

## SUBMISSION

# Education Select Committee inquiry into Further Education and Skills

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1. MillionPlus, The Association for Modern Universities, welcomes the opportunity to contribute a written representation to the Education Select Committee inquiry into Further Education and Skills.
2. Modern universities play a key role in delivering the vital skills required across a range of different levels, industries and regions. They stand ready to support the Government in educating the future pipeline of skills, bolstering economic growth and productivity, and delivering the essential public services workforce that the UK needs.

## Skills and apprenticeships

### **HOW TO RESOLVE THE SKILLS SHORTAGE AND NARROW THE GAP BETWEEN THE SKILLS THAT EMPLOYERS WANT AND THE SKILLS THAT EMPLOYEES HAVE**

3. Modern universities make up 52% of all UK undergraduates and 37% of all postgraduates, with over one million students studying at modern institutions across the UK. Modern universities offer an array of traditional and non-traditional provision including apprenticeships, shorter courses and CPD qualifications, all of which play an important role in the skills landscape.
4. The skills gap facing the UK poses a major economic threat and persistent shortages in key occupations slow growth and hamper public services. Closing these gaps requires expanding access to education that delivers the skills that match current labour market needs and addressing barriers to access.
5. The average participation rate of 18-year-olds in higher education was 36.4% in 2024<sup>1</sup>, however this average masks significant differences between the regions and countries across the UK. The UK has one of the highest regional disparities among OECD countries<sup>2</sup> which highlights the barriers some regions face when developing skills. Addressing these disparities is critical to ensuring that all pockets of each town and city across the UK are provided with the pipeline of skills they need to bolster regional economic growth.
6. One of the key routes to address skills shortages is to support greater collaboration between education providers and employers to deliver against current skills needs and anticipate future skills demands, especially at a local level. MillionPlus members are engaged in a number of partnerships with local employers and Further Education colleges and we would welcome an approach from the Government which encourages and support this collaboration.

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<sup>1</sup> <https://commonslibrary.parliament.uk/research-briefings/cbp-7857/#:~:text=The%20higher%20education%20entry%20rate,back%20to%2036.4%25%20in%202024.>

<sup>2</sup> <https://www.oecd-ilibrary.org/docserver/b9aab803-en.pdf?expires=1730992643&id=id&accname=guest&checksum=E0527B971F8031A075F0C0BB1894E369#:~:text=In%20the%20United%20Kingdom%2C%20the%20share%20of%2025%2D64%20year,OECD%20countries%20with%20available%20data.>

*The University of Cumbria is serving its region in a multitude of ways, working collaboratively with others as a place-agenda anchor institution and with employers, businesses and partners to develop local skills to grow our communities, environment and economy.*

*Despite a dispersed and poly-centric employment, skills and sectors' landscape, cold spots of higher-level skills and labour supply, the university is transforming lives and livelihoods and bringing new talent and capability to Cumbria.*

*The university is doing this by focusing on the 'why' it was established, focusing on employer and sectoral needs of the region - from advanced manufacturing, nuclear, supply chain and logistics, visitor and rural sectors through to health and social care, arts, education, professional services and STEM.*

*The University of Cumbria is working collaboratively and strategically with Enterprising Cumbria, Team Barrow, Chamber of Commerce, Local Authorities, Integrated Care Boards, employers and sector representative bodies to understand and address labour and skills needs – into and throughout workplaces and the workforce. The university is co-creating and delivering new inclusive and accessible programmes and routes into and throughout employment from boot camps, degree apprenticeships to master's provision and collaborative research.*

7. Modern universities provide a critical pipeline of talent into core public services and are directly responsible for training thousands of the backbone public service staff that keep Britain working. In 2022/23, 76% of nursing students, 70% of midwifery students, 67% of those studying subjects allied to medicine and 63% of medical technology students were at modern universities. Modern universities have partnerships with 93% of all NHS trusts and every NHS Board in Scotland, highlighting the integrated partnerships moderns have with healthcare across the full length and breadth of the UK. This showcases the crucial role modern universities play in driving the future talent pipeline to the NHS.
8. Modern universities also provide a much-needed pipeline to schools and in 2022-23, modern universities accounted for 67% of all initial teacher training students in the sector. However, there are a number of steps that can be taken to address skills shortages that are impacting public services across schools and the NHS which relate to both the recruitment and retention of skills.
9. There are significant, longstanding difficulties in recruiting and retaining qualified teachers across England which must be addressed. While none of these should be taken in isolation, these factors include pay and benefits; the high cost of living; workload; work-life balance; policy changes; and career development opportunities. One of the key barriers impacting skills shortages in this area is a shortage of placements in school. To address this, we recommend that the Government mandate all schools to provide teacher training placements or provide evidence of their involvement in ITE. We are also urging the Government to develop a long-term strategic framework for teacher recruitment and retention and establish a taskforce to improve the reputation of the teaching profession<sup>3</sup>.
10. MillionPlus's report 'Who trains the nurses – Universities and the placement shortfall'<sup>4</sup> identified that a 20% increase on the forecast numbers would be needed to meet nursing targets. Working with NHS Trusts and boards across the UK, modern universities stand ready to support this increase, but reforming nursing clinical placements is vital. We recommend investing in the expansion of clinical placements in the NHS and social care to foster and sustain a pipeline of skilled workers into these vital public services.

## **THE ROLE OF SKILLS ENGLAND IN MEETING THE GOVERNMENT'S INDUSTRIAL STRATEGY AND BOOSTING ECONOMIC GROWTH**

11. Given the scale and breadth of our career-focused provision, often designed in concert with business and in collaboration with Further Education, modern universities are key partners as the UK develops their

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<sup>3</sup> <https://www.millionplus.ac.uk/publication/building-a-modern-britain-manifesto-for-teacher-education-recruitment-and-r/>

<sup>4</sup> <https://www.millionplus.ac.uk/publication/who-trains-the-nurses-universities-and-the-placements-shortfall/>

post-16 skills strategy and should be placed at the centre of skills strategies across the four nations. It is vital that Skills England adopt a collaborative and proactive approach to stakeholder engagement, which recognizes universities as key partners in the delivery of their agenda.

12. This is particularly important given that modern universities are crucial delivery partners for skills in key growth-driving industries, especially in certain pockets of the country. For example, modern universities deliver the vast majority of all graduates in design, creatives and performing arts in the West Midlands (93%), South West (91%), East Midlands (88%), North East (85%) and London (79%).
13. MillionPlus members in particular can use their experience in leading local and regional bodies to convene regular labour market analyses, skills assessments and forward-thinking exercises, enriching the foundation for workforce development. With real time qualitative and quantitative data, these institutions can help diagnose and address skills gaps through customised education and training initiatives. Their insights support agile skills strategies more attuned to the rapidly evolving employer needs in the coming years. Supporting these partnerships and data sharing would unlock the potential of modern universities to shape local, regional and national economies.

*Southampton Solent University (SSU) is home to Warsash Maritime School (WMS) which has been serving the maritime industry for nearly 100 years, which is worth £10.3bn (GVA). The current maritime portfolio offered by the school has over 150 internationally accredited courses ranging from Yacht Design to Marine Engineering and Nautical Science. Annually the School welcomes over 30% of the annual UK intake of officer cadets to start their career at sea, in addition to the 350 senior officers who want to progress in their career through gaining higher qualifications and essential CPD to advance within the maritime industry.*

*To support and widen access to this opportunity, SSU has worked with local employers and colleges to create a talent pipelines through our South Coast Institute of Technology and by developing pre-cadet FE courses we have created routes for local people from all backgrounds to have the opportunity to come into the industry, either as a seafarer, Yacht Engineer or even a ports and logistics specialist.*

14. Strategic skills planning is also essential to identify current and future talent requirements. A robust mixed-methods approach combining granular data, employer insights and labour market projections can pinpoint localised shortages and emerging niches. Open data sharing and collaboration between universities, industry and government would strengthen this knowledge base to inform policy and provision. In particular, empowering modern universities would enhance strategic skills planning and development. Modern universities strong employer links allow tailored, work relevant training aligned with local labour market needs. Yet realising the full potential of these institutions in this area requires access to detailed skills data and stable public investment in work-integrated learning.

#### **CURRENT CHALLENGES FOR APPRENTICESHIPS, INCLUDING EMPLOYER ENGAGEMENT, FUNDING ISSUES, AND APPRENTICE PAY**

15. Apprenticeships are delivered across a variety of subjects and levels across MillionPlus members and in 2023/24, 58,962 individuals were undertaking an apprenticeship at a modern university. They ensure this provision meets local and national business needs, and will similarly play an important part in the rollout of the Lifelong Learning Entitlement.
16. Despite concerted efforts to develop apprenticeship provision that meets the needs of apprentices, businesses and the wider economy, the sector has been impacted by a lack of stability in the apprenticeship funding environment following a series of policy changes, most recently with the proposal to defund level 7 apprenticeships.

17. It is vital that a long-term, evidence-based cross-departmental plan for apprenticeships and degree apprenticeship provision should be established, so that providers are given the confidence and required funding to invest, design and deliver innovative education and training routes across different levels.
18. We also urge the Government to increase the apprenticeships budget in line with the cost of funding level 7 apprenticeships and align this funding to apprenticeships that support growth-driving sectors, high-potential SMEs and public services.

## Supporting young people, widening access, and narrowing the attainment gap

### ACCESS TO HIGHER EDUCATION

19. Modern universities are proud that serving some of the most disadvantaged students and communities across the UK is a core part of their mission and they invest considerable resources into recruiting and retaining students from less advantaged backgrounds in their local areas. Their work transforms lives and opens up new possibilities for those with little family experience of university.
20. In 2022-23, 97% of entrants to modern universities went to a state school and in England, 67% of all higher education entrants from a low participation background were studying at modern universities. In Scotland, a third of universities are modern, yet they account for 45% of full-time entrants to university from the most disadvantaged backgrounds. Modern universities accounted for 79% of full-time mature entrants to higher education and in 2022-23, 65% of Black students in the UK were at modern universities.
21. Despite some progress, there remain significant and increasing challenges regarding the higher education participation gap between disadvantaged students and their more affluent peers. Addressing this trend and delivering against the Government's opportunity mission will require sustained efforts across education institutions and the Government alike.
22. In 2023, the ONS found that approximately half (49%) of students said they had financial difficulties, with 16% experiencing major financial difficulties. Among those receiving a student loan, nearly 6 in 10 (58%) said it did not cover their living costs. It is clear these financial challenges are impacting upon the ability of learners to engage with their studies and placing a cap on their education aspirations.
23. We welcome the Government's commitment to widen opportunities and ensure the ambitions of higher education students can be reached, irrespective of background. Yet without additional and urgent support for the most vulnerable, we risk not only limiting our ability to address persisting inequalities, but also reversing the progress we have seen to date, while also damaging the future skills pipeline.
24. Recent trends reinforce the importance of maintenance loans which are fully reflective of the current cost of living, which are pivotal to delivering against the government's opportunity mission. While we welcome recent steps to uplift maintenance support in line with inflation, MillionPlus recommend the reintroduction of maintenance grants and a commitment to raising maintenance loans in lines with inflation on an annual basis.

## Curriculum and qualifications in further education

### LEVEL 3 QUALIFICATIONS

25. MillionPlus has supported the Protect Student Choice campaign from the outset and so welcomed December's announcement that 13 of the 21 applied general qualifications (AGQs) that the campaign identified as being essential to retain will be retained at least for another year and we hope that many have a long-term future alongside A levels and T levels.

26. T-Levels have their place in the skills landscape but they will never be for everyone and they should not be pursued at the expense of established qualifications which have made higher education more accessible to students from non-traditional backgrounds. It is encouraging that ministers have signalled that they recognise A Levels and T Levels cannot be the only options available at level 3 and we encourage a continuation of this approach.