



Attending:

Alison Wolf (Chair)
Frank Bowley, (BIS)
Andrew Dickerson (Uni. of Sheffield)
Claudia Hupkau (CVER)
Stephen Machin (CEP, LSE)
Frank McLoughlin (City and Islington College)

Sandra McNally (CVER Director)
Stephen Nickell (University of Oxford)
Harriet Ogborn (CVER Administrator)
Bev Robinson (Blackpool and The Fylde College)
Nigel Rogers (CEP Manager)
Donna Ward (DfE)

Minutes from May steering group and action points

No further comments.

Presentation of Progress of the CVER Programme (Sandra McNally)

[Presentation attached]

1. Sandra thanked BIS, and Adrian Jones in particular, for their co-operation in providing access to data, but warned the SG that the full version of the important linked data set [NPD-ILR-HESA-HMRC data] would not be made available before June 2016. Frank Bowley clarified that it was likely to be available internally to BIS by June 2016, but that it was not entirely clear when exactly the data would be available to research community (including CVER).
2. Bev Robinson noted that it would be good to have a timeline of government policy on adult education as changes we observe in apprenticeship and other training participation are likely to be a reaction to policy changes. Bev noted that the Strategic Area Reviews are a good source of information regarding planned changes to post 16 education.

Action point:

- Compile history of FE/school/higher education and skills policy changes relating to A-level equivalencies (should drive what we observe in level 3 routes alternatives to A-levels).
- Funding changes for adult skills (Train to Gain, Skills for life, Key skills/Functional Skills as requirements for apprenticeship, reductions in non-apprenticeship funding, changes in eligible population, skills funding cuts since 2009).

3. Steve Nickell wondered how can it be that 40% of establishments don't offer any training (not even induction training). Alison Wolf asked whether the data analysed in project 1.4 include small companies (with less than 10 employees). Steve Nickell also wondered whether there might be an issue of interpretation of training related questions. Alison wondered whether we can add a question in large surveys to measure how many firms engage in publicly-funded training. Frank Bowley responds that the BIS Employer Survey and UKCES Employer Perspectives Survey could possibly be augmented. Alison recommended the Workplace-Employer Relation Survey and asked whether a new WERS survey was coming up soon.

Action point:

- Do LFS and ESS include employees at very small companies and very small companies, respectively? (Stefan Speckesser)
 - How can we get a picture of the share of companies engaged in publicly funded training? (Gavan Conlon)
 - Frank Bowley to put us in contact with Lesley Giles, Deputy Director, UKCES, regarding adding a question to the WERS survey.
4. Bev Robinson wonders whether we can say more about who the providers of apprenticeships are (distinguishing between apprenticeships of different level, length and sector). Anecdotally, it is thought private providers do the fast, easy options (the "low-hanging fruit"). Is this true?

Response:

- We will undertake this analysis in our work programme.
5. Alison Wolf comments that a big difference between England and other countries with regard to apprenticeships relates to the age range (the recent surge in apprentices above age 25 is very different to what we see in other countries).
 6. Frank Bowley wonders whether we can say more about what type of firms have been taking on more apprentices (especially young people). Steve Nickell recommends looking at sectors that employ large numbers.

Action point:

- Gavan Conlon to follow up in the context of project 1.3
7. Donna Ward wonders how much we can say about whether people have been taken on as new apprentices rather than existing employees. Frank McLoughlin/Frank Bowley agree that we need more information on who is offering the 'low qual'/easy apprenticeships? Which employers and which providers?

Action point:

- Check whether the data allows this (Claudia thinks that a variable in the ILR might allow us to look at this but she is not sure. Follow up with Stefan and Gavan).
8. Bev Robinson wonders whether the new National Living Wage may become a driver for apprenticeship growth. Alison notes that there has also been a rise in the minimum wage for apprentices, which will reduce the wage gap between apprentices and non-apprentices.

Action point:

- Is it possible to disentangle future apprenticeship growth induced by changes in funding rules (shift towards below 25 year olds) or due to increases in minimum wages? [Suggestion added by Claudia: We should look at the limits for apprenticeship minimum wages and for which age group they hold and see whether we see a surge in apprenticeships on one side of the age cut-off]
9. Regarding education pathways: Bev Robinson/Alison Wolf/Frank McLoughlin are in agreement that we should see an increase in the share of people who go to university who didn't do any A-levels (which should be reflected in the data soon), but got distinctions at Level 3 BTEC. This would be critical for careers' guidance, noted Sandra McNally. Alison Wolf said it made sense given UCAS admissions on points basis would not differentiate. Sandra McNally reported that she had met with UCAS who said that two-thirds of courses did not use the points system, or do not use it as the main criteria in their admissions decisions.
 10. Frank McLoughlin wonders whether we can identify the colleges who bring pupils into university from doing L3 (excluding A-levels). He also notes that in London, 25% of students who entered AS levels at 17 and are not allowed to continue and start at level 2/3 again on a two-year programme. Andy Dickerson stressed that the issue of non-completion, schools off-loading students and the move to more linear A-levels made this analysis extremely urgent.

Action point:

- Update cohort analysis to include age 20, because 'repeaters' will not have completed level 3 education and might be observed later on in Level 4 plus education.
11. Looking at transitions, Sandra McNally highlighted the issue of churn between levels, and why, at age 19, 15.4% were "stuck" on Level 1 or 2. Bev Robinson and Frank McLoughlin said Level 2 didn't always represent a backward step, but a necessary one to progress in a different field, and that funding rules sometimes didn't allow such repeat. Although, Frank McLoughlin cautioned, as there is no national database on pupils prior qualifications, young people could go to a different college and restart. Sandra McNally understood that at age 17 you might choose a specialism that didn't work out and want to try something different. Sandra McNally said that it would be useful to have more guidance (if possible) on what constitutes a 'good choice'. Alison Wolf suggested contacting DfE for a list of qualifications at level 2 regarded as good quality and equivalent to GCSEs, and a list of qualifications at level 3 - for instance those that count towards a technical baccalaureate - that are considered as truly demanding and comparable to A levels in rigour.

Action point:

- Follow up with Donna Ward (DfE)

12. Frank Bowley asked if we could get at occupations of apprentices, not just their sector of employment post apprenticeship.

Action point:

- Claudia Hupkau: LFS has occupations, HMRC would only have company name, so we can have the sector, but not occupations. Follow up with Gavan Conlon/Stefan Speckesser.

Data Issues:

13. Claudia Hupkau raised the issue that to date we are relying on data previously provided by the DfE (linked NPD-ILR-HESA data) for the research of CVER as the data provided so far by BIS cannot be linked to NPD and only covers academic years up to and including 2011/12. Frank Bowley will follow up on why we haven't received latest available ILR data. Andy Dickerson emphasised that the provision of timely data, so that researchers could work in real time. There needed to be a quicker transition of data from government to the research community. Donna Ward asked to be copied in amended data request for DfE to speed up processes and allow us to analyse the data in a useful way.
14. For further insights on providers, Frank Bowley suggested the AoC benchmarking data could be useful (Contact: Julian Gravatt). Bev Robinson suggested contacting the Association of E Learning Providers (AELP) to get data on these types of providers. There was a general agreement that data on providers existed, but it was not clear whether these data were published or would have to be gathered by institutions such as the SFA (for instance, regarding final, actually paid out funding to providers rather than hypothetical allocations made at the beginning of an academic year).

Action point:

- Claudia has written DfE/NPD data request team asking for additional variables.
- Frank offered to put us in touch with SFA to discuss provider data issues.
- Claudia and Stefan to follow up with BIS and request 'full ILR' data up to 2013/14 with pupil matching references so the CVER team can work with the full list of variables rather than having to submit a new request every time an additional variable is needed.

Conference

15. Frank Bowley suggested a special session on the new data at the Conference. Sandra McNally said it would depend on the time of release, but that there would certainly be an event around it.

Other business:

16. Steve Nickell asked if the extent to which firms engaged with the FE system should be looked at. Alison Wolf said sectors differed widely, some were far more engaged than others.
17. Alison Wolf said that one of the major challenges facing the UK is the changing nature of the workforce towards more and more employment in the public or not-for-profit sector (for instance health care or social care). It was therefore crucial to assess the impact of training in these sectors, the impact it has on individuals and whether it can help increase productivity.

Action point:

- CVER has already pointed out this issue in a recent blog post and the future research agenda will bear in mind these challenges.

The next meeting of the Steering Group is 11 February 2016 (1 – 2.30pm).

Centre for Vocational Education Research: Steering Group Meeting, 17 September 2015

Sandra McNally

CVER programme: main strands

1. Facilitating Strand – Data
2. Overarching Strand – Descriptive overview of VE sector and policy issues
3. Impact of VE on individuals, firms and growth
4. Quality of VE provision
5. Individual participation decisions and the costs and benefits of VE



Facilitating Strand: Data

- Effective liaison between CVER (led by Stefan Speckesser and also involving Gavan Conlon) and BIS (led by Adrian Jones).
- Data acquisition: ILR (including source data); linked data sets (though not yet NPD-ILR-HESA-HMRC). LFS, Employers Skills Survey, Employer Perspective Survey, OfSTED ratings, SFA administrative data....
- MUCH PROCESSING!
- Making arrangements for sharing knowledge and expertise.



Descriptive Overview and Policy Issues

Subthemes currently include:

- Choices available to individuals and decision making (drawing on all strands)
- Scoping projects: efficacy of programs on basic skills provision; Careers information and guidance: recent literature on interventions. (Sandra McNally)
- Mapping the location of private and public providers of VE and how this has evolved over time. Describing FE providers (types; size - number of students, funding allocations received, expenditure; location) (led by Claudia Hupkau)
- **Employer demand for skills: looking at characteristics of firms that provide training – or engage their employees in training (Stefan Speckesser). Provision of publicly provided training in recent years (Gavan Conlon)**

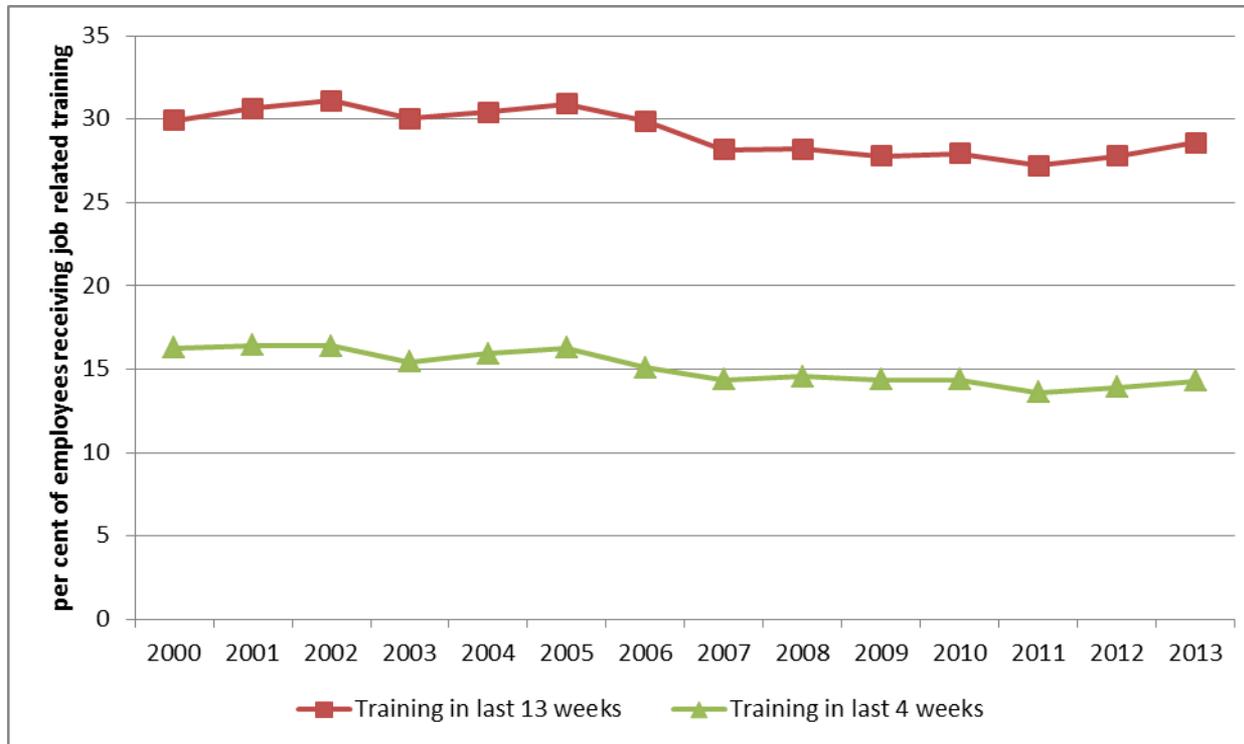


Provision of Training in the Workplace

- Change in the amount and nature of training: shorter-term; more likely to be on-the-job. Employees less likely to be studying for a qualification.
- Most publicly-provided training is Apprenticeships (64% in 2011; 81% in 2013); over half takes place in small firms (with less than 50 employees) and around 60% is classified as leading to 'low to intermediate' qualifications.
- Our research will look at the relationship between VET and firm productivity (project 1.4) and the demand for publicly-provided training by firms (project 1.3 – scoping study).



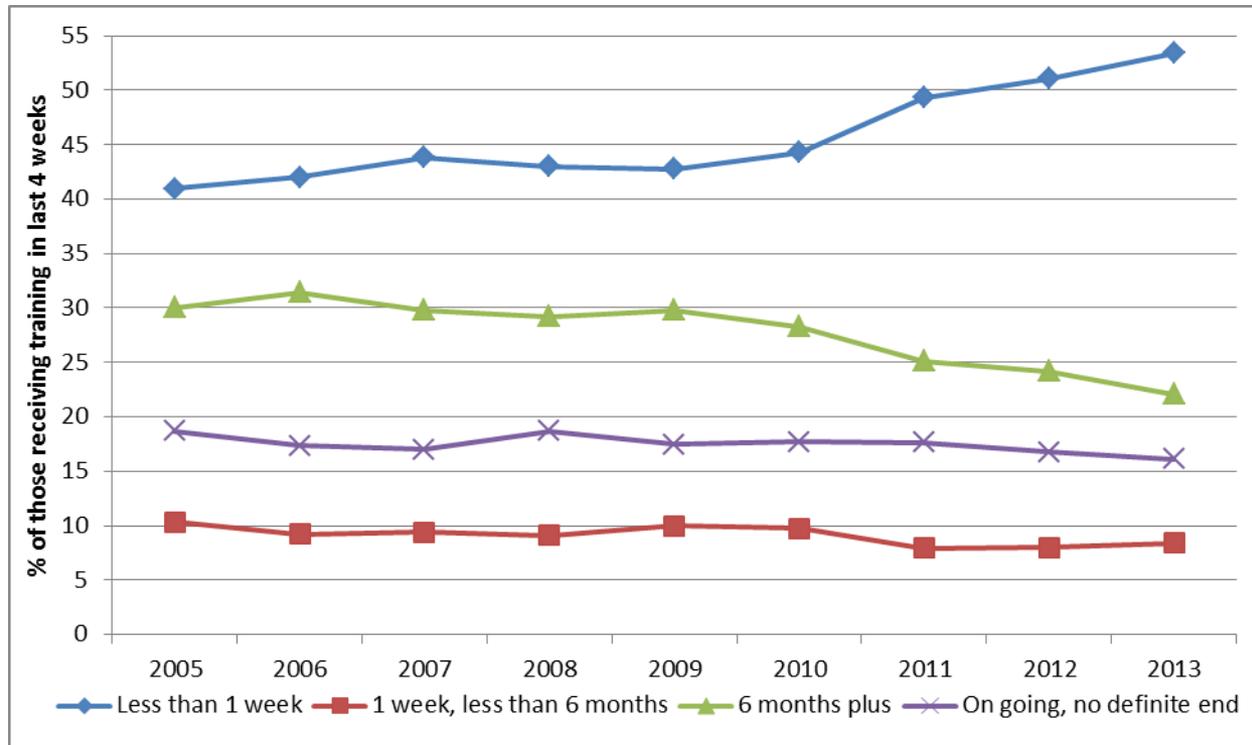
Trends in employees receiving job-related education or training UK. 2000-13



Source: LFS; analysis by Speckesser and William, IES, August 2015



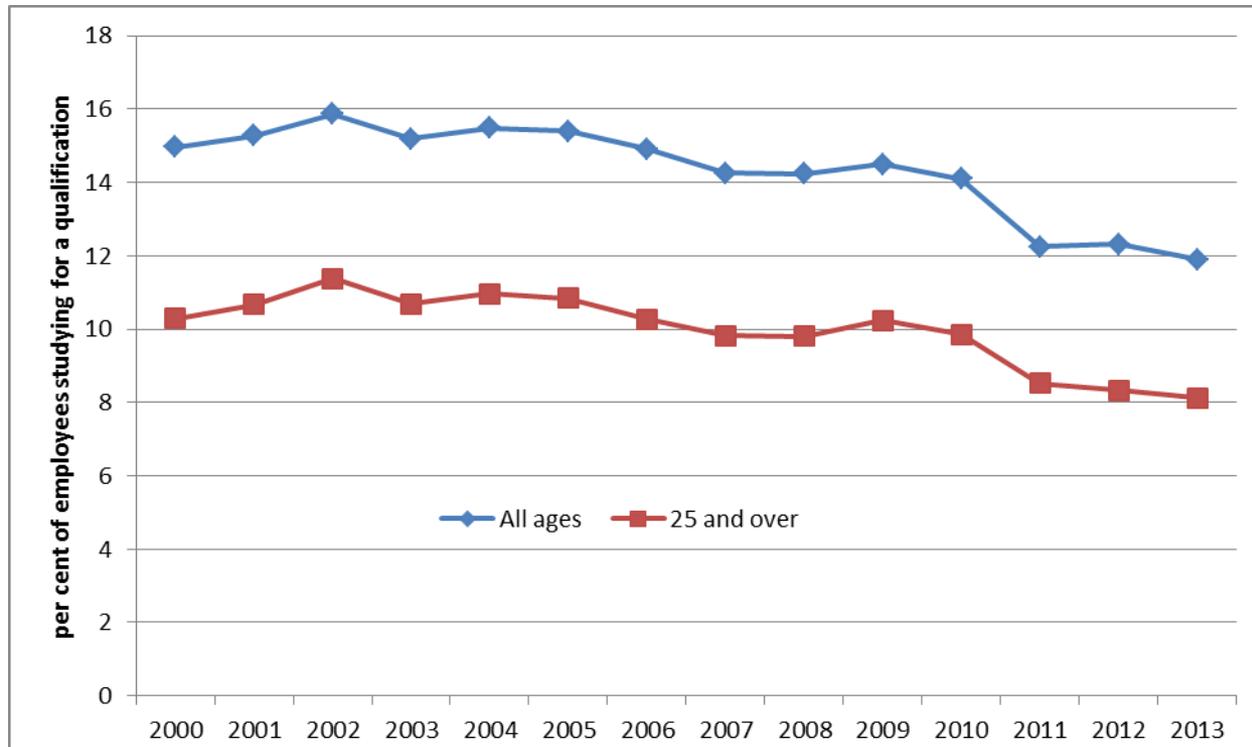
Length of training course. UK 2005-13



Source: LFS; analysis by Speckesser and William, IES,
August 2015

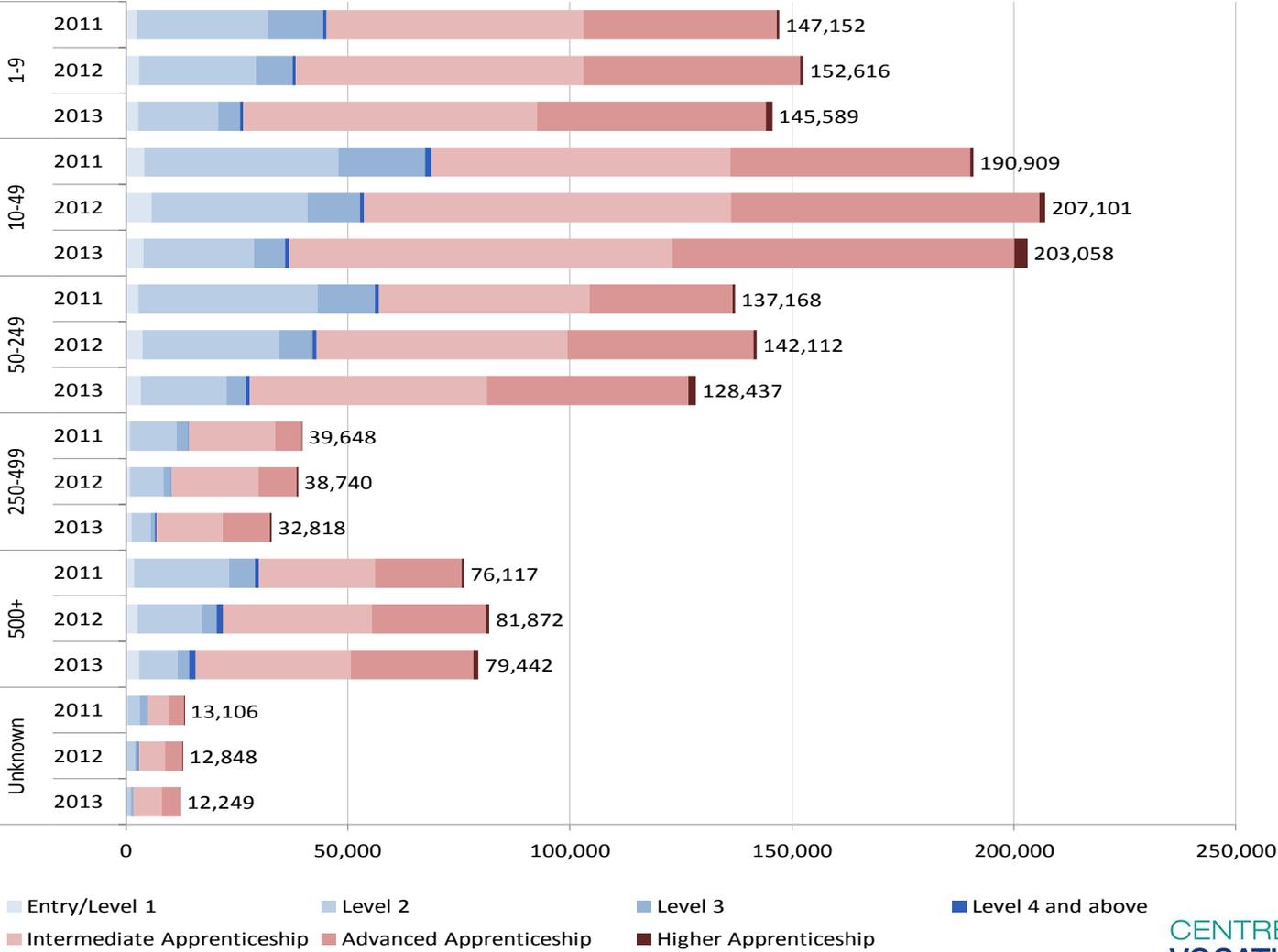
Trends in employees undertaking study, UK, 2000-13

Labour Force Survey



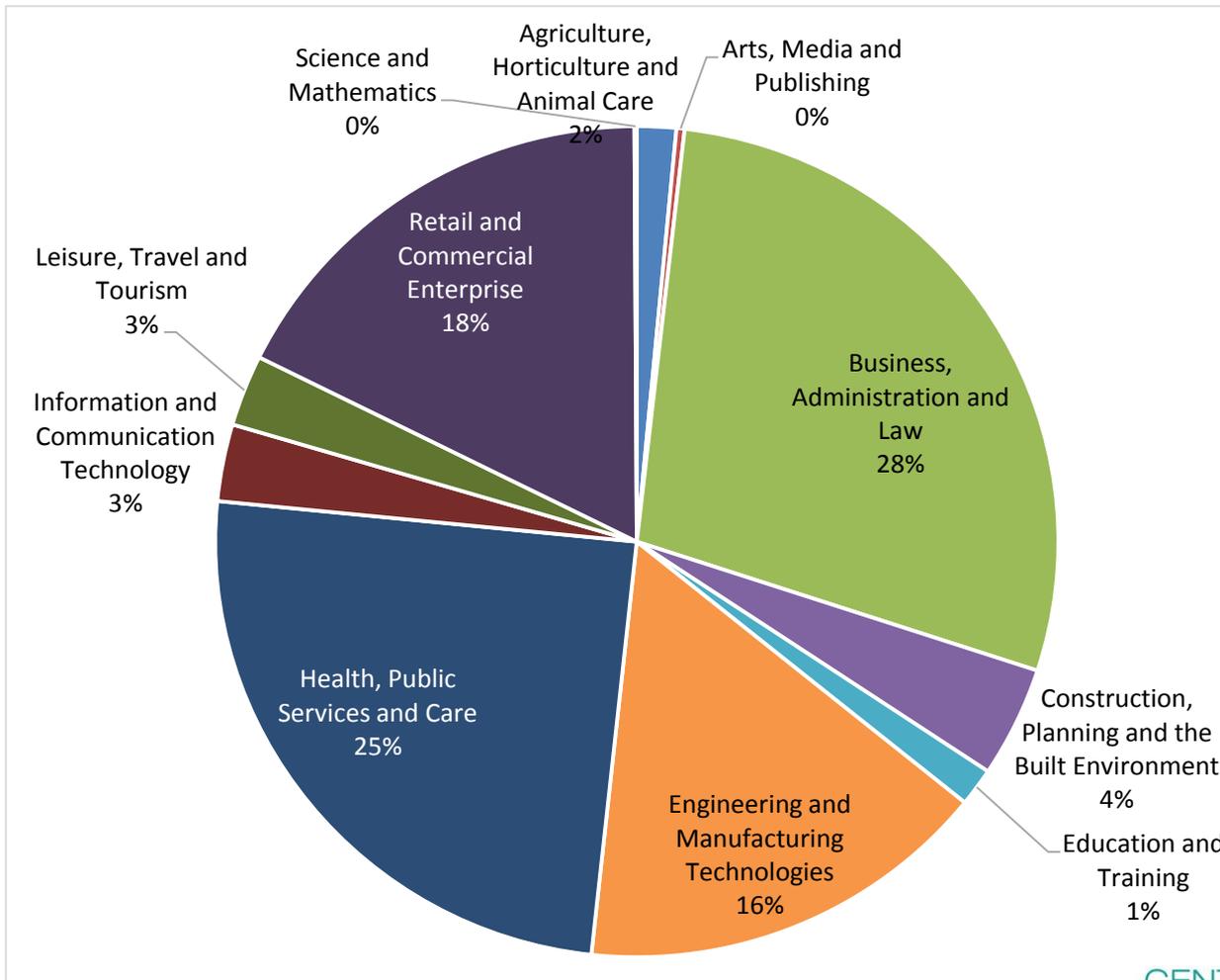
Source: LFS; analysis by Speckesser and William, IES,
August 2015

Incidence of publicly funded training (person equivalent years) by firm size



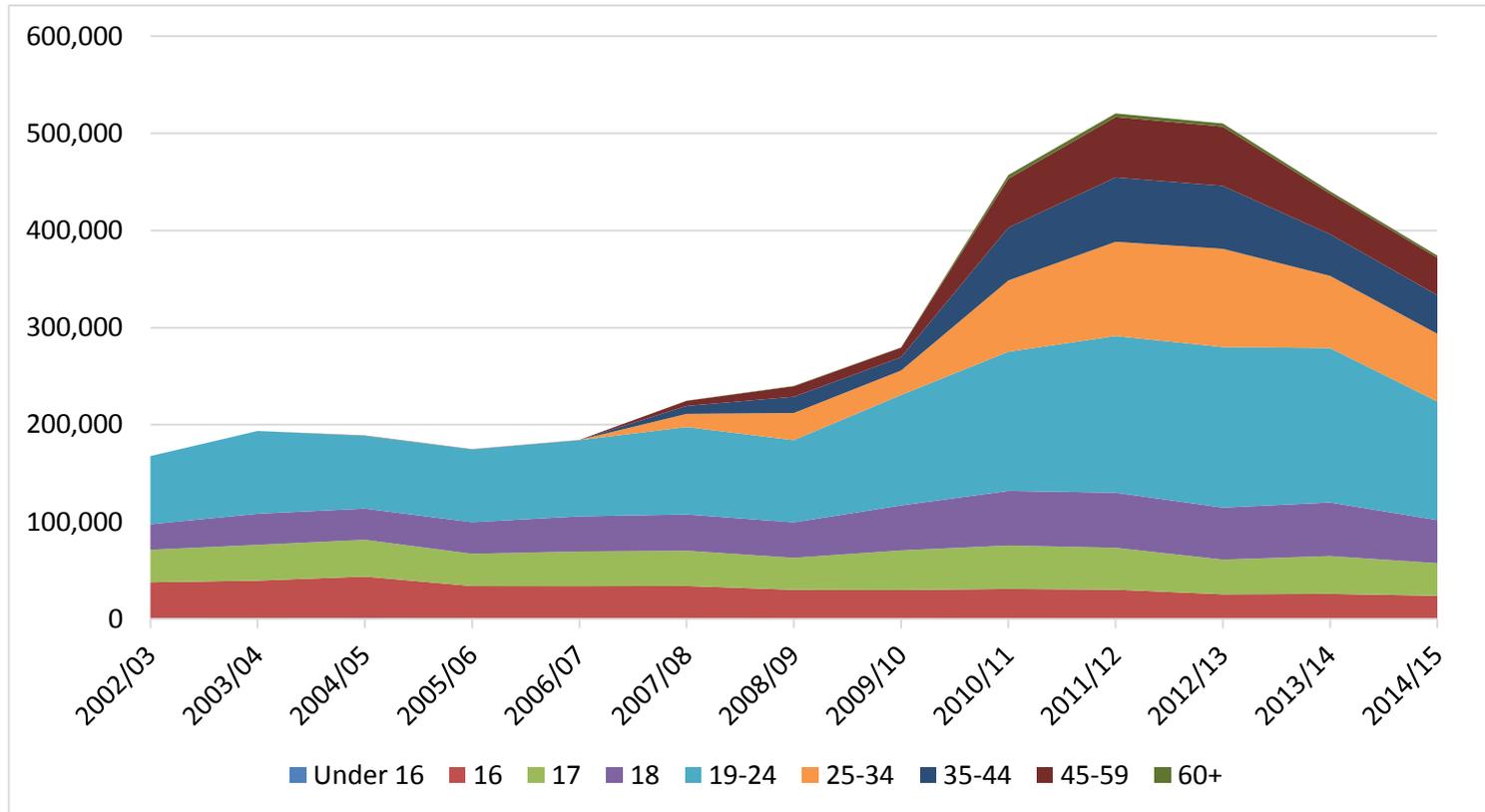
Source: Analysis of ILR-EDS data by Conlon and Chan, London Economics (2015)

Distribution of apprentices starts by sector (Starts between August 2014 – April 2015)



Source: CVER blog, Claudia Hupkau. August 2015. Data from BIS/SFA.

Apprenticeship Starts by Age Group



Source: CVER blog, Claudia Hupkau. August 2015. Data from BIS/SFA.

Training in the workplace

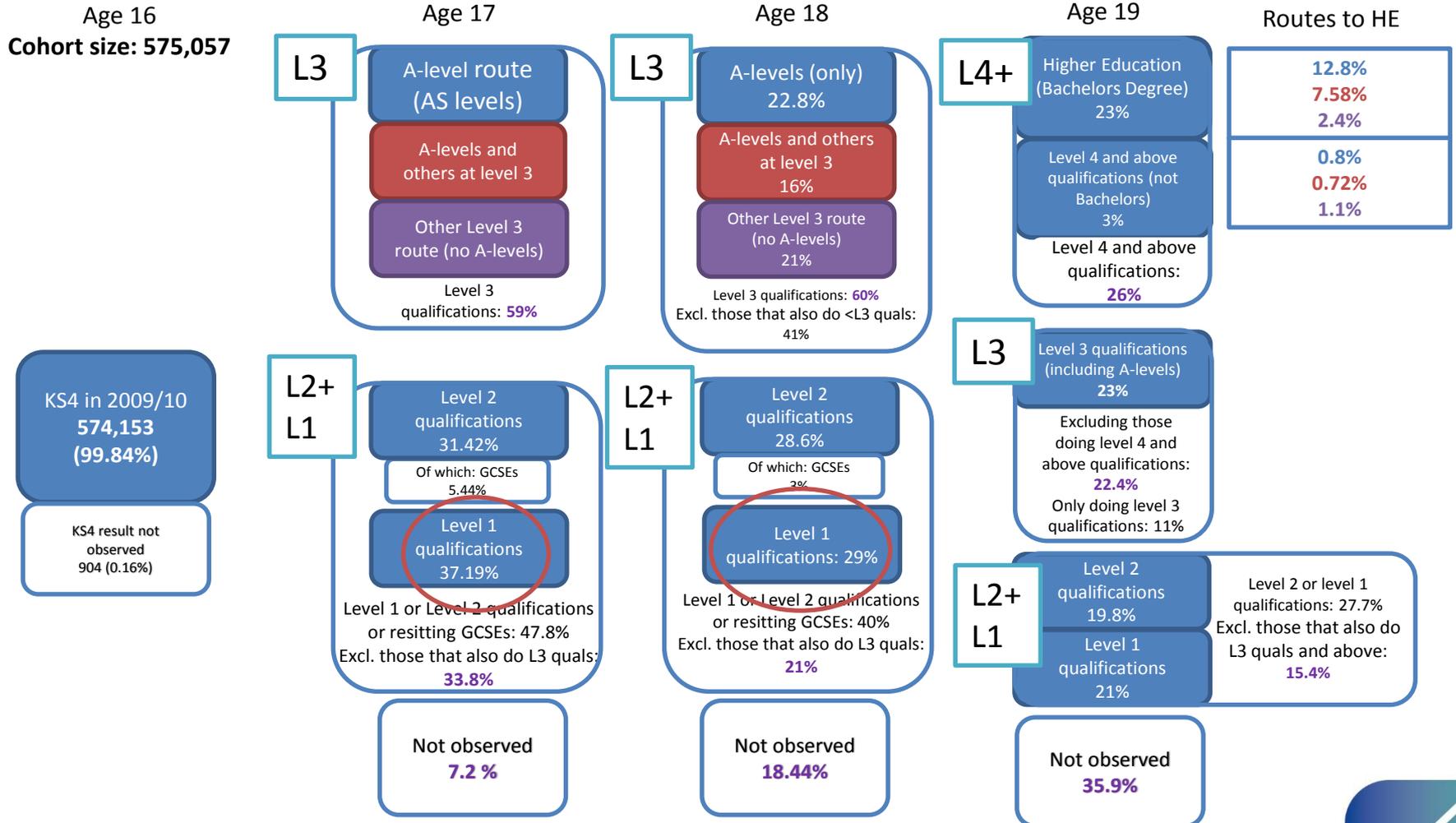
- Does this have an effect on firm productivity?
(1.4)
- Understanding the demand for publicly provided training in firms (1.3 – scoping study)

...And from the learner's perspective:
Access and Returns to apprenticeship and classroom-
based Further Education (Hupkau et al.)

- Follow a cohort of students who have recently undertaken GCSE (in 2010)
- Describe what they do and their pathways at age 17, 18, 19
- ...and into the labour market (to come)
- Relates to project about individual returns to VE (led by Conlon and McIntosh: project 1.1)



Education pathways in England



Notes: Own calculations using linked NPD-ILR-HESA data. Blocks L3, L2+L1 and "Not observed" represent mutually exclusive groups, with the levels being highest level of learning of the learner. Numbers in purple add up to 100% at each age.



Transitions from age 16 to age 17

- Among those that achieve at KS4, **15%** are observed doing **only Level 1 and/or Level 2** qualifications at age 17.
 - About 15% of this category are doing apprenticeships, mostly at level 2 (14.4%).
 - The rest: mix between Key & Functional Skills at level 1 or 2, Awards, Certificates or Diplomas at level 1 or 2.
- Of those not achieving L2 at 16:
 - **74.4%** are doing **Key Skills at Level 1**.
 - **17%** are doing BTECs at level 1
 - **32%** are doing **Awards at level 1** (1 to 12 credit points which equals 10 to 120 hours of learning)
- Only **3.8%** of those achieving L2 at KS4 “drop out”, **11.2%** of those not achieving “drop out”.

	All Students	Achieved 5 A*-C GCSEs inc. EM	Did not achieve 5 A*-C GCSEs inc. EM
		Activity at age 16	
Activity at age 17	KS 4 %	KS 4 %	KS 4 %
Level 1 or Level 2 qualifications only	33.8	15	56.9
Level 3 qualifications	59.1	81.2	31.9
Not observed	7.2	3.8	11.2
Total	100	100	100
N	575,057	317,258	256,895

Notes: Own calculations using linked NPD-ILR-HESA data.

same level
progress
regress/drop out



Transitions from age 17 to age 18

- Within the transitions between age 17 and 18, striking is the high amount of people who are **stuck in Level 1 and Level 2** qualifications: **43%** of those doing Level 1 or 2 qualifications at age 17 still do so at age 18.
- “Drop out” among those only doing Level 2 and below qualifications is also higher than among those doing Level 3 qualifications at age 17: **21% versus 12%**.
- Interestingly, **40%** of those who were not observed at age 17 are **back in the education** system at age 18, doing Level 1+2 or Level 3 qualifications.
- There is quite a bit of **progress** between age 17 and 18: **35%** of those who were only doing < Level 3 qualifications at age 17 have progressed to level 3 at age 18.

Activity at age 18	Activity at age 17			Total	N
	Level 1 or Level 2 qualifications only	Level 3 qualifications	Not observed		
Level 1 or Level 2 qualifications only	42.7	7.8	22.3	20.6	118,462
Level 3 qualifications	35.1	79.1	17.6	59.8	343,884
Not observed	21.1	11.9	59.4	18.4	105,810
Other	1.1	1.2	0.8	1.1	6,326
Total	100	100	100	100	
N	194,369 (33.8%)	339,284 (59%)	41,404 (7.2%)		575,057

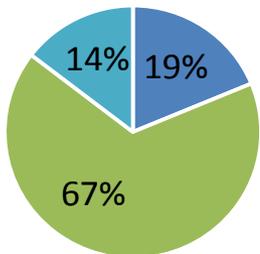
Notes: Own calculations using linked NPD-ILR-HESA data.

same level
progress
regress/drop out

Transitions from age 18 to age 19

- Between 18 and 19, we still see a high amount of people who are “stuck” in Level 1 and Level 2 qualifications: **36%** of those doing Level 1 or 2 qualifications at age 18 still do so at age 19, **24% progress**.
- Nearly **43%** of those doing A-levels (or other Level 3 qualifications) at age 18 move on to HE at age 19, **23% remain at level 3**:

Level 3 quals - Age 19



- A-levels plus other L3 qual
- Other L3 quals excluding A-levels
- Only A-levels

Activity at age 19	Activity at age 18				Total	N
	Level 1 or Level 2 qualifications only	Level 3 qualifications	Not observed	Other		
	%	%	%	%	%	
Level 1 or Level 2 qualifications only	35.6	8.3	15.6	14.2	15.4	88,559
Level 3 qualifications	24.2	22.9	17.4	45.7	22.4	128,813
Level 4 and above qualifications	0.8	42.4	1.6	8.7	25.9	148,940
Not observed	38.9	26	64.9	29.1	35.9	206,445
Other	0.4	0.4	0.5	2.2	0.4	2,300
Total	100	100	100	100	100	
N	118,462 (21%)	343,884 (60%)	105,810 (18.4%)	6,326 (1.2%)		575,057

Notes: Own calculations using linked NPD-ILR-HESA data.

- 8.3% move from level 3 quals to lower level quals, **50%** of which had **already achieved** equivalent of ≥ 3 A levels at A*-E.
- Low level quals seem to be a **route back** into formal education: **15.6%** of those not observed at age 18 are doing L1 and/or L2 qualifications at 19.



Some conclusions and next steps

- Prior achievement is a crucial factor in predicting post-compulsory education trajectories
- Many students seem to be 'stuck' at low level qualifications (L1+L2) for too long
- Next steps:
 - Add in employment and wage data
 - Dig deeper into what exactly students are doing at different levels
 - Look at correlates of students undertaking different tracks
 - Repeat exercise for other cohorts



Projects that have started in Strands 1-3

Strand	Title	Project lead(s)
1.Impact of VE on individuals, firms and growth	1.1 Private returns to VE	Gavan Conlon and Steve McIntosh
	1.2 Post-apprenticeship benefits of individual apprentices to employers	Stefan Speckesser
	1.3 Firm decision to engage in publicly funded training (SCOPING STUDY; FULL PROPOSAL BY DECEMBER 2015)	Gavan Conlon
	1.4 The impact of vocational education and training on firms: New evidence from linked administrative data (REVISED)	Stefan Speckesser (Qualitative study by Steedman)
2.Quality of VE provision	2.1 Estimating the VE Education Production Function	Claudia Hupkau, Sandra McNally
	2.2 Case study of Apprenticeships in AMRC, University of Sheffield	Steve McIntosh
	2.3 Importance of Maths and English in gaining access to 'high quality' VE routes	Sandra McNally and Jenifer Ruiz-Valenzuela
3. Individual participation decisions and the costs and benefits of VE	3.1 The demand for VE skills, and the choices individuals make	Andy Dickerson and Steve McIntosh
	3.2 Access and Returns to Apprenticeships and classroom-based FE	Claudia Hupkau, Sandra McNally, Stefan Speckesser



Priorities in the next few months

- Deepen understanding of data sets and how to use them; Resolve difficulties that have been identified; further acquisition of data and processing.
- Put in place arrangements to better share knowledge within and outside CVER (e.g. data use group; wiki etc.)
- Make a lot of progress on projects that have recently commenced (work-in-progress sessions already planned within CVER; external presentations planned for November)
- Future planning for other projects (e.g. management survey of FE colleges; review of studies about careers information and advice)
- Seminar series and conference