European Commission

Education and Training Monitor 2013

United Kingdom

Education and Training

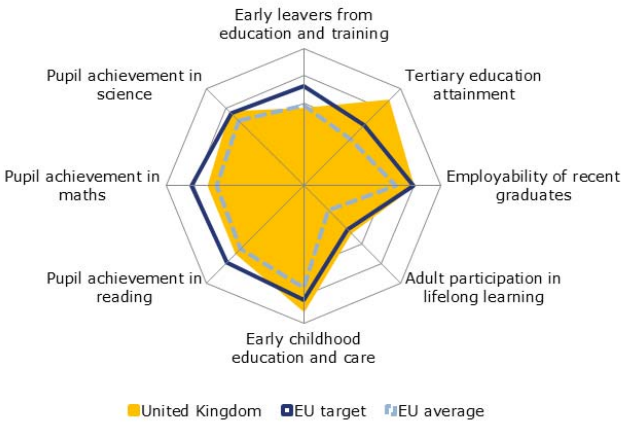
1. Key indicators and benchmarks

Europe 2020 headline targets		United Kingdom 2009	United Kingdom 2012	EU average 2009	EU average 2012	Europe 2020 target / Benchmark
1. Early leavers from education and training (age 18-24)		15.7%	13.5%	14.2% EU28	12.7% EU28	EU target: 10% National target: /
2. Tertiary educational attainment (age 30-34)		41.5%	47.1%	32.1% EU28	35.7% EU28	EU target: 40% National target: /
ET 2020 Benchmarks						
3. Early childhood education and care (4 years old - year before start of compulsory primary)		97.3%	97.0% 11	91.7%	93.2% 11	95%
4. Basic skills Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading	18.4%	:	19.6%	:	15%
	Mathematics	20.2%	:	22.2%	:	15%
	Science	15.0%	:	17.7%	:	15%
5. Learning mobility	Initial vocational training (IVET) — **a.** Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3	0.4%	0.3% 11	0.6%	0.7% 11	
	Higher Education — **b.** Erasmus inbound students as % of student population in host country		1.0% 11		1.1% 11	
	Higher Education — **c.** Inbound degree mobile students as % of student population in the host country		16.9% 11		7.0% 11	
6. Employment rate of graduates (age 20-34) having left education 1-3 years before reference year		80.0%	81.5%	78.3%	75.7%	82%
7. Adult participation in lifelong learning (age 25-64)		20.1%	15.8%	9.3%	9.0%	15%
Proposed ET 2020 benchmark						
8. Foreign languages skills	**a.** ISCED 2 students at proficiency level B1 or higher in first foreign language[1]	:	9.3% 11,Eng	:	43.5% 11	
	b. ISCED 2 students learning two or more foreign languages	:	0.0% 11	58.6%	60.8% 10	
Other ET 2020 Indicators						
9. Investment in education and training	**a.** General government expenditure on education (% of GDP)	6.9%	6.5% 11	5.5%	5.3% 11	
	b. Annual expenditure on public and private educational institutions per pupil/student in € PPS — ISCED 1-2	€ 6,982 08	€ 7,585 10	€ 5,732 08	€ 6,021 10	
	ISCED 3-4	€ 7,201 08	€ 7,642 10	€ 6,964 08	€ 7,123 10	
	ISCED 5-6	€ 11,931 08	€ 12,781 10	€ 9,309 08	€ 9,168 10	
10. Digital competences	**a.** Pupils in grade 4 (ISCED 1) using computers at school	85.8% 07,Eng	96.6% 11,Eng	60.7% 07	64.7% 11	
	b. Individuals aged 16-74 with high computer skills[2]	29.0%	26.0%	25.0%	26.0%	
11. Entrepreneurial competences	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	47.0%	47.0%	42.3% a	42.0% a	
12. Vocational education and training	Share of vocational students at ISCED 3	30.5%	36.0% 11	49.6%	50.3% 11	
13. Skills for future labour markets Projected change in employment 2010-2020 in %	High qualification	:	20.6%	:	19.1% EU28	
	Medium qualification	:	17.8%	:	4.6% EU28	
	Low qualification	:	-42.9%	:	-20.2% EU28	
14. Low-skilled adults	Literacy	:	16.4%	:	19.9% EU17	
	Numeracy	:	24.1%	:	23.6% EU17	
	Problem solving in technology rich environments[3]	:	25.2%	:	26.9% EU13	

Source: Cedefop: 13 / EAC: 10a,b / European Survey on Language Competences (ESLC): 8a / Eurostat (Government finance statistics): 9a / Eurostat (LFS): 1, 2, 6, 7 / Eurostat (ISS): 10b / Eurostat (UOE): 3, 8b, 9b, 10c, 12 / IEA TIMSS: 10a / Global Entrepreneurship Monitor: 11 / OECD (PIAAC): 14 / OECD (PISA): 4

Notes: 07 =2007, 08 =2008, 09 =2009, 10 =2010, 11 =2011, e= estimate, a= unweighted average b= break, p= provisional, Eng= England
Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27
[1]= average of skills tested in reading, listening, writing, [2]= having carried out 5-6 specific computer related activities, [3]= Results cover people with scores below level 1 as well as people who have no computer experience or failed the ICT test

Figure 1. Position in relation to highest (outer ring) and lowest performers (centre)



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). *Note:* all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

2. Main challenges[1]

The UK has an oversupply of low-skilled workers, and a shortage of workers with high-quality vocational and technical skills. Despite some progress in recent years, a significant minority of young people continue to leave secondary education without the skills and qualifications to compete in the labour market and saw their job prospects disproportionately affected by the economic crisis. Improving access to high quality, affordable, early childhood education and care remains an issue. Taking into account these challenges, the 2013 European Semester country-specific recommendations (CSRs) focused on apprenticeships and traineeships, young people with very poor basic skills and childcare.

3. Investing in skills and qualifications

Investing in education and training in a context of economic crisis

Government expenditure on education institutions in the UK is above the EU average (6.5% vs. 5.3% of GDP in 2011). The current Spending Review settlement included a real terms protection of the schools budget across all UK countries but required significant savings to be made in the area of further education (FE) and skills in England. The government in England is rebalancing investment in skills, focusing funding on young people (those with English and maths skills below Level 2 and the unemployed). It will also invest an additional £270 million by 2014-15 for capital investment to improve further education colleges in England, and will also provide improved information on returns to further education. As from 2013-14, learners aged 24 and over studying at Level 3 and above in England will have access to loans (24+ Advanced Learning Loans) to help them pay course fees.

Skills

In terms of basic skills, 15 year-olds' performance on PISA tests continues to outperform the EU average, although average performance in the UK has remained broadly constant in last few PISA assessments in reading and mathematics and only modestly improved in science. England and Northern Ireland also performed comparatively well in the 2011 TIMSS & PIRLS studies conducted by the International Association for the Evaluation of Educational Achievement (IEA) on fourth-grade students, especially in mathematics. Concerning ICT skills of young people, a very high share of pupils in the fourth grade uses computers at school. As regards entrepreneurship, the share of the population believing to have the required skills and knowledge to start a business is above the EU average also 15-year old pupils in the UK do not feel they develop entrepreneurial skills at school. Having English as mother tongue, pupils' foreign language skills are not very developed in the UK.

There is no single qualifications framework covering all qualifications offered to learners in England and Northern Ireland outside those in Higher education (HE). For learners in schools taking, in the main, General (GCSE and A Level) qualifications the National Qualifications Framework (NQF) is most relevant. The Qualifications and Credit Framework (QCF) mainly covers qualifications related to vocational/adult education and training.[2] Qualifications offered in HEIs are set out in the Framework for Higher Education Qualifications (FHEQ). Work has been done to

[1] The UK country fiche attempts to present and describe an aggregate UK education position. However, as education is a devolved responsibility in the UK there is substantial variation in the policies, organisation, funding and delivery of education across each of the individual countries.

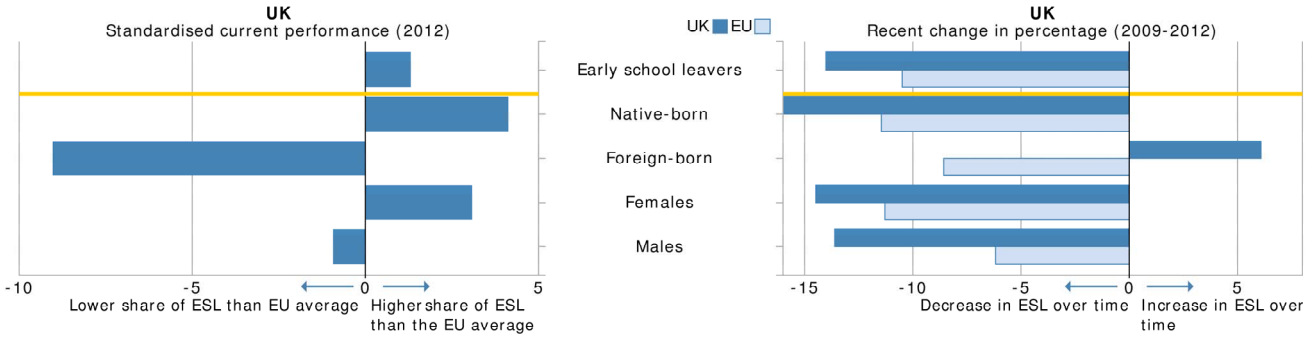
[2] The main difference in the NQF and QCF is the latter includes credit values in order to accommodate a more flexible method of delivery of the qualifications. The levels across the NQF and QCF are comparable. The NQF and QCF have each got 9 levels (Entry Level and Levels 1 to 8).

harmonise the levels in the FHEQ (with Levels 4 to 8) with the QCF and NQF. Wales uses the NQF and but has set the QCF within an overarching Credit and Qualifications Framework for Wales (CQFW). Scotland has a single framework (covering all regulated qualifications including HE qualifications) with 12 levels. Work has been done to articulate the UK frameworks to the European Qualifications Framework (EQF).

4. Tackling early school leaving and raising the bar in school education

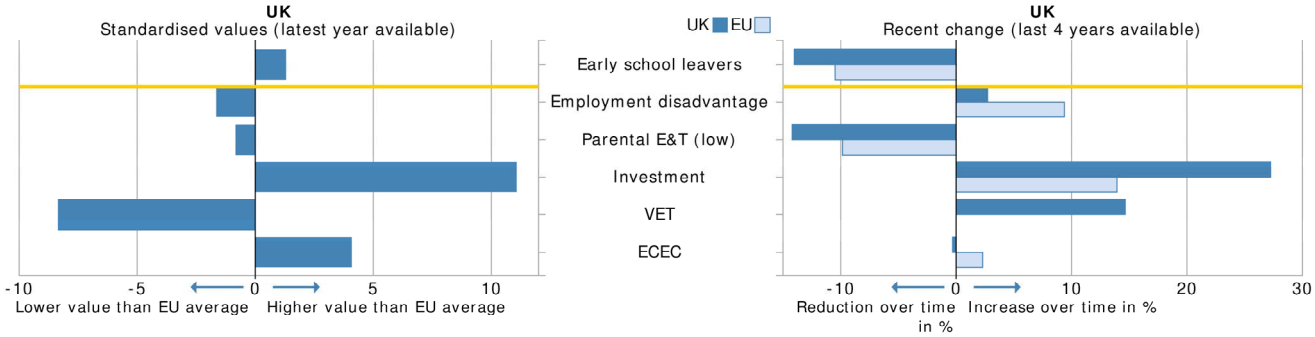
The UK's early school leaving rate continues to be slightly above the EU average (13.5% vs. 12.7% in 2012). Foreign-born pupils tend to perform better than natives.

Figure 2. Early leavers from education and training: sub-groups



Source: JRC-CRELL. *Note:* ESL = early school leaving. See Annex 2 for further information.

Figure 3. Early leavers from education and training: sub-indicators



Source: JRC-CRELL. *Note:* see Annex 2 for an explanation of the sub-indicators.

According to the 2011 Skills for Life Survey, 28% of 16-18 year-olds in England are functionally innumerate and 14% are functionally illiterate[3]. To address the problem of young people with very poor basic skills, the Government in each of the UK countries are enacting a range of reforms such as: i) raising the age of compulsory participation in education or training in England to 17 in 2013 and 18 in 2015; ii) reforming the education system in England, by reviewing the national curriculum[4] and (starting from September 2015) the General Certificate of Secondary Education examinations (GCSEs); iii) providing schools in England with a Pupil Premium worth £1.25 billion in 2012–13 to boost the attainment of pupils from deprived backgrounds, many of whom may be at greater risk of becoming NEETs; iv) in Northern Ireland consultation is taking place on proposals to reform funding mechanisms to better support schools in breaking the link between deprivation and educational underachievement. The Government will also invest an additional £980 million in school infrastructure in England by 2015, including funding for 100 new academies and free schools.

These measures have a long-term nature and therefore it is too early to assess their impact. The focus on system reform in England – rather than discrete measures or initiatives – is quite strong at school level. Raising the age for leaving compulsory schooling may have a significant effect in reducing early school leaving; however it remains to be seen whether pupils will be endowed with the right skills for the labour market. When redesigning the GCSEs in England it will be important to avoid the creation of a two-tier system penalising low achievers who might not be able to pass the new exams. Finally, a survey by the official school inspection body in England (Ofsted) expressed some concern about the Pupil Premium, which a large share of schools were not using to target disadvantaged children as envisaged[5]. One of the 2013 CSRs asks the UK to reduce the number of young people aged 18-24 who have very poor basic skills.

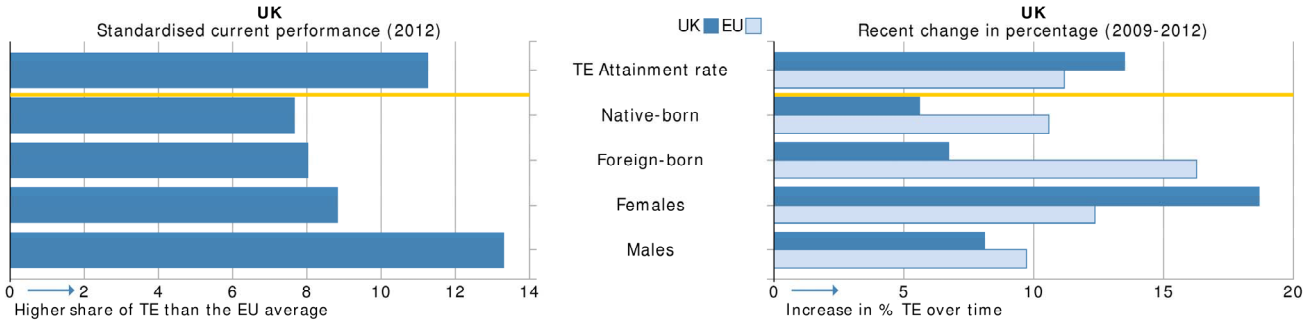
3 See Harding, C et al. (2011), *2011 BIS Research Paper Number 57, Skills for Life Survey: Headline Findings*.
4 The Department for Education proposed more demanding programmes in English, mathematics and science.
5 See Ofsted (2012), *The Pupil Premium*, http://www.ofsted.gov.uk/resources/pupil-premium

Participation in early childhood education is above the EU average; however the UK faces an on-going challenge to improve access to high quality and affordable childcare, as mentioned in the 2013 CSRs. The government is improving the availability of early childhood education and care. In January 2013, the Government in England published *More Great Childcare,* which sets out a plan of action for delivering high-quality early childhood education and childcare, with a strong focus on child development. In February 2013, the Department for Education in England presented the Children and Families Bill to Parliament, proposing reforms to boost the number of high-quality, affordable childcare places.

5. Encouraging participation in tertiary education and modernising higher education

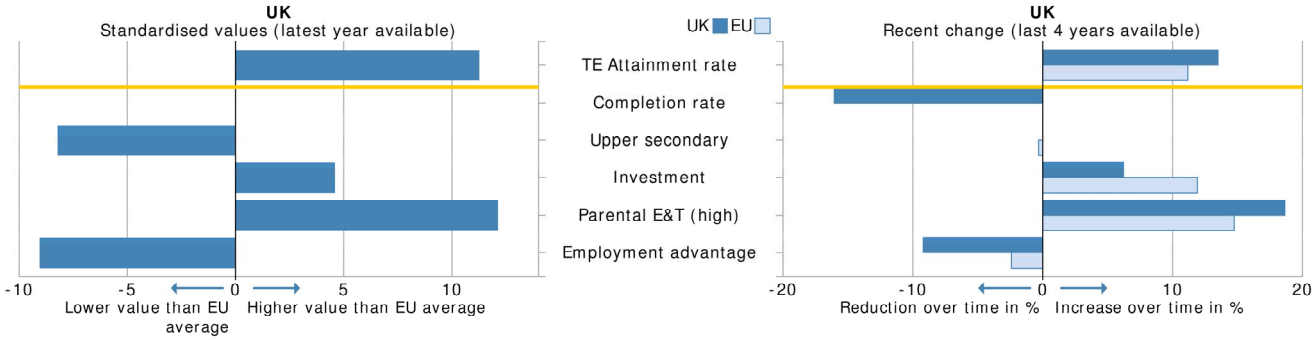
The UK performs well above the EU average (47.6% as against 35.7% in 2012) with regard to the tertiary attainment rate. Also completion rates are above the EU average (72% vs. 69% in 2011)[6].

Figure 4. Tertiary education attainment: sub-groups



Source: JRC-CRELL. *Note:* TE = tertiary education. See Annex 2 for further information.

Figure 5. Tertiary education attainment: sub-indicators



Source: JRC-CRELL. *Note:* see Annex 2 for an explanation of the sub-indicators.

As from the academic year 2012-13, tuition fees increased to up to £9,000 per year in the UK, with a system of grants and government-backed loans available for students. University applications rates declined slightly in England for the academic year 2012-2013, against a recent trend of annual increases, with a larger drop for people coming from more advantaged backgrounds; by contrast, application rates in Northern Ireland, Scotland and Wales (where the student support regimes differ from England) broadly continued their recent trends[7] Closely monitoring the impact of the new fee regime in England on participation in higher education remains important.

6. Facilitating the transition from education to work

Young, low skilled workers have seen their job prospects disproportionately affected by the economic crisis and the unemployment rate of low-skilled 15-24 year-olds is significantly above the EU average (37.2% in the UK compared to an EU average of 30.3% in 2012). By contrast, the employment rate of recent graduates from at least upper secondary education is well above the EU average (81.5% vs. 75.7% in 2012)[8].

The skills issue is set to become even more relevant in the next few years, as according to projections by the European Centre for the Development of Vocational Training (Cedefop), the number of low qualification jobs in

[6] See OECD (2013), *Education at a Glance 2013*.
[7] See UCAS (2012), *How have applications for full-time undergraduate higher education in the UK changed in 2012?*
[8] Measured as the employment rates of graduates aged 20-34 who have graduated (from upper secondary or tertiary education) no more than three years ago.

the UK will strongly decrease and could represent only 11% of total jobs in 2020 (compared with an EU average of 18%).

The government introduced a new Traineeships programme in England in August 2013. This will provide 16-24 year-olds lacking the necessary skills and experience they need for the labour market with a tailor-made package of support to enable them to take up apprenticeships or other jobs. Traineeships could have a positive impact in the relatively short term, but will require effective implementation, as recommended by the 2013 CSRs.

In Scotland, through the 'Opportunities for All' commitment, the Government aims at offering a place in education or training to all 16-19 year-olds not already in learning, training or employment.

Participation of upper secondary students in vocational education and training is below the EU average (36% as against 50.3% in 2011). Vocational education and training policy has been too focused on basic skills and relatively low-level qualifications, while the economy increasingly demands more advanced qualifications. However some progress has been made in recent years. In England, the number of apprenticeships continues to grow and there is some evidence of a shift to higher-level qualifications. In 2011/12 there was a 22% growth in advanced level (Level 3) apprenticeships and a 68% increase in higher level (Levels 4 and 5) apprenticeships[9]. To increase the focus of apprenticeships on high-level skills, from 2013 Level 6 (graduate) and 7 (postgraduate) apprenticeships will be available in subjects including law, accountancy and advanced engineering. In addition, 24 University Technical Colleges (UTCs), a new type of schools set up in cooperation with employers and universities, will be opened by 2014. These colleges will teach engineering, business and other practical skills.

The Employer Ownership Pilot was launched in England to raise business engagement and investment by routing public money directly to employers rather than via providers, with businesses invited to set out the public investment they need to support their own investment in skills, training and apprenticeship opportunities. In 2012, 34 projects from businesses were selected, which are expected to generate 11,000 apprenticeships (including 4,400 for 16-18 year-olds), 27,000 full time equivalent non-apprenticeship vocational training opportunities and 49,000 other learning or training opportunities, including work experience and work placements. In the 2013-14 financial year, the Government will increase the size of the Employer Ownership Pilot from £250 million to £340 million.

A recent report from an independent ad-hoc commission, the Richard Review, called on the government to improve the quality of apprenticeships in England and make them more focused on the needs of employers; the government endorsed its recommendations for reforms and intends to start taking practical steps in autumn 2013. This could help to strengthen the role of employers in designing an effective apprenticeship system. However, the qualifications system remains very complex, and this may have an adverse effect on business involvement in the apprenticeships programme. The 2013 CSRs recommend that the UK increase the quality and duration of apprenticeships, simplify the system of qualifications and strengthen the engagement of employers, particularly in the provision of advanced and intermediate technical skills.

Scotland also has a fairly recent scheme for Modern Apprenticeships[10]. The Scottish Government is committed to ensuring 25,000 Modern Apprenticeship opportunities in each year of the Scottish Parliament (25,500 individuals started a modern apprenticeship in 2012-13). In Northern Ireland, the Department for Employment and Learning offers a guarantee of a training place through its Training for Success programme for all unemployed 16-17 year old school leavers with extended eligibility for those with a disability and from an in-care background.

7. Upgrading skills through lifelong learning

Adults (aged 16-65) in the UK (England and Northern Ireland) score around the EU average in the literacy and numeracy tests of the Survey of Adult Skills (PIAAC). However young people (aged 16-24) in England perform below the EU average and worse than the overall population. This is linked to the very low performance of young people (aged 16-29) with only lower secondary education. The survey also shows that recent graduates in tertiary education (aged up to 29) do not score better than older British cohorts with tertiary qualifications or even than recent upper secondary graduates in the best performing European countries. While employed people have on average higher skills than unemployed people at EU level, this gap is even more pronounced in the UK (England and Northern Ireland) for both literacy and numeracy.

The results pointing at a significant proportion of low skilled adults confirm the findings of national surveys. The UK has a persistently large number of functionally illiterate and innumerate adults, usually with no qualifications: according to the 2011 Skills for Life Survey, in England 5.1 million adults (15% of the adult population) are functional illiterate and 8.1 million adults (24% of the adult population) are functionally innumerate.

[9] There were 520 600 apprenticeship starts in the 2011-12 academic year (compared to 457 200 in 2010-11), of which 291 300 were taken up by young people (compared to 275 100 in 2010/2011). In 2011/2012, advanced-level apprenticeships represented 36.1% of the total, compared with 33.7% in 2010/2011, while higher-level apprenticeships were 0.7% of the total, as against 0.5% in 2010/2011.

[10] http://www.ourskillsforce.co.uk/modern-apprenticeships-for-employers/

Participation of adults in lifelong learning in the UK decreased in recent years (although the figures are affected by breaks in series), while remaining high in EU comparison (15.8% vs. 9% in 2012). In 2010, 80% of UK enterprises provided vocational training to their staff, as against an EU average of 66%.

The Government established the National Careers Service in England in April 2012, as a joint initiative of the Department for Business Innovation and Skills and the Department for Education. This measure created for the first time an all-age careers service, with a £106 million budget for 2012/13. In Northern Ireland, in September 2012, the Northern Ireland Executive published *Access to Success*[11], a new integrated regional strategy for widening participation in higher education, which includes the development of non-traditional routes into higher education through Adult Access Courses and increased part-time opportunities. Northern Ireland has also instituted a range of measures to help engage employers, particularly those from the small and medium sized enterprises with skills development.[12]

[11] http://www.delni.gov.uk/access-to-success.pdf

[12] These include: Skills Solutions Service which provides a single point of contact for employers on skills matters providing advice, brokering training and helping employers access appropriate funding streams; a diagnostic service (the Management Analysis and Planning programme) to assist companies to identify and meet their management and leadership needs; an on-online diagnostic and signposting questionnaire for individual managers which will direct individual managers to appropriate programmes including; a range of 27 supported management and leadership programmes to develop managers at all levels within a business.