



The Rt Hon Jacqui Smith  
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10th September 2024

Dear Minister,

We, the undersigned, are writing to you as a group of stakeholders interested in the future of higher-level skills to warmly welcome the Government's commitment to sustainable economic growth. We particularly welcome the recent establishment of Skills England, with its ambition to bring together the fractured skills landscape and create a shared national ambition to boost the nation's skills.

As you'll be aware, there are various policies and considerations that drive a quality training system capable of meeting the demands of a high growth, highly productive economy. The evidence is clear that higher-level skills (levels 4-7) are central to this mission and set to rise in importance as the world of work evolves. By 2035, the National Foundation of Educational Research (NFER) has calculated that 90% of jobs will require higher-level skills. Critical industries will need these skills. The NHS Workforce plan, for example, aims for 20% of nurses to go through the degree apprenticeship route by 2028/29. Digital and AI transformation will require increasingly higher skill levels to harness the potential of the technology.

Higher-level skills are also important in helping the government meet policy objectives beyond economic growth, including social mobility and the drive to widen individual opportunities, which positively impact on growth and the extent to which there is growth with equity. To take management degrees as one example, the Chartered Association of Business Schools (CABS) and Chartered Management Institute (CMI) finds that only 9% of apprentices at university business schools held a degree prior to starting their apprenticeship and 70% of CMI management apprentices come from households with no previous degree attainment. Moreover, 71% of CMI apprentices surveyed said they would not have achieved a degree in their life if the option wasn't available through an apprenticeship. In a recent survey by one of the largest degree apprenticeship providers, it was found that 23% of their apprentice alumni were entitled to free school meals, and now have an average salary of £53,350. This contrasts sharply with national data, which shows that only half of former free school meal students earn more than £17,000 by age 30 (ONS).

In terms of impact, CABS research finds that 95% of employers using the level 6 management apprenticeship rated CMDA apprentices as having considerable impact for their organisations. CMI research finds that 94% of apprentices said that their apprenticeship has enabled them to support those they manage more effectively and improve their performance and / or well-being. The importance of higher-level skills for individuals and the economy is hugely significant.

We acknowledge challenges in accessing apprenticeships, like the lack of standards at levels 2-3, employer barriers, and core skills deficiencies. However, the notion of choosing between higher and lower-level skills is a false dichotomy. Both are essential for boosting productivity and achieving the Government's growth mission. We want to emphasise an "all age, all level" approach to skills. This already exists, and should not be

rolled backwards. We need the best pathways for opportunity, reskilling, and upskilling throughout careers.

We look forward to discussing the long-term implications of any changes to apprenticeships and skills policy with you and strongly welcome your commitment to widespread opportunity and economic growth. We would be delighted to help in any way possible as you navigate the future of skills and its crucial role in economic and social change.

Yours faithfully,

**The Higher Level Skills Group**

represented by:

Amazon

Chartered Association of Business Schools

The Chartered Management Institute (group Chair)

Confederation of British Industry (CBI)

Corndel

IBM

Manchester Metropolitan University

NHS England - Workforce, Training and Education Directorate

Universities UK (UUK)

University of Exeter

University Vocational Awards Council (UVAC)