRODUCING A BACCALAUREATE SYSTEM IN POST-16 EDUCATION THAT ALLOWS STUDENTS TO TAKE A VARIETY OF SUBJECTS, INCLUDING BOTH ACADEMIC AND VOCATIONAL OPTIONS.

## IoD view:

While we welcome the introduction of T Levels as high-quality, employer-led vocational qualifications and the simplicity of a three-track post-16 qualifications system, we are concerned that the reforms will inadvertently present academic and vocational post-16 education as an either/or choice. Whereas students have hitherto had the option of mixing A Levels and BTECs, students will be unable to mix A Levels and T Levels.

The proposed approach also assumes that 15- and 16-year-olds are in a position to confidently choose a single path towards higher education or employment. A baccalaureate system could in

<sup>&</sup>lt;sup>1</sup> https://www.iod.com/news-campaigns/news/articles/GCSE-results-put-business-skills-at-heart-of-education

theory address these concerns by allowing students to mix academic and vocational education and therefore widen their options for post-18 education or employment.

We also see considerable strengths in existing baccalaureate models in addressing employers' concerns around employability skills (as discussed in Question 1). The Creativity, Activity, Service component of the International Baccalaureate, for example, helps students to develop holistically and to develop many of the employability skills which employers are looking for in young people. The potential to draw upon best practice from such non-formally assessed models of personal and interpersonal development in the design of other post-16 qualifications in England should be further explored.

A baccalaureate system could also address concerns around the literacy and numeracy skills of school and college leavers. The UK is an outlier among OECD countries in not requiring young people to continue mathematics education until the age of 18, and 51% of employers report that literacy and numeracy skills are a top-3 factor in recruiting school and college leavers<sup>2</sup>. While Sir Adrian Smith's 2017 review of post-16 mathematics did not recommend an immediate move to requiring all students to study mathematics until 18, he did recommend that Government should build the requisite pathways and teaching capacity in the following decade, and this now requires action. If such an approach is deemed untenable due to limited teaching capacity, options to better integrate literacy and numeracy skills into existing post-16 qualifications should be examined.

Given that the T level reforms are still underway, we do not consider a single baccalaureate system for post-16 education to be a viable path for reform at this time. However, we believe that Government should examine how the strengths of existing baccalaureate systems – including the ability to mix academic and vocational qualifications, a formalised focus on character development, and a sustained emphasis on literacy and numeracy skills – may be drawn upon to complement existing qualifications in order to better prepare young people for the world of work.

# 3) THE EXPERIENCE TO DATE OF THOSE TAKING OR DELIVERING T LEVELS, AND ANY CHANGES TO T LEVELS THAT MAY BE NEEDED TO ENSURE THEY ARE ACCESSIBLE TO ALL STUDENTS

## IoD view:

The IoD considers the 45-day industry placement component of T Levels to be a particular strength of the qualifications. However, we are concerned about the practical implementation of industry placements, primarily around generating sufficient demand among employers still recovering from the impacts of the pandemic and the UK's exit from the European Union.

We are concerned that when funding is withdrawn from BTECs and other applied general qualifications, there will be insufficient placement capacity to meet demand. While BTEC students frequently undertake excellent work placements, they tend to be substantially shorter than the 45-day requirement for T Level placements and are consequently easier to source. The general requirement to undertake placements in-person also engenders concerns around sourcing placements in regions with limited economic activity in certain sectors; placement capacity is unlikely to be distributed in line with T Level demand.

<sup>&</sup>lt;sup>2</sup> https://www.cbi.org.uk/articles/skills-for-an-inclusive-economy-cbibirkbeck-education-and-skills-survey-2021/

In November 2021 we polled over 300 of our members on whether they would be prepared to offer T Level industry placements (see Appendix). 2% indicated that they already do so, 12% said they plan to do so in future, 32% responded that they were unsure as to whether to do so, and 27% replied that they did not intend to offer placements at any point. When we asked members not currently offering placements why they were not doing so, 42% stated that they did not know enough about what was involved, 29% said that they do not have the necessary infrastructure, and 25% cited other business pressures (e.g. COVID and Brexit).

We take these figures to be encouraging, and welcome the work that Government is doing to engage the substantial proportion of employers unsure about whether to offer placements, but further work is clearly needed. Given that our membership mostly consists of SMEs and that 3 in 10 members cited a lack of infrastructure as a barrier, we would encourage Government to consider how to assist employers who do not currently have the necessary infrastructure to host placements.

Given the difficulties around employers' ability to meet demand for industry placements, in addition to the relatively small number of students who have embarked on T Level programmes thus far, we believe that a period of evaluation is required before funding for BTECs and other applied general qualifications is removed, to ensure that the transition to T Levels is as smooth as possible.

We believe that remote placements may have a place in mitigating mismatch in demand in certain contexts, but we agree with the Government that they are not the full answer to the problem. In most sectors, work placements conducted in-person are considerably more likely to develop work readiness and employability skills in young people. The higher quality of relationships and sense of belonging generated by in-person placements are also more likely to encourage a young person to consider an employer as a longer-term employment option. Remote placements also risk placing an unsustainable burden on the IT capabilities of many SMEs. While there may be a place for carefully considered elements of remote working in sectors where employment patterns are moving towards remote and hybrid working, therefore, they should be used judiciously in those sectors and are not a long-term solution for placement shortages.

It is also important that the number of universities willing to accept T Level students is increased, given that presently only around half have confirmed that they will do so. In order for students to be able to make informed decisions about which post-16 pathway to pursue, they require clear and accurate information about the implications of those routes for access to further education, higher education, and employment.

# 4) THE BENEFITS AND CHALLENGES THE GOVERNMENT'S PROPOSED CHANGES TO LEVEL 3 QUALIFICATIONS WOULD BRING, WITH REFERENCE TO ANY IMPLICATIONS FOR BTECS AND ROUTES INTO APPRENTICESHIPS.

#### IoD view:

The IoD supports the Government's skills strategy and the introduction of T levels as high quality, employer-led technical qualifications. However, we believe that now is not the time to remove funding from level three BTEC and other vocational qualifications. While we welcome the Government's announcement of a one-year delay to the planned defunding of such qualifications, we believe that a longer delay is needed to ensure a smooth transition.

With the first cohort of T Level students having started their courses in September 2020, a period of evaluation is needed to ensure that these new qualifications and their design fully meet the needs of all students who wish to study for a level three technical qualification. BTECs are an important route to skilled employment and higher education for many young people; prematurely withdrawing funding for these courses risks destabilising the qualifications market and leaving some young people without an appropriate alternative pathway, at a time when many employers are experiencing considerable skills and labour market shortages.

We welcome the requirement for T Level students to complete an industry placement as an excellent way for students to learn many of the skills required to be successful in their chosen careers. We will continue to work with government to raise awareness and increase capacity among employers to offer T Level placements. However, as mentioned above, with many businesses still recovering from the impact of the pandemic, it will take time for them to be able to provide the volume of placements required to make T Levels a viable route for every young person. Therefore, T Levels and applied general qualifications should continue to operate alongside each other for a longer period of time, to ensure that no student falls through the gap.

# 5) <u>THE EXTENT TO WHICH THE GOVERNMENT'S REVIEW OF LEVEL 3 QUALIFICATIONS WILL</u> IMPACT DISADVANTAGED GROUPS, STUDENTS FROM MINORITY ETHNIC BACKGROUNDS, STUDENTS KNOWN TO THE CARE SYSTEM, AND STUDENTS WITH SPECIAL EDUCATIONAL NEEDS OR DISABILITIES, AND WHAT MEASURES MIGHT BE PUT IN PLACE TO MITIGATE ANY NEGATIVE IMPACTS.

#### IoD view:

We welcome the increased rigour of T Level qualifications and the policies already put in place – such as the T Level Transition Programme – to assist students struggling with the transition to T Levels, but we are concerned about the potential for disengagement from the education and employment system among students for whom the courses prove too demanding. Whereas students studying for A Levels can drop subjects, and BTEC students can opt to receive a diploma or award, T Levels offer no pathway to a lower level of qualification for students who might otherwise drop out completely. This risk could be mitigated by offering students the option to obtain a modular qualification in lieu of completing an entire T Level.

We would again emphasise the importance of allowing more time for evaluating the rollout of T Levels – particularly in their impact on completion and employment rates among disadvantaged groups – before defunding alternative vocational pathways.

We hope you have found our comments helpful. If you require further information about our views, please do not hesitate to contact us.

With kind regards,

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Alex Hall-Chen Senior Policy Advisor Email: <u>alexandra.hall-chen@iod.com</u>

# Appendix – IoD Policy Voice Survey Results, conducted November 2021

The following survey questions were addressed to IoD members in November 2021.

Would your primary organisation be prepared to offer industry placements as part of a T Level course? (Total responses: 307)

	Total
Total	307
Yes, we are already offering T Level placements	2%
We are not yet offering T Level placements but intend to do so in future	12%
We are not yet offering T Level placements and are unsure about whether to do so in future	32%
No, we would not consider offering T Level placements	27%
Don't know	11%
N/A	16%

Why is your primary organisation not currently offering T Level placements? Please select all that apply (Total responses: 219)

	Total
Total	219
We don't know enough about what is involved	42%
Other business pressures (e.g. Covid-19, Brexit) make engagement difficult	25%
We don't have the infrastructure needed to host placements	29%
There is too much bureaucracy involved in setting up the placements	17%
The fact that remote placements are not permitted	9%

	Total
The relevant T Levels have not yet been rolled out	13%
T Levels are not relevant to our organisation	27%
We prefer to focus on other forms of engagement with schools and colleges	11%
Other (please specify)	4%