



Lifelong
Education
Institute

A System Under Strain

*Reflections on the Government's
Post-16 Education & Skills White Paper*

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Disclaimer

The following paper is a summary of the points raised during a series of policy roundtables organised by the Lifelong Education Institute. The content of this paper is a collation of the many views expressed by the roundtable participants and the recommendations have been formed by these multiple perspectives.

1 INTRODUCTION

The Lifelong Education Institute (LEI) recently held a series of roundtables to discuss the Post-16 Education and Skills White Paper.

The purpose was to explore the implications for adult learner progression, and to identify how education providers and policymakers can accelerate lifelong learning for working adults.

The White Paper emphasises that skills policy must be better integrated with employer need and national priorities. It introduces a clear intention to enable short, modular courses and flexible routes into and through further and higher education — including the new Lifelong Learning Entitlement for adults. The paper also targets increasing participation in Levels 4–5 and expanding higher technical education, recognising that many of the jobs in growth sectors will require these levels.

The LEI's central provocation is that lifelong education must drive productivity and growth through adult upskilling and reskilling. The White Paper emphasises this but in practice much of the system remains focused on 16 to 24-year-olds. The White Paper sets a target for at least 10% of young people to attain Level 4/5 education by age 25. However, the majority of adult learners (25+) are not treated with equivalent ambition, even though progression beyond Level 2 and 3 for adults will deliver immediate productivity gains in growth sectors.

Flexibility (modular training, short courses) is welcome, but needs robust pathways into full qualifications, job advancement and sectoral mobility. Without that, adult learning will remain isolated. Caring and financial responsibilities, full and part-time work, all hamper adult participation. The White Paper acknowledges this but needs stronger mechanisms (time-flexible delivery, employer partnerships, locally tailored models) to remove those barriers.

The paper rightly emphasises employer co-investment and workforce training. Yet historical declines in employer investment, especially in mid-career adults, mean stronger incentives and partnerships are needed for impact.

The Post-16 White Paper marks a step forward in aligning education and training with national growth needs. But to unleash Britain's productivity potential, the focus must shift emphatically to adult lifelong learning — utilising working-age progression, flexible credentials and employer-driven pathways.

The roundtable series sought to identify practical steps to ensure tertiary providers and policymakers deliver adult upskilling, at scale, and link investment to measurable productivity gains.

This report sets out the key points and observations discussed.

2 A SYSTEM UNDER STRAIN: REFLECTIONS ON THE PAPER

The three roundtable discussions convened by the Lifelong Education Institute demonstrated strong, cross-sector support for the overarching intent of the Post-16 Education and Skills White Paper, particularly its ambition to move away from institutional competition towards greater collaboration and system coherence. Participants welcomed the recognition that the current skills system is fragmented, complex and misaligned with labour market need.

However, when considered together, the discussions also revealed deep concern that the White Paper, in its current form, risks reinforcing many of the very problems it seeks to address. Participants consistently highlighted structural imbalances, unresolved policy tensions and delivery risks that could undermine the stated goals of productivity growth, social mobility and inclusive economic development.

2.1 A Youth-Centric System in an Ageing Labour Market

Across all three roundtables, there was near-unanimous agreement that the White Paper is misaligned with demographic and labour market reality. While framed as a “post-16” strategy, participants repeatedly observed that it is, in effect, a youth-focused intervention aimed primarily at those under 25, particularly NEETs.

One senior provider described the White Paper bluntly as “a pre-19 paper in all but name”, noting that adult provision appears marginal rather than integral to the Government’s growth agenda. Another participant warned that “beyond 25, the system effectively falls off a cliff”, leaving adult learners with fewer options, weaker incentives and higher costs.

This age bias was widely seen as both economically inefficient and socially regressive. Employers and providers emphasised that productivity gains in sectors such as care, construction, and the built environment depend overwhelmingly on retraining adults already in the workforce. As one participant put it, “the workforce we need for 2030 is already here — if we don’t skill them, we simply won’t deliver”.

Several contributors warned that current funding incentives risk entrenching age discrimination. Free or fully funded provision for younger learners, combined with restricted support for older workers, encourages employers to prioritise youth recruitment over reskilling experienced staff. One employer representative noted that “if you’re an SME, the system is quietly telling you who is cheaper to train — and it’s not the 35-year-old”.

Participants stressed that tackling youth inactivity and supporting adult upskilling should not be treated as mutually exclusive objectives. As one contributor observed, “it shouldn’t be either/or — the scale of the challenge means we have to do both”.

The absence of a robust adult learning offer also undermines the White Paper’s productivity ambitions. Participants emphasised that without systematic support for mid-career retraining, the strategy risks becoming a short-term labour market intervention rather than a long-term economic reform.

2.2 The Lifelong Learning Entitlement: Vehicle Without an Engine

The Lifelong Learning Entitlement (LLE) was widely recognised as the flagship reform intended to address adult learning. However, the roundtables exposed significant scepticism about whether the LLE, as currently designed, will have the intended impact.

The most frequently cited concern was the absence of meaningful maintenance support. Participants from across FE, HE and independent training providers argued that without help with living costs, the LLE would remain inaccessible to those most in need of reskilling. One participant noted that “we’re offering people the chance to retrain, but only if they can afford to stop earning — that immediately excludes huge numbers”.

Without addressing living costs, the LLE is likely to remain accessible only to a narrow, relatively affluent segment of the adult population. This risks exacerbating inequality among lower income adults with family responsibilities and financial commitments. Those with the greatest need for reskilling are also the most debt-averse.

There was also concern that the LLE risks reproducing the weaknesses of the existing student-finance model. Several contributors questioned whether adult learners would be willing to take on loan-based debt for modular provision, particularly where the labour-market value of micro-credentials remains uncertain. As one provider put it, “if employers don’t recognise the qualification, why would a learner take-on debt for it?”

Participants warned that poor signalling could lead to low uptake, weak repayment, and higher public subsidy costs — undermining both fiscal sustainability and policy credibility. In this context, the LLE was described less as a transformative entitlement and more as “an adjustment to the existing loans system”.

2.3 Fragmentation, Devolution, and the Emerging Postcode Lottery

While there was broad support for devolution in principle, the discussions revealed deep anxiety about how devolved skills policy is being implemented. Participants described a system characterised by overlapping responsibilities, inconsistent rules, and growing administrative complexity.

Working across different local labour markets poses particular challenges. Where learners live in one authority but work in another, place-based funding models struggle to accommodate real economic geographies. Participants highlighted the difficulty of aligning place-based funding models with the realities of where people live and work. As one employer representative explained, “our workforce doesn’t stop at council boundaries, but the funding system does”.

Providers operating across multiple Combined Authorities reported that different funding rules, priorities, and compliance requirements significantly increase transaction costs. One participant noted that “we’re spending more time navigating local rules than designing good provision”.

For national employers and providers operating across multiple regions, this fragmentation increases compliance costs and creates a disincentive to invest in UK skills infrastructure at scale.

There was also concern that non-devolved areas risk being left behind as Adult Skills Funding is increasingly channelled through Combined Authorities. Participants pointed to examples such as the West Midlands, where devolution has enabled flexibility and expanded adult access, but warned that this success highlights unevenness rather than system-wide reform.

2.4 Employers, Incentives, and Misaligned Levers

Employers across the roundtables consistently argued that the White Paper fails to reconcile the differing needs of SMEs and large employers. SMEs described a system constrained less by cost, than by complexity and uncertainty. One participant noted that “employers aren’t refusing to invest — they’re waiting because they don’t know what the rules will be”.

By contrast, larger employers stressed the need for consistency and scale, both of which are undermined by fragmented local approaches. Participants expressed frustration at the lack of clarity surrounding the Growth and Skills Levy, with several noting that prolonged uncertainty is actively discouraging investment.

There was widespread agreement that current incentives blur two distinct objectives: tackling youth unemployment and driving productivity in priority sectors. Without clearer prioritisation, participants warned that the system risks achieving neither effectively.

Several contributors expressed interest in alternative mechanisms — including stronger employer co-investment models and graduate employer levies — as ways of aligning incentives with long-term workforce planning. However, these ideas were seen as largely absent from the White Paper.

2.5 Broken Pipelines and the Missing Role of Schools

Despite its post-16 focus, the White Paper was criticised for failing to address the role of schools in shaping skills pathways. Participants described a fundamental accountability mismatch: schools are judged primarily on exam outcomes rather than destinations, weakening incentives to promote technical and vocational routes.

This disconnect leaves FE colleges dealing with the consequences. One participant described FE as “the place where the system’s failures arrive”, pointing to repeated English and Maths resits as symptomatic of deeper structural problems.

Careers guidance was repeatedly identified as inadequate, too late, and poorly connected to labour market realities. Participants argued that without reform upstream, post-16 policy will continue to operate reactively rather than strategically.

The decision to place the national careers advice service with Jobcentre Plus was also questioned. The point was made that “Jobcentre Plus focuses on economically inactive benefit claimants and has no contact with most adults who are already in the workforce, so how will they get high quality information and advice about skills training that can improve their earnings?”.

2.6 Governance, Coordination, and Scrutiny

Participants expressed uncertainty about the evolving governance of skills policy, particularly the shifting balance between DfE, DWP, Skills England, and devolved authorities. While closer alignment with employment policy was welcomed in principle, there was concern that dispersal of responsibility could weaken strategic oversight.

One participant described the system as “a dark hole between departments”, warning that without clearer leadership and accountability, reform risks becoming incoherent. Several contributors argued for stronger parliamentary scrutiny, potentially through joint select committee oversight, to ensure coherence and accountability.

2.7 Financial Fragility, Inclusion, and Capacity Constraints

Finally, the discussions underscored the fragile financial position of FE and HE providers. Participants cited VAT inequities, staff pay disparities, frozen funding rates, and capital constraints as barriers to delivery.

These pressures are compounded by rising SEND and mental health needs, particularly in FE. Contributors stressed that inclusion cannot be treated as an optional add-on. As one participant put it, “you can redesign the system endlessly, but if learners can’t access or complete provision, none of it works”.

3 CONCLUSION: FROM AMBITION TO SYSTEM REFORM

Taken together, the roundtables suggest that while the White Paper articulates an ambitious vision, it currently lacks the systemic coherence, adult focus, and aligned incentives required to deliver lasting change. The most significant policy gap is the absence of a credible adult learning strategy that integrates funding, employer incentives, careers guidance, and place-based delivery into a single, navigable system.

There is a clear opportunity to strengthen the White Paper by rebalancing it towards lifelong learning, clarifying the role of devolution, aligning employer demand with public investment, and addressing the structural weaknesses that currently undermine delivery. Without these changes, the risk is that the reforms remain reactive, fragmented and insufficiently equipped to meet the long-term challenges of productivity, inclusion and economic resilience.

It is worth noting that the Department for Education (DfE) sought feedback on the planned design and implementation of the new pathways for 16 to 19-year-olds announced in the Post-16 education and skills white paper, including: a third, vocational pathway at level 3 (creating V Level qualifications) and; two new pathways at level 2 - simplifying the current offer and providing a clear line of sight to both further study at level 3, and skilled employment through the Further Study pathway and Occupational pathway. Consequently, aspects of the White Paper, discussed here, have not been consulted upon. The following recommendations are intended to inform wider feedback and future policy design in this regard.

Recommendations

The roundtable discussions highlighted strong support for the ambition of the Post-16 Education and Skills White Paper, but also revealed a set of systemic weaknesses that risk undermining its delivery. To address these issues, the following recommendations are proposed.

1. Rebalance the System Towards Lifelong and Adult Learning

The White Paper should be strengthened by explicitly recognising adult learning as a central pillar of economic growth and productivity, rather than a secondary adjunct to youth employment policy. While tackling youth inactivity is important, the majority of the future workforce is already in employment or mid-career transition. Policy should therefore move beyond a narrow focus on NEETs and under-25s to support reskilling and progression across the full working life.

This requires removing implicit age-based distortions in funding and incentives that make older workers more expensive to train. The Government should ensure that employer co-funding rules, subsidy rates and access thresholds do not discourage investment in adult learners, particularly in sectors where experience, maturity and professional judgement are essential.

2. Reform the Lifelong Learning Entitlement to Ensure Genuine Accessibility

The Lifelong Learning Entitlement (LLE) should be repositioned as a universal skills entitlement rather than a marginal extension of the student loan system. Without meaningful maintenance support, the LLE will remain inaccessible to those who need it most, reinforcing existing inequalities.

Government should:

- Introduce a maintenance component for adult learners, particularly those retraining in priority sectors.
- Test grant-based or blended grant-and-loan models for mid-career learners to reduce debt aversion.
- Ensure that modular learning and micro-credentials are developed in close partnership with employers, so that they carry clear labour-market value and signalling power.

Without stronger demand-side incentives, the LLE risks low uptake, poor repayment outcomes, and limited economic impact.

3. Align Employer Incentives with Productivity and Long-Term Skills Needs

The Growth and Skills Levy proposals require significant further development. The White Paper should more clearly distinguish between policies aimed at labour market entry and those aimed at productivity growth, recognising that these objectives require different instruments.

Government should:

- Develop clearer co-funding models for higher-level skills that recognise shared benefits between individuals, employers, and the state.
- Explore mechanisms such as a graduate employer levy or enhanced levy flexibilities that reward long-term workforce investment rather than short-term recruitment.
- Address the “cliff edges” in the current levy system that penalise business growth and discourage workforce expansion.

Employer engagement should be treated as a core design principle, not an afterthought.

4. Reduce Fragmentation and Ensure National Consistency Within Devolution

While devolution offers opportunities for local responsiveness, the current approach risks creating a fragmented system that is difficult for employers and providers to navigate. The White Paper should set clearer national guardrails to ensure consistency of entitlement, funding rules and provider access across devolved and non-devolved areas:

- Cross-border funding rules should be clarified to reflect real labour markets rather than administrative boundaries.

- Non-devolved areas should be protected from falling behind as Adult Skills Funding is devolved.
- Best practice from Combined Authorities should be systematically captured and shared, rather than remaining geographically uneven.

Devolution should enable local flexibility without undermining system coherence.

5. Reconnect Schools to the Post-16 Skills System

The White Paper should explicitly address the role of schools as the primary feeder into post-16 education and training. Current accountability frameworks incentivise academic attainment over progression outcomes, contributing to a broken pipeline into technical and vocational routes.

Government should:

- Strengthen destination-based accountability measures for schools.
- Embed high-quality, employer-informed careers education earlier in the curriculum.
- Reconsider the continued reliance on repeated English and Maths resits, exploring embedded and functional alternatives aligned to vocational pathways.

Without reform at this stage, post-16 interventions will continue to operate downstream of earlier systemic failures.

6. Clarify Governance, Accountability and Parliamentary Scrutiny

The evolving machinery of government for skills policy—spanning DfE, DWP, Skills England and Combined Authorities—requires clearer lines of responsibility and accountability. The White Paper should set out how strategic oversight, delivery coordination and scrutiny will function in practice.

Consideration should be given to:

- Formal mechanisms for joint working and joint scrutiny between relevant Select Committees.
- Clearer articulation of Skills England's role relative to devolved authorities.
- Stronger system leadership to prevent duplication, confusion and policy drift.

7. Address Financial Sustainability and Capacity Constraints in FE and HE

The ambitions of the White Paper cannot be delivered without addressing the financial fragility of the FE and HE sectors. Persistent issues such as VAT inequity for colleges, teacher pay disparities, frozen funding rates and capital shortages must be tackled as part of the reform agenda.

In parallel, funding models must better reflect:

- The rising prevalence of SEND and mental health needs in post-16 education.
- The additional costs of supporting disadvantaged learners.
- The wider social and economic value of adult and community learning, beyond immediate employment outcomes.

8. Treat Inclusion as Core System Infrastructure, Not an Add-On

Finally, the White Paper should recognise that inclusion—particularly for learners with SEND, mental health challenges and complex life circumstances—is not peripheral but foundational. Embedded support models, including closer integration with health and social services, should be scaled and properly resourced.

Without this, many learners will remain unable to access or complete provision, regardless of reforms to qualifications, funding or governance.

Overall, the roundtables point to a clear opportunity to strengthen the White Paper by moving from a largely reactive, youth-centred framework to a genuinely lifelong, system-wide strategy. Doing so would better align skills policy with the UK's long-term economic, social and productivity challenges, while ensuring that reform delivers both growth and inclusion.

APPENDIX 1: PARTICIPANTS

1. Roundtable, Wednesday 19th November 2025

- Lauren Edwards MP, Co-chair, Skills, Careers, and Employment APPG
- Jonathan Adams, Chief Strategy Officer, Activate Learning
- Pat Carvalho, Principal, BMet College
- Jill Cowley, Pro Vice-Chancellor, De Montfort University
- Mark Morrin, Head of Research, LEI
- Johnny Rich, CEO, PUSH
- Jasbir Sondhi, Group Principal, Capital City College Group
- Amanda Washbrook, Deputy Principal, West Herts College Group

2. Roundtable, Tuesday 2nd December 2025

- Andrew Pakes MP, offered his apologies due to transport difficulties
- Alex Durand, CEO, Saxon Air
- Andy Forbes, Executive Director, LEI
- Jamie Jefferies, Managing Director, Access Training Wales
- Gareth John, Policy Director, First Intuition
- Dee Hopal, Associate Director of Employer Partnerships, University of East London
- Yiannis Koursis OBE, CEO, The Bedford College Group
- Jenny Pelling, Director of Skills and Strategy, Kaplan
- Dr Nikos Savvas, Group CEO, Eastern Education Group
- Mike Speight, Executive Director Strategic Enterprise, University of the Built Environment
- James Whybrow, Group Director of Apprenticeships and Employer Engagement, Inspire Education Group

3. Roundtable, Tuesday 16th December 2025

- Helen Hayes MP, Chair, Education Select Committee
- Prof. Buge Apampa, PVC Education and Experience, University of East London
- Denise Brown, Group Chief Executive, South Essex Colleges Group
- Andy Forbes, Executive Director, Lifelong Education Institute
- Laura Guymer, Assistant Director Employment and Skills, South Yorkshire Mayoral Combined Authority
- Peter Mayhew-Smith, Group Principal and CEO, South Thames Colleges Group
- Gerry McDonald, Group Principal & CEO, New City College
- Rachel Nicholls, Principal and Chief Executive Officer, Inspire Education Group
- Prof. Ross Renton, Principal, ARU Peterborough

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