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Rt Hon Michelle Donelan MP

Minister of State for Higher and Further Education

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Professor Graham Baldwin
Chair, University Vocational Awards Council
By email: Vice-Chancellor@uclan.ac.uk

Your ref: GB/73

18 November 2021

Dear Graham,

I would like to thank you for your letter of 13 October, and its kind message of congratulation, following my appointment as Minister of State for Higher and Further Education.

I am excited to be working with the new Secretary of State in the Department for Education to support our world-class universities and colleges and delighted to be allowed to continue working in a post with an expanded portfolio about which I feel passionately.

Turning first to your point about higher and degree apprenticeships, I agree that these are an important part of the system, supporting productivity and widening participation in employment. We will continue to encourage more employers to consider using these apprenticeships to meet the skills needs of their industries, and higher education (HE) providers to offer these apprenticeships wherever there is employer demand. The Institute for Apprenticeships and Technical Education is leading work to improve degree apprenticeships, so they work even better for employers and apprentices.

We are supporting employers to make greater use of their apprenticeship levy by improving the transfer system and making it easier to find other employers who wish to take on apprentices with transferred funds. We have introduced a new online service, whereby levy payers can pledge funds available for transfer to others.

We are also making apprenticeships more flexible so that they better meet the needs of employers in all sectors. We are encouraging greater use of innovative apprenticeship training models, such as the front-loading of off-the-job training and accelerated apprenticeships. We have also launched a new £7 million flexi-job apprenticeship fund to support greater use of apprenticeships in sectors, such as creative and construction, where flexible working practices are commonplace.

All small and medium-sized enterprises can also reserve funding for up to 10 new apprenticeship starts in 2021-22 financial year, increased from three. And in organisations with fewer than 50 people, we already meet the full cost of training and assessment for 16-to-18-year-old apprentices, or for 19-to-24-year-olds who have an education, health and care plan or have been in the care of their local authority.

Turning to your point about Applied General qualifications, employers are facing a skills shortage that we must act to address. It is vital in a fast moving and high-tech economy that we close the gap between what people study and the needs of employers. Therefore, we are introducing over 20 T Levels, developed with 250 leading employers, and are strengthening the routes to progress into skilled employment or further study with high quality qualifications that are fit for the future.

We set out the qualifications we intend to fund alongside A levels and T Levels at level 3 in July. We are clear that any qualifications that are funded to be taken alongside or instead of A levels or T Levels must be high quality and lead to good outcomes. We will fund level 3 BTECs and/or other Applied General or similar qualifications where there is a clear need for skills and knowledge that T Levels and A levels cannot provide. These must meet new quality criteria to be approved for funding.

T Levels are challenging qualifications, and we are unapologetic about this. They are designed with leading employers, have significantly longer teaching hours, and include a meaningful nine-week industry placement. All students deserve to be able to take challenging qualifications and we are committed to ensuring that T Levels are accessible to all young people, including those with special educational needs and disabilities.

The T Level Transition Programme will support young people who are not yet ready to progress to a T Level but have the potential to succeed on it after some further preparation. Ten sixth form colleges are already delivering T Levels either from September 2020 or 2021, with a further eight starting delivery from 2022.

Our reforms to the qualifications landscape are rightly ambitious, but we know that we would be wrong to push too hard and risk compromising quality. That is why, on 15 November, we announced the decision to allow an extra year before our reform timetable is implemented. This extra year will allow us to continue to work hard to support the growth of T Levels and gives more notice to providers, awarding organisations, employers, students and parents so that they can prepare for the changes.

Alongside our reforms to level 3 qualifications, we also want to improve study at level 2 and below. Improving level 2 and below is key to ensuring that every student has a clear progression route, whether that is to high quality level 3 qualifications, apprenticeships, traineeships, or directly into skilled employment at level 2.

The department is considering feedback to the call for evidence, which ran from 10 November 2020 to 14 February 2021, and there will be consultation on reform proposals later this year.

I note your suggestion that the government should seek to expand learner and employer choice at levels 4 to 7. The Skills for Jobs white paper is focused on giving people the skills they need, in a way that suits them, so they can get great jobs in sectors the economy needs and boost the country's productivity.

We are ensuring that people have opportunities to study by delivering the Prime Minister's Lifetime Skills Guarantee to upskill and reskill at different points in their life. This includes funding people for their first advanced level (A level equivalent) course through Free Courses for Jobs, short, flexible ways to train through employer-led Skills Bootcamps, and a Lifelong Loan Entitlement from 2025.

For too long it has seemed like university was the only route to a great job, but that is not true. In 2019, only 66% of working-age university graduates were in high-skilled employment. Furthermore, men getting a Higher Technical (level 4) Qualification earn on average £5,100 more at age 30, and women getting a higher technical (level 5) qualification £2,700 more at age 30, than those with an academic degree (level 6).

Despite the benefits of technical education, the country still has fewer people qualified to higher technical levels than many competitors. Only 10% of all adults aged 20-45 hold a Higher Technical Qualification as their highest qualification, compared to around 20% of adults in Germany, and as many as 34% in Canada. This is leaving us with significant skills gaps in areas like construction and manufacturing that our reforms will address.

Building on the success of our flagship apprenticeships programme, we are putting employers at the heart of the system so education and training meets their needs. Through employer engagement we have transformed apprenticeships into a prestigious opportunity to train with leading employers and get a well-paid job and enter a rewarding career.

By 2030, almost all technical courses will be on employer-led standards, ensuring that the education and training people receive are directly linked to the skills needed for jobs.

We will expand on our existing reforms to increase the number of people studying high-quality technical education. T Levels will be increased from the three that started in September 2020 to 24 courses covering 11 routes from 2023. These offer all young people a high-quality, advanced technical equivalent to A levels.

The reforms set out in the white paper will transform technical education and training, boosting UK productivity, building back better from the Coronavirus pandemic, and creating a more prosperous country for all.

The government is focused on providing people with a real choice in life and helping individuals find their best route to a worthwhile, fulfilling job. We already have a world class university sector, with 4 institutions in the world's top 10, but in this Parliament we will work to maintain and strengthen our global position in HE.

As part of our consideration of the recommendations made by the Augar Report, the government wants to focus relentlessly on outcomes for the individual, skills for the nation and rigorous academic standards. We want to ensure a more sustainable student finance system, drive up the quality of HE provision and promote genuine social mobility.

The interim conclusion to the review of post-18 education and funding and our Skills for Jobs white paper span across higher and further education and aim to ensure that people get the training they need to move into high-skilled jobs.

We are considering the remaining recommendations made by the Augar panel carefully and plan to set out a full conclusion to the review of post-18 education and funding in due course.

Thank you for your kind invitation to meet. My office is aware of your request and will be in touch if I am able to do so. I am grateful for your support as I drive forward my ministerial priorities and I look forward to working with you in the future.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Michelle Donelan', with a long horizontal flourish extending to the right.

Rt Hon Michelle Donelan MP
Minister of State for Higher and Further Education