



## Nacro's response to the Education Committee's Further Education and Skills inquiry

March 2025

### About Nacro Education

We are one of the country's largest independent charitable further education providers. We work with almost 2,000 students each year who are typically faced with multiple complex challenges and barriers to education. They have often experienced a broken or interrupted academic journey. We support our students to realise their potential and to gain the skills, knowledge, and experience they need to progress confidently onto their next steps. This could be going into further education, training, or work.

Our smaller class sizes, skilled and experienced tutors, practical workshops, and one to one support make us stand apart. We work in partnership with the communities in which our centres are based. We collaborate with leading industry experts and local businesses to ensure our courses provide the teaching, skills and learning opportunities our students need for the future.

Our response is based on our direct experience and the nature of our service delivery.

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### Summary

We make the following recommendations:

#### **Curriculum and qualifications in further education:**

The post-16 curriculum:

- The curriculum should be flexible, modular, and tailored to students, particularly those with disrupted educational pathways, to enable them to build their knowledge and skills incrementally so they can progress towards meaningful outcomes.
- Greater emphasis is needed on Level 2 qualifications and below which act as vital stepping-stone qualifications through further education, training, or even directly into employment.
- Curriculums should align with Local Skills Improvement Plans (LSIPs), which are driven by local or regional needs.
- A 'Carousel' model for Entry Level and Level 1 would allow students to rotate through different subject areas (e.g., construction, catering, and employability skills) alongside maths and English to help them make informed decisions and develop confidence.

- Education should offer a wide range of enrichment activities, such as cultural trips, outdoor learning, and workplace encounters, particularly valuable for students at risk of disengagement to support their personal, social, and educational development.

The assessment system:

- Exam-based assessments are not appropriate for all levels of need as they can be inaccessible and demotivating for many students, particularly those in need of additional support.
- A balance between exam-based assessments and portfolio-based assessments in vocational qualifications is necessary to support alternative ways for students to showcase their skills on a level playing field. By prioritising a student's journey and skills acquisition we create an equitable assessment system that builds confidence and supports further progression.

Driving better standards in further education; the quality and consistency of provision and outcomes:

- A “one-size-fits-all” approach to quality oversight does not always capture the nuance of the student cohort that is being reviewed.
- Aligning regulatory criteria is necessary to prevent inefficiencies and ensure a clearer, more consistent approach to measuring provider performance.
- Quality oversight should incorporate demographic and contextual considerations, using the extensive data collected from providers to evaluate performance based on the characteristics of the student population served.
- Widely accepted softer measures—such as improvements in attendance, engagement, personal development, and employability skills—should be included as standard in accountability frameworks to fairly assess providers working with students facing complex barriers.

Post-16 numeracy and literacy, including GCSE resits:

- The timetable for GCSE maths and English resits should, where appropriate, be extended to the period of time the young person is in further education, depending on the student's baseline knowledge and aptitude, so that in appropriate cases the curriculum is taught over the usual 2 (sometimes 3) year period that a young person is in further education.
- Functional skills qualifications (FSQs) must be genuinely comparable to GCSEs in terms of quality and widely accepted by employers and educational institutions as valid qualifications whilst at the same time balancing this with the need to be achievable.

## **Delivering further education:**

Funding for further education, including whether the additional £300 million announced by the Chancellor in last year's Budget is sufficient and how it should be distributed:

- There should be equal access to funding for charitable Independent Training Providers (ITPs) working with the most disadvantaged young people.

The effectiveness of current funding arrangements in tackling the attainment gap in further education:

- Post-16 Pupil Premium Plus funding is welcome and should be continued. It should be extended to cover all disadvantaged groups.
- We welcome the Government's decision not to reduce the tolerance within the maths and English condition of funding to 0%, but setting the level at 2.5% and having a "one-size-fits-all" approach to funding risks compounding the challenges of the most vulnerable. Reforming how the tolerance is applied so it is based on the specific needs of the students catered for by providers would be more equitable.

Workforce pressures, including college teachers' pay and the recruitment and retention of staff in all further education settings:

- Recruiting and retaining teachers in further education is increasingly difficult, and current incentive schemes disproportionately benefit General Further Education (GFE) colleges, further disadvantaging ITPs. A more equitable approach to workforce incentives is needed to ensure all learners have access to high-quality teaching.

Quality of facilities and capital investment strategy:

- The capital investment strategy should be extended to support charitable ITPs working with some of the most disadvantaged young people.

## **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:

- There should be an expectation that all qualifications include a focus on transferable skills and the development of the key competencies that employers value most: communication and teamwork; problem-solving and solutions-focus; motivation and respect; digital skills/ literacy: equality, diversity and inclusion (EDI) and British Values.

The level of collaboration between the further education sector, local government and employers in responding to the skills shortage:

- It is necessary to establish strong partnerships by engaging businesses in curriculum design and co-delivery of course.
- LSIPs are valuable for planning local provision, but it is important that the development of LSIPs includes all stakeholders.

The quality and availability of work placements within vocational courses:

- It can be difficult to get buy in from employers for work placements. Additional Government support in highlighting the benefits to employers or providing incentives or expectations would be beneficial.



## Our response

### Curriculum and qualifications in further education:

#### The post-16 curriculum

Nacro Education's focus is on creating a personalised learning experience, empowering students to develop the personal and professional skills employers are actively seeking. Our curriculum is designed to provide flexible, tailored support to meet the individual needs of our students who are some of the most disadvantaged young people, some of whom have disengaged from education entirely before coming to us. With our study programmes, students gain certified vocational qualifications, enrichment, employability, maths and English, and work placement opportunities with national and local businesses to equip them with practical and employability skills that support progression to further or higher education or employment.

Many of our students have faced complex challenges which have led to disengagement and disrupted educational pathways, which can hinder their progression. It is therefore essential for these students that the curriculum is flexible, modular, and tailored to individual needs. This enables students to build their knowledge and skills incrementally and ensures that all students, regardless of starting points or barriers, can progress towards meaningful outcomes. For some, this means continuing to Level 3 and higher education; for others, it means direct entry into employment or vocational pathways that match their aspirations.

Greater emphasis is needed on Level 2 qualifications and below which act as vital stepping-stone qualifications through further education, training, or even directly into employment. This includes industries that underpin the economy, such as construction and health and social care. Level 2 programmes, in particular, help equip students with both core and soft skills. This practical grounding allows students to enter the workforce confidently and immediately contribute to these sectors, which are experiencing skills shortages and growing demand.

Regional adaptability is also crucial. Curriculums should align with Local Skills Improvement Plans (LSIPs), which are driven by local or regional needs. At Nacro, our experience demonstrates how tailored vocational programmes aligned with local opportunities enhance employability and long-term outcomes.

For students who have become disengaged, Entry Level and Level 1 programmes should focus on re-engagement and foundational learning. A 'Carousel' model would allow exposure to multiple subject areas fostering informed decision-making while building confidence and transferable skills. For example, rotating through construction, catering, and employability skills alongside maths and English creates a holistic approach that meets the diverse needs of students.

Education must offer enrichment opportunities that expose students to new experiences. It is crucial to establish wider extra-curricular enrichment activities such as cultural trips, outdoor learning, and workplace encounters, as they are particularly valuable for those at risk of



disengagement, helping to strengthen their social, personal, and educational development and to expose those with little experience outside their immediate communities to new experiences, opportunities and situations.

### **The assessment system**

The assessment system in FE varies across different pathways. However, the current reliance on GCSEs, even at the foundation tier, often discourages students who have experienced disrupted education or struggle with exam-based assessments.

While there is a broader trend towards exam-based practices, these are not appropriate for all levels of need as they can be inaccessible and demotivating for many students, particularly those in need of additional support. Time-bound, high-pressure exams disproportionately disadvantage neurodiverse students and those with mental health challenges, who may struggle to perform under restrictive conditions.

Flexible assessment models, such as portfolio work, project-based assessments, and practical demonstrations, are essential for recognising and validating a broader range of skills. Approaches such as embedding continuous assessment and feedback provide a more accurate and supportive measure of progress. A balance between exam-based assessments and portfolio-based assessments in vocational qualifications is necessary to support alternative ways for students to showcase their skills on a level playing field. By prioritising a student's journey and skills acquisition we create an equitable assessment system that builds confidence and supports further progression.

### **Driving better standards in further education; the quality and consistency of provision and outcomes**

The current accountability framework provides a comprehensive structure, but overlapping demands of regulatory bodies can create inefficiencies, divert resources, and can fail to fully represent the achievements of providers working with diverse student populations.

Accountability measures may push some providers into prioritising compliance over innovation and student-centred delivery. Despite common goals of quality and validity, each body applies different criteria and formats, yet a “one-size-fits-all” approach to quality oversight does not always capture the nuance of the student group that is being reviewed.

Providers like Nacro serve many students who have experienced disrupted education, who are at risk of becoming NEET (not in education, employment or training), have special educational need or disability (SEND), or mental health challenges, and would otherwise lack access to education or employment opportunities. Benchmarks for General Further Education (GFE) colleges may fail to capture the transformative impact of such provision, overlooking their vital role in re-engaging students, building skills, and supporting long-term progress.

A more cohesive and contextualised accountability system is needed — one that reduces administrative burdens, aligns regulatory requirements, and recognises softer progress measures. This would create a fairer and more inclusive system, allowing providers to focus on delivering high-quality education that meets the diverse needs of students and communities.

## Post-16 numeracy and literacy, including GCSE resits

Students who do not achieve a grade 4 in either or both of their maths and English GCSE at the end of year 11 are required to resit the GCSE or may be eligible to take a Functional Skills Qualification (FSQ) in maths or English instead. Nationally, the resit pass rate is very low with only 17.4% achieving a grade 4 or above in maths and 20.9% for English.<sup>1</sup> If they fail, they are required to resit again in the following year. Therefore, students who did not achieve a pass after five years of secondary education are expected to be able to grasp the curriculum over what is effectively a nine month period before retaking the exam.

Many students struggle with repeated resits, which can be demotivating and may not lead to meaningful improvements in their numeracy and literacy skills. Where appropriate, we believe this could be extended to the period of time the young person is in further education, depending on the student's baseline knowledge and aptitude, so that in appropriate cases the curriculum is taught over the usual 2 (sometimes 3) year period that a young person is in further education. This would increase the likelihood of success and continued engagement in learning and also enable better planned incremental skills development over time which aligns more closely with current pedagogical approaches.

FSQs are a viable alternative to GCSEs and enhance accessibility for students who may not thrive in traditional academic settings due to their applied approach. However, recent changes to Level 1 and Level 2 FSQ summative assessments have led to lower achievement rates, impacting their effectiveness in supporting learners. FSQs must maintain credibility and comparability to GCSEs in terms of quality while ensuring they remain widely accepted by employers and educational institutions as valid qualifications. At the same time, it is essential to balance this with accessibility, ensuring that assessments are structured in a way that allows learners to demonstrate their practical skills effectively.

## Delivering further education:

### Funding for further education, including whether the additional £300 million announced by the Chancellor in last year's Budget is sufficient and how it should be distributed

While Independent Training Providers (ITPs) receive funding in the same way as GFE colleges, they cannot access all the funding opportunities that GFE colleges benefit from. Providers like Nacro work with some of the most disadvantaged young people who already face challenges with learning. Ensuring adequate funding is essential to breaking down barriers to opportunity for these young people.<sup>2</sup>

For example, the announcement in last year's Autumn Budget of an additional £300 million revenue funding is a step in the right direction towards widening opportunity for young people. However, ITPs are not in scope for £50 million of this funding which is a one-off grant to respond to current priorities and challenges like workforce recruitment and retention.

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<sup>1</sup> FE News (2025) [FE News | November 2024 GCSE Resit Results Announced | Sector Reaction](#)

<sup>2</sup> FE Week (2023) [If there is a plan for ITPs, it isn't working](#)

## **The effectiveness of current funding arrangements in tackling the attainment gap in further education**

Current funding arrangements aim to support disadvantaged students yet the effectiveness in closing the attainment gap has been limited. Of the students we support, many are from low income and disadvantaged backgrounds, 80% are considered socially disadvantaged, 55% have a SEND and 30% have an education, health and care (EHC) plan. Due to the specific needs of our students, most attract additional funding such as the 16-19 bursary fund and the disadvantage element of the 16-19 funding formula.

Despite the availability of targeted funding, current funding is insufficient to tackle the attainment gap.

The Pupil Premium was introduced into schools and early years settings with the aim of tackling the attainment gap. Pupil Premium funding did not extend into further education until Post-16 Pupil Premium Plus was piloted in 2021 and subsequently rolled out for looked after children and care leavers across all local authorities. Funding is currently confirmed until March 2025. This funding is welcome, however, we believe it must be extended to cover all disadvantaged groups, as the impact of disadvantage does not stop at 16.

Within the maths and English condition of funding, there is a tolerance which gives providers flexibility for a certain proportion of young people to not have to be enrolled in maths and English learning. This tolerance was previously 5% and reducing to 2.5% in 2025/26 academic year. This tolerance is applied to all providers, irrespective of the specific needs of their students. This particularly impacts on those providers who work with the most disadvantaged and furthest away from education as the flexibility allowed professional judgement on how best to re-engage young people furthest away from education.

We recognise the importance of maths and English and our students achieve strong results, 94% of students studying with us pass their GCSE maths and English against a national pass rate of 90%. However, we also know that enforcing this in the initial stages of re-engagement does not work with everyone and deters some people from re-engagement. Whilst we welcome the Government's decision<sup>3</sup> not to reduce the tolerance to 0%, setting the level at 2.5% and having a "one-size-fits-all" approach to funding risks compounding the challenges of the most vulnerable young people, as well as financially impacting those providers. We would recommend reforming how the tolerance is applied for providers based on the specific needs of their students.<sup>3</sup>

## **Workforce pressures, including college teachers' pay and the recruitment and retention of staff in all further education settings**

The recruitment and retention of teachers across FE is exceptionally challenging, yet current workforce initiatives—such as financial incentives (e.g., golden handshakes) and funded teacher training programmes—are largely ringfenced for GFE colleges. ITPs, who play a crucial role in delivering alternative provision and specialist education, are excluded from these schemes despite facing equal, if not greater, difficulties in securing high-quality teaching staff.

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<sup>3</sup> Nacro (2022) [Learn-Without-Limits-Policy-Paper-1-1.pdf](#)



This disparity is exacerbated by the fact that ITPs cannot offer Teachers' Pension Scheme access, making it harder to attract and retain staff compared to GFE colleges. Without access to the same funding and incentives, non-GFE providers are competing on an uneven playing field, limiting the ability to invest in workforce development, attract new talent, and retain experienced educators.

Expanding recruitment and retention initiatives to all FE providers, rather than restricting them to GFE colleges, would help address these challenges and ensure that all learners, regardless of provider, have access to high-quality teaching and support.

### Quality of facilities and capital investment strategy

Current capital funding arrangements limit our access to funding for growth and curriculum development. While GFE colleges can secure funding for infrastructure improvements and purpose-built facilities to deliver T Levels or SEND units, this does not extend to ITPs. For example, the Autumn Budget 2024 announced that £300 million of new funding would be made available to support colleges to maintain, improve and ensure suitability of their estate. It appears that ITPs are not eligible for this funding.

Since the reclassification of GFE colleges as public sector bodies in 2022, their sites are now publicly owned estates and therefore have access to capital funding.<sup>4</sup> This is not the case for some providers, such as Nacro, who rent buildings. This can provide some limitations on the type of provision which can be offered as it can be more difficult to access specialist facilities such as for motor vehicle training. A lack of purpose-built facilities can mean that students who would benefit from specialist provision are unable to access it because they do not offer the course they wish to take. We therefore recommend the capital investment strategy is extended to support charitable ITPs such as Nacro.

### 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

Our provision offer is vital not only in breaking down barriers to opportunity, but as a vehicle for growth, providing practical skills and industry knowledge that are necessary to our economic growth. There is greater need for a structured approach to embedding core employability skills for all students. Across all LSIPs, key expectations from employers include teamwork and communication, we suggest that these essential skills could be formally packaged and recognised as a fundamental part of education, termed as 'necessary skills for employment'.

There should be an expectation that all further education programmes, alongside maths, English, and vocational courses, include the development of these key competencies. FE providers should integrate the following expectations as implicit components into all pathways so that students can develop the personal and professional attributes that employers value most:

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<sup>4</sup> DfE (2022) [Further education reclassification: government response - GOV.UK](#)

- Communication and teamwork: Critical for collaboration in both professional and academic environments.
- Problem solving and solutions-focus: Essential for navigating challenges and adapting to change.
- Motivation and respect: Key to fostering personal growth and inclusivity.
- Digital skills / literacy: Required to be able to function in the working or learning environment.
- Equality, Diversity and Inclusion (EDI) and British Values: Integral to thriving in diverse environments.

Focusing on the development of transferable skills and the attributes expected by employers would provide students with more flexibility to make decisions on the best pathway for them whilst ensuring that they develop key skills for future employment or education. There is currently not enough focus on transferable skills which would improve flexibility to change course. The current 16-19 pathways are often not based on transferable skills, meaning that students who wish to change their path have to start again at low levels which means they often cannot progress as quickly as desired.

LSIP reports highlight the critical role of digital tools in enhancing education and workforce readiness. While we recognise the ongoing call for evidence to tackle digital exclusion<sup>5</sup>, we know that technology supports a more inclusive and adaptable education system by providing digital skills training tailored to the diverse needs of students and employers, bridging disparities in access to digital education across socioeconomic groups, ensuring equitable participation. Digital tools can align training with workforce demands by offering modular, skills-based qualifications that prepare students for roles across various sectors. By incorporating a broad spectrum of digital competencies, from basic to advanced, providers can ensure that students are equipped to thrive in an increasingly tech-driven economy. Tailored digital training can also address specific industry needs, creating a direct pathway from education to employment.

### **The level of collaboration between the further education sector, local government and employers in responding to the skills shortage**

Addressing skills shortages requires a collaborative, innovative strategy that aligns education with industry requirements, enhances accessibility, and supports long-term progression. Establishing strong partnerships with industry stakeholders and local government is invaluable for informing curriculum development in local settings that deliver education. By engaging businesses in curriculum design and co-delivery of course, this will ensure relevance to workforce demands.

LSIPs provide an agreed set of actionable priorities that employers, providers and other stakeholders in a local area can get behind to drive change. This is useful in deciding what provision should look like, but it is important that the development of LSIPs includes all stakeholders.

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<sup>5</sup> Department for Science, Innovating & Technology (2025) [Digital Inclusion Action Plan - GOV.UK](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/115444/digital_inclusion_action_plan.pdf)



## **The quality and availability of work placements within vocational courses**

It can be difficult to get buy in from employers for work placements. There is a small pool willing to support and an increasing number of providers needing access to them, particularly as T Levels in colleges have significant need of work placements. It would be useful if there could be additional support from Government in highlighting the benefits to employers or providing incentives or expectations.

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

### **The difficulties facing further education students, including mental health issues and access to mental health support, and cost of living pressures**

We see first-hand how gaps in educational careers, caring responsibilities, experiences within the care or justice systems, mental health challenges, and family or home related instability disproportionately affects disadvantaged students. Our students experience greater financial insecurity, disrupted education, and higher mental health challenges compared to their peers in GFE colleges. Our provision is designed to work effectively to support the difficulties that these students face.

The students we serve are some of the most disadvantaged young people and may have had limited exposure to a range of life experiences in their previous mainstream settings, meaning they often lack the social capital than their peers may have. Enrichment is important for this particular group, and so where it is possible to build in enrichment, encounters, cultural trips, outdoor learning, and opportunities to interact with their wider communities it can enhance young people's social, personal, and educational growth, all of which are beneficial for accessing higher education or employment.

### **The specific barriers to accessing and pursuing further education for those with special educational needs and/or disabilities (SEND), and children and young people in care across specialist and mainstream settings**

Students with SEND face significant systemic and practical barriers to access and pursuing further education. While strides have been made towards inclusion, access to education hinges on providers being equipped with appropriate resources and the flexibility needed to meet their diverse needs. For example, assessments and qualifications need to be more adaptable to cater to individual needs. High-stakes exams can be a barrier, so alternatives like project work, portfolios, and practical assessments should be made available. Modular qualifications would allow students to progress at their own pace, celebrate small achievements, and reduce anxiety.

Students from disadvantaged backgrounds and those with SEND often face additional barriers, including limited access to networks, lower levels of support, and a lack of family or community resources. Evidence shows that strong social capital can mitigate many of the challenges faced by these students, yet the current accountability framework does little to incentivise the development of social capital for opportunities that might otherwise remain



inaccessible and instead focuses on binary outcomes such as qualification completions or progression into employment.

### **Disparity in attainment, including by gender, area of the country in which a student lives, ethnicity, and between disadvantaged students and their peers**

It is widely recognised that education outcomes remain strongly correlated with socioeconomic background, and a significant “disadvantage attainment gap” exists between economically disadvantaged students and their better off peers. Whilst we agree that efforts to close the attainment gap should start in the early years, it is important to note that the gap continues to widen between age 16 and 19<sup>6</sup> which underlines the critical need for continued focus with this age group to avoid the most disadvantaged young people falling even further behind their peers. The disadvantage gap does not end at 16.

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<sup>6</sup> EPI (2021) [Measuring the disadvantage gap in 16-19 education - Education Policy Institute](#)