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The future of Tertiary Education in Wales Call for Submissions: Thematic Analysis Summary Report

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Executive Summary

This summary paper provides a descriptive synthesis of 76 responses to the [Call for Submissions on the Future of the Tertiary Education System](#). It summarises stakeholder views across the five challenge areas, highlighting areas of broad alignment in the submissions, variation by organisation sector, and evidence-informed tensions. The paper also describes cross-cutting messages on progression, learner support, funding pressures, flexible provision, collaboration, place-based access and outcome measurement. It does not however assess individual submissions or make recommendations from the evidence.

Across the submissions, participation was framed less as a question of enrolment volume and more as a question of progression, learner support and pathway coherence. Submissions pointed to barriers linked to disadvantage, transport, geography, additional learning needs (ALN), wellbeing, prior attainment and Welsh-medium capacity, alongside demand for clearer routes across further education (FE), apprenticeships, work-based learning and higher education (HE).

Submissions also highlighted increasing learner complexity, with higher support needs, lower prior attainment in literacy and numeracy, and greater prevalence of overlapping barriers (e.g. financial, wellbeing, transport and ALN-related factors). These were often described as affecting both participation and sustained engagement.

Funding pressures were described as affecting both learners and providers. Submissions linked learner costs to reduced participation, retention and weaker engagement. Submissions described financial pressures as affecting the feasibility of sustaining subject breadth, high-cost provision, community learning, Welsh-medium delivery, research capacity and the scope for collaboration.

Submissions often supported efficiency and shared delivery, where these protect quality and access, but cautioned that further funding reductions or enforced efficiencies could affect provision, staffing and curriculum breadth.

Submissions described demographic, technological, and economic pressures as requiring greater flexibility in the system. Adult learning, modular provision, part-time study, work-based routes and reskilling were repeatedly raised, but submissions often argued that funding, regulation and data systems still reflect more linear, full-time models. Some submissions also emphasised the role of community-based and first-step provision, particularly in supporting learners who are not yet ready for formal education and require gradual progression routes into the wider system.

Competition and collaboration were presented as a recurring structural tension. Submissions valued collaboration for progression, access, specialist provision and employer alignment, but reported barriers including funding incentives, governance complexity, data-sharing constraints, competition law concerns in some HE

evidence, and limited staff time, organisational capacity and specialist expertise to develop and sustain partnerships. Across the five challenges, submissions called for stronger data on learner journeys, progression, outcomes, labour-market alignment and regional access, alongside better planning and coordination.

Across the submissions, there was broad agreement on the importance of clearer progression routes, stronger learner support, greater flexibility and better coordination across the system. However, submissions also exposed important differences of emphasis between sectors and a number of recurring tensions, including between efficiency and access, flexibility and coherence, labour-market responsiveness and wider educational value, and competition and collaboration.

Action Required

This document is for information only.

Further information and related documents

Large print, Braille and alternative language versions of this document are available on request.

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Additional copies

This summary of response and copies of all the consultation documentation are published in electronic form only and can be accessed on the Welsh Government's website.

Link to the consultation documentation:

[The future of tertiary education in Wales: five challenges and calls for submission | GOV.WALES](#)

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1 Purpose and scope

This summary report contains the key themes emerging from responses to the Call for Submissions on the Future of the Tertiary Education System. It synthesises stakeholder views, areas of alignment, differences by organisation sector and any policy-relevant tensions raised in submissions. It does not assess or rank individual submissions. It does not make policy recommendations. Where respondent-suggested actions are included, these are presented as areas raised in submissions for further consideration. The analysis should be read as a descriptive synthesis of submitted evidence. Where possible, contributions are tagged with the main organisation sectors.

1.1 Methodological note

The analysis draws on 76 submissions to the Call for Submissions. It used an agreed analytical framework and shared codebook, aligned to the five challenge areas set out in the Call for Submissions. Analysts undertook manual thematic coding, with sample double-coding and reconciliation used to support consistency. The code book used in the analysis is detailed in Annex C.

Coded segments were then synthesised by child code and reviewed to identify tentative themes, areas of broad alignment, variation by respondent type, and evidence-informed tensions. An artificial intelligence (AI)-assisted tool (Microsoft Co-Pilot) was used to support synthesis of evidence by summarising large volumes of coded segments. Human analysts retained responsibility for quality assurance, checking the outputs against the coded evidence and for final interpretation. The full methodology can be found in Annex D.

1.2 Sector tag key

Label	Meaning
EI	Employers and industry
WBL	Work-Based Learning
FE	Further education colleges
HE	Higher education institutions
ACL	Adult and community learning
RB	Representative bodies, subject bodies and professional bodies
SO	Student organisations
TS	Third sector and specialist organisations
SCH	Schools
LA	Local authority
REG	Regulators / quality bodies where identifiable

Note: Sector tags indicate the main source groups visible in the submissions, and they are not frequency counts. At the end of each finding, submissions from sectors contributing to the finding are listed in brackets.

2 Summary of cross-cutting messages

2.1 Submissions went beyond looking at participation as a simple volume issue.

Across challenge areas, the stronger message was that participation depends on coherent progression routes, learner support, and the availability of provision that matches learner starting points. This was reinforced by submissions highlighting the increasing learner complexity and the need for tailored academic, pastoral and financial support to sustain participation and progression. (WBL, FE, HE, ACL, RB, SO, TS).

2.2 Funding and cost pressures appeared across all five challenges. Submissions linked these pressures to learner access, provider sustainability, subject breadth, partnership capacity and responsiveness to demographic and technological change (FE, HE, ACL, WBL, RB, SO, TS).

2.3 Flexible, part-time, modular, and work-based learning were repeatedly described as necessary for adult learners, employed learners, and those returning to education. The evidence also shows concern that current funding and regulatory models still favour more linear, full-time provision (WBL, ACL, HE, RB, SO).

2.4 Collaboration was widely valued, but submissions often described it as difficult to deliver within current funding, accountability and data-sharing arrangements. Reported barriers included funding incentives, accountability frameworks, data sharing constraints, limited staff and organisational capacity and, in some HE evidence, competition law concerns (FE, HE, WBL, ACL, RB, SCH, TS).

2.5 Place matters. Submissions linked rural, post-industrial and less mobile learners to transport barriers and local access gaps, particularly where provision is concentrated in fewer locations or further from where learners live. Similar concerns were raised for Welsh-medium, specialist ALN, and high-cost subject provision. The continued importance of locally accessible and community-based provision, particularly for adults and less mobile learners, as an entry point and progression pathway was highlighted. (ACL, LA, TS, SCH, RB, WBL).

2.6 Submissions supported closer alignment with labour market needs, but many cautioned against using narrow outcome measures. Earnings and employment data were seen as useful but insufficient without measures of progression, job quality, regional retention, public value, wellbeing and social contribution. Some submissions emphasised the importance of recognising distance travelled and progression outcomes, particularly for learners entering at lower levels or through adult learning routes (EI, WBL, HE, RB, SO, TS, ACL).

2.7 AI and digital change were framed as opportunities for learning, planning and efficiency, but not as straightforward savings. Submissions raised risks around digital exclusion, assessment integrity, staff capability, data governance, and the need for national guidance (WBL, FE, HE, RB, SO, TS, SCH).

3 Challenge 1: Participation

3.1 What submissions told us

Submissions commonly framed participation as being shaped by progression routes, learner support and access barriers, rather than by enrolment levels alone. A recurring concern was that some learners can enter lower-level routes without clear onward progression, particularly progression from Level 2 to 3 and from Level 3 into Level 4/5 or other higher-level routes. Submissions also highlighted increasing numbers of learners entering with lower prior attainment in literacy and numeracy,

alongside more complex support needs, including mental health, safeguarding and wellbeing requirements (WBL, FE, HE, RB, SO).

Access barriers were linked to socio-economic disadvantage, geography, transport, ALN, wellbeing needs, lower prior attainment and disrupted education histories. These issues were often described as cumulative, with pre-16 experience affecting post-16 choices and readiness to participate in, sustain and progress in post-16 learning. (FE, ACL, RB, SO, TS, SCH, LA).

Flexible, adult, part-time and work-based routes were described as important strengths, particularly for learners balancing study with work or caring responsibilities, and for those requiring gradual re-entry through community-based or first-step provision. (WBL, HE, ACL, RB, SO).

Welsh-medium participation was raised as a pathway and capacity issue. The submissions point to staffing shortages, limited vocational and higher-level Welsh-medium routes, uneven regional availability and weak continuity from school into tertiary education. Submissions also emphasised workforce capacity and recruitment challenges as key constraints on expanding Welsh-medium provision. (ACL, RB, SO, TS, SCH).

Provider, student and third-sector submissions gave more detail on ALN, wellbeing, low confidence and practical barriers. Employer-facing and provider submissions placed greater emphasis on labour-market alignment, while comments on participation targets were raised by a narrower group and focused mainly on how future measures should reflect progression, learner diversity, and employment relevance.

The following are some of the key highlights from across the submissions:

“There is a need to focus on ensuring that pathways are clearly articulated, well understood by learners, and supported by strong progression routes and learner support” Contributor from Regulators and Public Bodies

“...transport can be a substantial barrier to accessing education at all ages, particularly in rural areas” Contributor from Local Authority

, “...increasing number of learners with ALN and more complex needs who are progressing into FE, particularly at Level 2 and below” Contributor from Regulators and Public Bodies

3.2 Key themes emerging

- **Progression and pathway coherence:** clearer routes are needed across FE, work-based learning (WBL), apprenticeships and HE, especially at key transition points between Level 2 and Level 3, and between Level 3 and Level 4-5 with particular emphasis on improved guidance and support for

transitions, including apprenticeships and higher-level routes (WBL, FE, HE, RB).

- **Participation inequalities:** access is shaped by disadvantage, rurality, transport, ALN, wellbeing, confidence and prior attainment including increasing learner complexity, lower attainment on entry and overlapping support needs (ACL, SO, TS, SCH, LA, RB).
- **Flexible and non-linear participation:** part-time, adult, work-based and re-entry routes are valued but not always fully supported by system design including community-based entry routes and staged progression into formal provision (WBL, HE, ACL, RB, SO).
- **Welsh-medium continuity:** capacity and resource gaps affect learner choice, vocational pathways and workforce pipelines (ACL, RB, SO, TS, SCH).
- **Participation system ambition and employment relevance:** submissions supported system ambition for higher participation and skills, and the extent to which participation routes connect to relevant employment opportunities, but cautioned that measures should reflect progression, learner diversity and the availability of relevant employment opportunities (EI, WBL, RB, SO, TS).

3.3 Evidence-informed tensions

- **Participation vs support intensity:** widening participation increases the diversity and complexity of learner needs, requiring more intensive support that may not be fully reflected in current system design.
- **Access vs meaningful progression:** increasing entry may not improve outcomes if routes do not lead onwards.
- **Flexibility vs coherence:** non-linear routes improve access, but pathways are often complex and harder for learners to navigate.
- **Targets vs responsiveness to learner needs and local demand:** participation targets may focus attention but risk encouraging box-ticking or reducing flexibility in how provision is delivered.
- **Welsh-medium ambition vs delivery capacity:** expanding Welsh-medium participation depends on learner choice, staff capacity, resources, continuity across pathways and qualification availability.

3.4 Areas of broad alignment in the submissions

- Progression should be prioritised alongside participation volumes.
- Entry, Level 1 and Level 2 provision remain important for re-engagement and disadvantaged learners.
- Flexible, part-time, adult and work-based routes should be protected as part of the Welsh system offer.
- Learners need clearer information, advice and guidance across academic, vocational and work-based options.

- Participation policy should take account of socio-economic, geographic, and learner-support barriers.
- Submissions showed alignment on:
 - the importance of HE participation as part of wider learner progression.
 - Participation should focus on progression and outcomes (not just entry).
 - Value of diverse routes into HE
 - Continued importance of HE participation (including at age 18)
- However, there was variation in views on:
 - the role of participation targets
 - the balance between HE and other pathways
 - and the extent to which HE is the most appropriate route for all learners

3.5 Respondent-suggested areas for policy consideration

- Develop clearer progression frameworks across FE, WBL, apprenticeships, and HE.
- Protect foundation, access, confidence-building and pre-apprenticeship routes.
- Strengthen financial, transport, childcare, ALN and pastoral support where these affect participation.
- Improve pathway guidance, including impartial information on vocational, academic and work-based routes.
- Invest in Welsh-medium staffing, bilingual resources and continuity from school into tertiary pathways.
- Align participation measures with progression, completion and learner outcomes, so that participation is understood in terms of learner progression and success rather than enrolment volumes alone.

4 Challenge 2: Communities and the economy

4.1 What submissions told us

Submissions commonly linked tertiary education to workforce capability, regional economies, research and community outcomes. The clearest shared message was the need to align provision more closely with employer demand, regional priorities and shortage areas, while retaining broader educational and social value – a balance that submissions suggested can be difficult to achieve in practice. Submissions also emphasised the role of FE and adult learning in supporting workforce development, upskilling, reskilling and progression into employment, particularly through locally

responsive provision aligned to emerging sectoral needs. (EI, WBL, FE, HE, RB, TS, ACL).

Research and innovation were described, particularly by HE and representative bodies, as important economic and public-service assets. However, submissions also reported funding constraints, low research and development (R & D) investment, uneven access to UK funding and limited capacity to develop partnerships or bids (HE, RB, TS, EI).

Specialisation and regional clustering were viewed as potentially beneficial where they strengthen quality, innovation and employer links. Submissions also warned that over-concentration could reduce local access, narrow learner choice and weaken resilience, especially for less mobile learners or places with fewer providers (WBL, FE, HE, RB, TS, SCH).

AI and digital change were presented as opportunities for personalised learning, analytics, planning, and efficiency. The submissions also show repeated concerns about digital inequality, assessment integrity, staff capability, data governance and the need for clear national guidance on AI use in tertiary education. (WBL, HE, FE, RB, SO, TS, SCH).

Submissions challenged narrow outcome measures. Earnings and employment were seen as useful but insufficient without data on progression, job quality, skills utilisation, regional retention, wellbeing, social value, Welsh language outcomes and community contribution. Submissions also highlighted the need to recognise progression, distance travelled and contextual factors affecting outcomes, particularly for learners entering from disadvantaged backgrounds or non-traditional routes. (EI, HE, RB, SO, TS, ACL).

Research and innovation funding was most prominent in HE and representative-body submissions. Specialisation was discussed across sectors, but with different emphases: some submissions focused on efficiency, quality, and innovation, while others stressed access, resilience and local provision. Community, Welsh-language and wider social-value outcomes were more concentrated in adult community learning (ACL), third-sector, Welsh-language and some representative-body evidence.

The following are some of the key highlights from across the submissions:

“Research is crucial for progress: scientific, social and economic.” Contributor from Representative Bodies

“...artificial intelligence presents significant opportunities for transforming tertiary education, but also introduces substantial environmental, ethical and systemic risks”
Contributor from Third Sector

“Graduate Outcomes data should be used alongside LEO to provide additional insight into job quality, alignment with career plans, meaningfulness of employment, further study, and self-employment” Contributor from Representative Bodies

“...a critical disconnect between regional industrial investment and learner awareness.” Contributor from Higher Education

4.2 Key themes emerging

- **Labour-market alignment:** stronger use of employer input, regional skills intelligence and shortage evidence was widely requested (EI, WBL, HE, RB, FE).
- **Research and innovation capacity:** submissions linked R&I to productivity, public services, regional development and investment, while noting funding constraints (HE, RB, TS).
- **Specialisation with access safeguards:** clustering can support quality and impact but should not reduce regional access or provision breadth (WBL, HE, RB, TS, SCH).
- **AI and digital governance:** submissions wanted national guidance, infrastructure, staff development and safeguards against inequality and misuse (WBL, HE, FE, RB, SO, TS).
- **Wider outcomes and data:** linked, longitudinal and multidimensional data were requested to capture learner journeys and public value including recognition of distance travelled and contextual learner factors (HE, RB, ACL, SO, TS, EI).

4.3 Evidence-informed tensions

- **Labour-market responsiveness vs breadth:** submissions supported stronger alignment with employer and regional skills needs, while also emphasising learner choice, transferable skills and long-term system resilience.
- **Specialisation vs access:** clustering may improve quality but risks reducing local or regional opportunity.
- **Economic metrics vs social value:** earnings and employment data do not capture all outcomes valued by submissions.
- **AI innovation vs equity and integrity:** digital adoption needs safeguards, investment and staff/learner support.
- **Collaboration vs fragmented incentives:** while collaboration was widely seen as improving efficiency and outcomes, submissions highlighted that fragmented funding, policy and data systems can create misaligned incentives between providers, employers and government/tertiary education system.

4.4 Areas of broad alignment in the submissions

- Provision should be better informed by labour-market and regional skills intelligence.
- Research, innovation and knowledge exchange are important to economic and social outcomes.
- Outcome measures should go beyond earnings alone.
- AI adoption should be managed carefully and ethically.
- Specialisation should be evidence-led and balanced against learner access.

4.5 Respondent-suggested areas for policy consideration

- Align qualifications, apprenticeships and provision with employer evidence and regional skills intelligence, including insight from Regional Skills Partnerships where appropriate.
- Use public funding to support collaborative bids, translational applied research, pilot projects and Small and Medium sized Enterprise (SME) access to innovation.
- Develop networked or place-based clusters that protect access while reducing unnecessary duplication.
- Create national AI guidance, support staff development and invest in digital infrastructure and inclusion.
- Link Lifelong Learning Wales Record (LLWR), Longitudinal Education Outcomes (LEO), Higher Education Statistics Agency (HESA) and administrative datasets where appropriate, with safeguards and clear data-sharing agreements.

5 Challenge 3: Financial sustainability

5.1 What submissions told us

Submissions raised financial issues as affecting learners, providers, and the wider system. Learner costs - including transport, accommodation, childcare, equipment, digital access, lost income and low apprenticeship wages - were repeatedly linked to participation, retention and engagement. Transport was consistently identified as one of the most significant barriers, alongside wider cost-of-living pressures affecting attendance, progression and decision-making. (WBL, FE, HE, ACL, SO, TS, RB).

Provider sustainability was also a major theme. Submissions reported rising delivery costs, real-terms funding pressure, small-cohort costs, high-cost Science Technology Engineering and Mathematics (STEM) and technical provision, Welsh-medium delivery costs, pressures linked to reliance on income from some activities

to support research or other underfunded provision and the vulnerability of part-time and community provision. Submissions also reported workforce pressures, including recruitment and retention challenges and increasing costs linked to more complex learner needs. Submissions also highlighted the importance of capital and infrastructure, including digital systems, specialist facilities, labs, simulation environments, estates and community venues, as important enablers of both access and quality. (HE, FE, ACL, WBL, RB, TS).

Many submissions supported collaboration, shared facilities, digital delivery, and streamlined administration. However, they also cautioned that further funding reductions or enforced efficiencies could affect quality, support, staffing or curriculum breadth (HE, FE, WBL, SO, RB).

Investment was often discussed in terms of outcomes, including employment, productivity, progression, social value, wellbeing, regional development and public-service contribution. Submissions differed on how these returns should be balanced and measured (EI, HE, ACL, RB, TS, SO).

HE and subject bodies placed particular emphasis on structural funding, access to research funding and high-cost provision. ACL and third-sector submissions focused more on underfunding, community access and unmet demand, while student organisations highlighted hardship, wellbeing and disruption to study. Delivery-model proposals were more sector-specific and should be read as reported options rather than assessed recommendations.

The following are some of the key highlights from across the submissions:

“Fees, travel, childcare and equipment costs remain significant constraints on participation” Contributor from Adult and Community Learning

“Transport costs, equipment costs, low apprenticeship wages, and impacts on household income remain significant barriers” Contributor from Work-Based Learning

“For many learners, daily travel costs can therefore represent a substantial financial burden, particularly for those from lower-income households.” Contributor from Further Education

5.2 Key themes emerging

- **Learner affordability:** cost pressures affect entry, attendance, engagement, retention and progression with transport and day-to-day participation costs identified as particularly significant barriers (WBL, FE, HE, ACL, SO, TS).
- **Provider sustainability:** funding models are seen as misaligned with delivery costs in high-cost, specialist, Welsh-medium, part-time and community

provision including pressures linked to workforce recruitment, learner complexity and rising operational costs (HE, FE, ACL, WBL, RB).

- **Limited scope for further enforced efficiency:** shared services and collaboration were supported, but submissions warned that further cost cutting could affect quality or access (HE, FE, WBL, SO, RB).
- **Capital and infrastructure:** digital systems, specialist facilities, labs, simulation, estates and community venues were linked to both access and quality (HE, FE, WBL, ACL, RB, TS).
- **Funding linked to outcomes:** Submissions wanted stronger links to economic and social returns, while cautioning against narrow metrics (EI, HE, ACL, RB, TS).
- **Efficiency and delivery:** Submissions highlighted regional planning, consolidation and shared provision as potential efficiency measures, while cautioning against impacts on local access. (FE, RB).

5.3 Evidence-informed tensions

- **Learner support vs institutional sustainability:** both were raised as important, but they draw on the same constrained funding environment.
- **Efficiency vs quality and access:** Enforced savings or further funding reductions may reduce contact time, support, staffing or curriculum breadth.
- **Flexibility vs cost:** modular, part-time and community provision may improve access but can be resource intensive.
- **Economic returns vs social value:** respondents valued employment outcomes but also wellbeing, cohesion and public-service contribution.
- **Capital investment vs revenue stability:** infrastructure investment needs to sit alongside sustainable delivery funding.

5.4 Areas of broad alignment in the submissions

- Financial barriers are a major constraint on participation and retention.
- Funding models should better reflect the real costs of different types of provision.
- Longer-term and more stable funding would improve planning.
- Collaboration can support efficiency only if properly resourced.
- Investment decisions should consider both economic and social outcomes.

5.5 Respondent-suggested areas for policy consideration

- Target learner support towards transport, maintenance, childcare, equipment, digital access, apprentice wages and wellbeing/mental health support where these affect participation and retention.
- Use multi-year or index-linked funding settlements where these support planning and stability.
- Broaden access to capital investment for providers delivering strategic, specialist or hard-to-reach provision.
- Support shared services, shared facilities and collaborative delivery where this protects quality and access.
- Use recognition of prior learning and clearer progression pathways to reduce unnecessary repeat learning.
- Target funding for high-cost, priority or vulnerable provision, including STEM, Welsh-medium, essential skills and community learning.

6 Challenge 4: Demographic change and system preparedness

6.1 What respondents told us

Submissions described demographic change as a structural pressure requiring a stronger lifelong learning offer, rather than a system designed primarily around young, full-time learners. Declining youth cohorts, population ageing and labour-market change were linked to growing demand for adult learning, upskilling and mid-career reskilling. Submissions also highlighted that some adult learners are not immediately ready to enter formal provision and require accessible first-step or community-based entry points into the system. (WBL, FE, HE, ACL, RB, SO).

Respondents highlighted misalignment between demographic change and current funding, eligibility and programme rules. Flexible, modular, blended and work-based routes were widely valued, but submissions reported that these are not always supported by funding and regulation designed around more linear provision. (WBL, FE, HE, ACL, RB).

The impacts were described as uneven. Rural and post-industrial areas, Welsh-medium provision and high-cost subjects were seen as more exposed to small cohorts, access barriers and provider sustainability pressures. Some submissions also noted that 16-18 demand may increase in the short term before longer-term decline, creating additional planning uncertainty (LA, FE, HE, RB, SCH).

Learner profiles were also described as becoming more diverse, including adult returners, employed learners, learners with foundational skills gaps, Additional Learning Needs (ALN) learners and those facing transport, childcare, affordability or digital barriers. Submissions suggested that without stronger planning and support, demographic change could widen existing inequalities (ACL, FE, HE, TS, SO, LA).

Funding and regulatory misalignment was reported most consistently by providers, representative bodies and regulators. Geographic variation was most detailed in local authority, FE and place-based submissions. Evidence on specific learner groups, including adults requiring first-step provision, learners with ALN and those facing practical barriers, was more concentrated in ACL, third sector and local authority evidence.

The following are some of the key highlights from across the submissions:

“Without a deliberate shift towards a system designed for lifelong participation, there is a risk that demographic change will outpace system adaptation” Contributor from Adult Community Learning

“QAA’s engagement with its membership across the UK indicates that while there is strong interest in expanding flexible and modular provision, progress is often constrained by these structural and system-level barriers” Contributor from Regulators and Public Bodies

6.2 Key themes emerging

- **Lifelong learning:** Shift from youth-focused provision to adult learning, reskilling and lifelong participation (WBL, FE, HE, ACL, RB, REG, SO).
- **System misalignment:** Funding, eligibility and design still favour full-time, linear provision over flexibility (FE, HE, ACL, RB, REG, LA, WBL).
- **Flexibility:** Need for modular, part-time, blended and work-based pathways, with credit transfer and prior learning recognition (WBL, FE, HE, RB, TS, SO).
- **Uneven impacts:** Rural areas, Welsh-medium provision and high-cost subjects face greater demographic pressures (LA, FE, HE, RB, ACL).
- **Learner diversity:** More varied learner needs require more inclusive, accessible and flexible support including learners requiring gradual progression, foundational skills development and flexible entry points (ACL, FE, HE, TS, REG, SO).

6.3 Evidence-informed tensions

- **Access vs sustainability:** widening access must be balanced with provider viability, especially in rural areas and high-cost provision.

- **Flexibility vs system design:** modular and part-time delivery are valued but remain poorly supported by funding and regulation.
- **Youth provision vs adult demand:** protecting 16–18 provision must be balanced with growing demand for adult learning and reskilling.
- **Competition vs collaboration:** demographic pressure may intensify competition, while sustaining provision increasingly depends on partnership working.
- **Local responsiveness vs national coordination:** place-based flexibility is valued but depends on coherent national funding, data and planning.

6.4 Areas of broad alignment in the submissions

- Need for a lifelong learning system that supports people across their working lives, while also recognising wider adult learning where this was raised in submissions.
- Support for flexible and modular provision, including part-time and work-based learning routes.
- Concern about funding and regulatory misalignment, particularly where these constrain responsiveness to demographic change.
- Importance of workforce-related skills and reskilling, linked to economic and labour market change.
- Learner profiles are becoming more varied, including adult returners, employed learners, learners with foundational skills gaps, ALN learners and learners facing practical or support barriers.

6.5 Respondent-suggested areas for policy consideration

- Expansion and adaptation of modular and stackable learning, including micro-credentials and credit-based systems to support non-linear progression.
- Reform of funding models to better support part-time, community-based, and flexible provision, including multi-year funding and reduced bias toward full-time routes.
- Strengthening recognition of prior learning and credit transfer, enabling movement across providers and levels.
- Closer alignment with labour market demand, including employer engagement, sector-based planning, and real-time skill needs intelligence.

- Development of community-based and place-based provision, particularly in rural or disadvantaged areas, to improve accessibility.
- Improved coordination across FE, HE, and work-based learning, including clearer progression pathways and integrated planning.
- Targeted support for adult learners, including financial support, childcare, transport, and flexible delivery options.
- Enhanced data and planning capability, including demographic forecasting and local intelligence to inform provision.

7 Challenge 5: Competition and collaboration

7.1 What submissions told us

Submissions presented competition and collaboration as structural tension shaped by funding, accountability and market conditions. Many respondents reported that learner-number funding, recruitment incentives and financial pressures can prioritise organisational sustainability over joint planning, although some also saw competition as supporting choice and responsiveness. Submissions also highlighted the importance of shared vision, leadership and data as enablers of effective collaboration, alongside the need to recognise roles across providers, including FE and adult learning, within partnership models (FE, HE, WBL, RB, SO).

A recurring concern was that competitive pressures can contribute to duplication, weaker coordination and risks to small-cohort, high-cost or strategically important provision. Respondents linked these risks to STEM, healthcare, languages, Welsh-medium provision and regional cold spots, particularly where learners are less mobile or provision is costly to sustain (RB, FE, HE, SCH, LA).

Collaboration was valued to sustain specialist provision, widen access and improve progression. Examples included shared teaching, validation and franchising arrangements, degree apprenticeship partnerships, regional curriculum planning and employer-linked delivery (FE, HE, WBL, SCH, EI).

However, submissions described collaboration as uneven and under-enabled. Reported barriers included fragmented funding, governance differences, data-sharing constraints, timetable and curriculum incompatibilities, transport issues, limited staff time, organisational capacity and specialist expertise needed to develop and sustain collaboration. Respondents therefore emphasised the need for better coordination, shared data and partnership capacity (HE, FE, WBL, LA, REG, RB).

Subject vulnerability and regional access risks were most prominent in provider and representative-body evidence. Operational barriers to collaboration were most visible

in delivery-facing submissions from FE, ACL, schools and work-based learning/apprenticeship organisations, while legal and governance barriers were more concentrated in HE and representative-body evidence.

The following are some of the key highlights from across the submissions:

“Universities operate in a mind-set of competition” Contributor from Higher Education

“Competition overrides collaboration where providers are trying to safeguard their income” Contributor from Higher Education

“...we operate in a competitive funding environment, which does not encourage or promote collaboration” Contributor from Higher Education

, *“...some providers do not give impartial advice and guidance in an attempt to keep their learners.”* Contributor from Further Education

“...funding system per head is the biggest barrier to collaboration, particularly in the 16-18 sector.” Contributor from Further Education

7.2 Key themes emerging

- **Competitive incentives:** funding and accountability arrangements were widely seen as rewarding learner recruitment over joint planning (FE, HE, WBL, RB, LA, SCH).
- **Under-enabled collaboration:** partnership working was widely valued but constrained by funding, governance, data-sharing and capacity barriers including the need for clearer roles, shared accountability and enabling funding arrangements (FE, HE, WBL, RB, LA, REG, TS).
- **Uneven provision and subject risk:** competition was linked to pressure on small-cohort, high-cost and strategically important subjects, with regional access risks (RB, FE, SCH, HE, REG).
- **Collaboration and learner pathways:** cross-sector working was linked to broader access, smoother transitions and clearer progression routes (FE, HE, WBL, SCH, LA, EI).
- **Coordination and shared infrastructure:** stronger planning, governance, data systems and learner tracking were widely requested (RB, REG, LA, HE, FE).

7.3 Evidence-informed tensions

- **Choice vs planning:** learner choice and responsiveness may conflict with planned provision for strategic subjects and labour market needs.

- **Autonomy vs stewardship:** institutional autonomy sits alongside calls for stronger system-level coordination.
- **Efficiency vs resilience:** reducing duplication may save resources but could weaken access.
- **Collaboration vs competition:** joint work can be difficult where funding and recruitment remain competitive.

7.4 Areas of broad alignment in the submissions

- Collaboration can improve progression, access and subject breadth.
- Funding and accountability arrangements influence whether collaboration is viable.
- Strategic and high-cost provision may need deliberate protection or support.
- Data sharing and learner tracking need improvement.
- Structural barriers, rather than lack of goodwill alone, often limit collaboration, with submissions describing funding models that incentivise competition, fragmented governance and data systems, and limited capacity for joint planning and delivery.

7.5 Respondent-suggested areas for policy consideration

Respondents suggested a range of practical, system-focused approaches:

- Align funding and accountability frameworks with shared outcomes and joint provision.
- Improve data sharing and system infrastructure tracking across FE, HE and WBL.
- Support collaborative delivery, validation, franchising, shared teaching and hybrid/digital models through the provision of longer-term funding.
- Address operational barriers by investing in staff time and partnership capacity while also aligning timetables qualification frameworks and academic calendars.
- Clarify governance and legal frameworks for collaboration, including competition-law concerns where relevant.

Annexes in Separate Document

Annex A: List of organisations/submissions

Annex B: Sector tags and analytical variables Code Book

Annex C: Codebook

Annex D: Methodology