ACHIEVING SOCIAL VALUE IN FURTHER EDUCATION AND SKILLS

The sector's contribution to social, economic and environmental wellbeing

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FOREWORD

In his Labour Party Conference speech in September 2025, the Prime Minister pledged to make further education (FE) a 'defining cause of this Labour government', committing to raising standards and teaching quality¹.

On the same day, he announced a package of reforms to 'elevate and transform the education skills system', including new targets to bolster participation in FE². The subsequent Post-16 Education and Skills White Paper placed skills at the heart of delivering the Government's ambitions for growth, setting out a bold vision for a unified tertiary system, a reformed qualifications landscape, and a renewed focus on teaching excellence and workforce development³.

This renewed focus on the FE and skills sector and its workforce offers a strategic opportunity to elevate the sector as a national priority. The FE and skills sector not only equips learners with the skills and qualifications required for a dynamic and growing economy; through its place-based approach and deep local roots, the sector strengthens the social fabric that underpins inclusive growth and civic resilience. It enables individuals to progress and access new opportunities, while strengthening communities and shaping a fairer, more sustainable society.

The Education Training Foundation's (ETF) own recent polling demonstrates that people across the UK are eager to access such opportunities. Many are interested in retraining to work across the Industrial Strategy's priority areas, particularly in high-tech production (45%), software and innovation (45%), and health and biotech (43%). Yet, lots of these individuals do not know where to start, perceiving lack of career pathway guidance (15%), lack of qualifications (14%), or limited training or

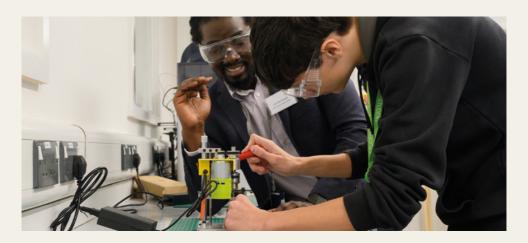
development opportunities (13%) among the barriers to taking this step⁴. FE and skills offers an effective pathway for those seeking meaningful change and the White Paper's emphasis on improving progression pathways and simplifying the skills system provides a timely policy framework for addressing barriers to accessing the sector's opportunities. To support these reforms, how can we better demonstrate the value of FE and skills?

This report, commissioned by ETF and authored by Matilda Gosling, explores the concept of social value – encompassing social, economic and environmental wellbeing – in the FE and skills sector. Drawing on insights from over 175 contributors, it highlights the profound impact of FE and skills, from enhancing wellbeing and building confidence, to responding to local needs and forging impactful and lasting partnerships. In highlighting this impact, the report complements the White Paper's call for stronger alignment between national skills priorities and local social and economic outcomes, reinforcing the central role of FE providers and educators in driving inclusive growth.

The stories of impact in this report reflect the sector's unique ability to transform lives and communities, and they deserve to be recognised and celebrated.

But inspiration alone is not enough. To make the most of the Prime Minister's commitment, all stakeholders need to know where – and how – best to focus the sector's shared resources, and for that we need stronger evidence and clearer data. A shared framework for measuring social value in FE and skills will help us demonstrate





where investment delivers the greatest return economically, socially and environmentally. Without strong data and evidence, the full contribution of our sector risks being overlooked. And what a missed opportunity that would be.

At ETF, our mission is to support the educators, leaders and providers delivering impact every day. We believe that embedding professionalism, fostering inclusive and high-quality teaching and learning, and enabling sector-wide improvement are critical enablers of long-term social value. These priorities also directly support the White Paper's focus on workforce quality, progression and parity of esteem between FE and other parts of the education system. To realise the full potential of the White Paper's vision, this report underscores the strategic opportunity to integrate social value into planning, delivery, and leadership so that, as a sector, we can better articulate our impact.

On behalf of ETF, I invite you to explore the insights and recommendations set out in this report and its companion data summary. Our sector has too often been absent from major policy debates but the recent focus on FE and skills is our opportunity to change that, together. By championing the sector and its workforce, measuring its impact and investing in its future, we can continue to fulfil the aspirations of individuals, while also realising the ambitions of our nation to deliver opportunity, equity and progress for all.

Dr Vikki Smith

Executive Director, Education and Standards Education Training Foundation (ETF)

INTRODUCTION

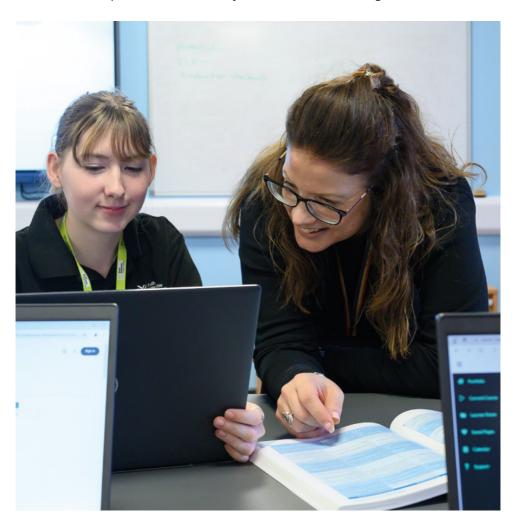
Social value is generated across the further education (FE) and skills sector, from the smallest community learning provider to the largest college.

- For **individual learners**, it is present in the social connections they make, the skills they gain and the jobs to which their training leads.
- At a **community** level, sector-driven social value is created through filling local skills gaps, social bonds and the deep community partnerships fostered by FE and skills institutions.
- Across wider society, social value is created through, for example, helping people who have previously lacked resources or networks to gain the skills needed to get good jobs and from which we all benefit, and the sector's contribution to economic growth.

ETF has looked at the concept of social value and how it applies to FE and skills, and conducted a detailed assessment of how the sector – working in partnership – achieves it. In writing this report, we found that there are at least 20 definitions of social value currently in use. For the FE and skills sector, the most relevant definition of social value is one that encompasses social, economic and environmental wellbeing, reflecting the full range of benefits generated by effective education and skills provision⁵.

This report brings together our ongoing work on social value, demonstrating how our strategic themes, professional support and wider sector activities combine to create something greater than the sum of their parts: the delivery of social, economic and environmental wellbeing for individuals and communities across the

country. It goes beyond summarising activity to reflect on what we have learned, identify where further evidence and understanding are needed, and outline practical recommendations for how the sector can continue to grow its collective capacity to maximise value for individuals, communities and society. This approach aligns closely with the ambitions set out in the Post-16 Education and Skills White Paper, which calls for a coherent skills system that responds to local and national priorities, recognises and invests in the FE and skills workforce, and embeds social and economic impact within the delivery of education and training.



CAPTURING VALUE

Theory of change

A theory of change is a way of describing how the sector's activities and ambitions have the potential to create broader change. It uses a combination of our assumptions and what we know to create a set of links and pathways from our activities through to what we ultimately want to achieve.

Activities such as training courses or the award of professional statuses might lead to the short-term outcome of professionals developing greater confidence and expertise and the long-term outcome of the FE and skills sector becoming a more effective and desirable place to study and work. This then results in the impact of learners excelling in rewarding, sustainable careers that contribute to personal fulfilment, prosperity and strengthened communities.

The FE and skills sector contributes to social value in all sorts of ways – an individual provider, for example, may train economically inactive adults in skills shortage areas and support their entry back into employment and their local communities. On a national level, as recognised in the recent Post-16 Education and Skills White Paper, the FE and skills sector is central to the Government's ambitions to drive productivity, regional growth, and opportunity through a rebalanced tertiary education system. This report focuses on areas that link to ETF's strategic goals, recognising that any ultimate social value is achieved through the hard work of individual learners, as well as practitioners, providers and other sector stakeholders.

In its shortest form, the social value theory of change is that driving professionalism, improving teaching and learning, championing inclusion and enabling sector change in FE and skills contribute to social value for individuals and communities. A longer summary version is in the box below, and a more detailed graphic is available in the appendix to the data summary accompanying this report.



Short-form theory of change

Driving professionalism, improving teaching and learning, championing inclusion and enabling sector change support high-quality teaching and learning environments, as well as cross-sector collaboration. These foundations, when combined with the pre-existing strengths of the sector, (a) support learners to excel in rewarding, sustainable careers, (b) ensure those who have completed their studies are equipped with the agility, expertise and mindset needed to foster organisational growth and resilience, and (c) contribute to sustainable social value, including growth, for communities. The positive changes facilitate positive feedback loops linked to continuous improvement in FE and skills.

EMERGING EVIDENCE: HOW THE SECTOR REALISES SOCIAL VALUE

This section demonstrates how we believe that social value is achieved based on this theory, supported by practical examples from the sector. It outlines the activities of the sector that inform positive changes, and the outcomes and impact to which these lead. Through this impact, the sector contributes directly to the priorities outlined in the Post-16 Education and Skills White Paper, including strengthening local skills ecosystems, supporting economic renewal, and enhancing workforce quality. The examples that follow illustrate how providers and professionals across FE and skills are already delivering on these ambitions.

Some of the links across these examples are built from our knowledge of what works in other sectors and on case studies, due to a lack of systematic data collection in FE and skills; knowledge gaps are explored in the following section.



Individual, community and wider societal social value

Drive professionalism

Improve teaching and learning

Champion inclusion

Enable sector change

Individual social value

Personal attributes

- Confidence, self-esteem and independence
- Skills and knowledge
- · Character and values

Health and wellbeing

- · Physical health
- Mental health and wellbeing
- Social connections
- Managing physical difficulties

Opportunities

- Cultural capital and networks
- Raising aspirations and expectations
- Progression
- Employment/better employment
- Second chances
- Social inclusion and widening participation
- Social mobility

FF and skills staff

- Employment
- Value and satisfaction for employees

Community social value

Local people and groups

- Civic engagement and citizenship
- Community outreach, partnerships, projects and volunteering
- Local employment and prosperity
- Social cohesion and integration
- Other community outcomes

Local environment

- Green skills and sustainability programmes/awareness
- Green investment and schemes

Employers

- Connections
- Meeting skills shortages and countering low-quality training

Wider societal social value

- Jobs linked to the public good
- An ethical and/or fair society
- · Less inequality

Activities

These four strategic goals and linked activities are thought to contribute to strengthened outcomes across the sector:

- **Driving professionalism:** practitioners are at the heart of professionalism through their commitment to high-quality teaching and training; their self-development, self-reflection and sharing of learning with colleagues; and the recognition they seek for their professional development through qualifications and statuses. ETF drives professionalism through its support for teaching and training quality, networking and collaboration, professional standards and continuing professional development frameworks, accreditation, qualifications, and supporting professional practice and status.
- Improving teaching and learning: pedagogy-specific professional development informs excellence in teaching and learning. High-quality support and resources contribute to strong leadership and governance in providers, as well as to continuous organisational improvement; these attributes are also built through self-development and support from external networks.
- **Championing inclusion:** ETF aims for inclusivity to be embedded across all its work, to promote inclusion and sustainability, and to develop relevant workforce insights. These activities support providers' work on diversity and inclusion, contributing to positive education and employment outcomes for learners of all backgrounds.
- **Enabling sector change:** organisations across the sector collaborate on systems thinking, research networks and thought leadership, all of which contribute to strengthened institutions and high-quality delivery.

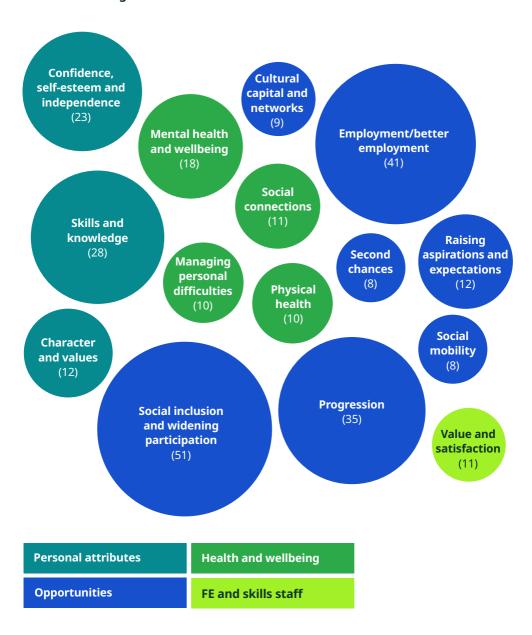


Achieving individual social value

The building blocks of driving professionalism, improving teaching and learning, championing inclusion and enabling change contribute to social value to individuals in the form of developing learners' personal attributes such as knowledge and confidence, supporting their health and wellbeing, opening opportunities for learners, and creating value and satisfaction for professionals in the sector.

The diagram below is based on evidence submissions from across the sector. These were gathered as part of our research on sector-driven social value ⁶.

Sector research: respondents' perceptions of what social value brings to individuals



Personal attributes: high-quality teaching and learning supports learners' development of personal attributes, including character and values; confidence, self-esteem and independence; and skills and knowledge.

Example: greater independence for a learner with additional needs

One learner was living in residential care when he joined Blackpool and The Fylde College to study construction and functional skills at level 1, later moving onto level 2 plumbing. He had extensive additional needs and required an escort to travel to the campus when he joined. After receiving comprehensive support from the college and from his care home throughout his studies, he developed the ability to travel independently, as well as a love of cycling and photography, and eventually secured a plumbing apprenticeship. He is a volunteer gardener for a charity and will soon be moving to adult-supported accommodation.

Health and wellbeing: participating in learning and the social connections forged through doing so contribute to health and wellbeing in the short term, and better-quality jobs and good health over the life course. Providers often support learners and the wider community with targeted support in this area through, for example, sports activities and breakfast clubs.

Example: **outreach activities for disadvantaged children focusing on physical activity**

East Norfolk Sixth Form College offers holiday schemes for children on free school meals that include sports and dance activities, and free after-school street dance and cheerleading clubs. The college has an explicit focus on health due to local prevalence of childhood obesity.

Opportunity: FE and skills opens up new worlds of opportunity for its learners through the provision of cultural capital and new networks, the raising of aspirations and expectations, progression to further education and training, links to employment and the provision of second chances

Example: employment assistance for current and former learners

Every Friday, Forward Step Learning helps people to build their CVs, apply for jobs and prepare for interviews. It provides additional resources to support attendees: as well as free hot drinks, there is a food bank, clothes bank and a book exchange.



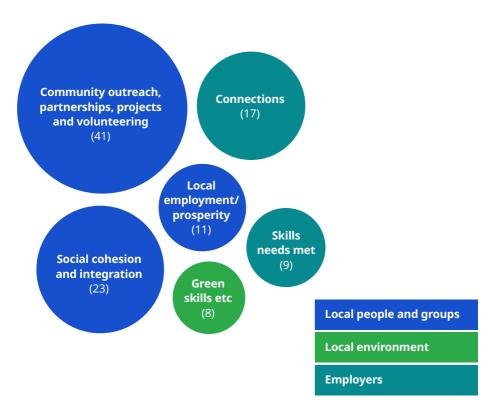
FE and skills staff: the sector provides local employment opportunities and often offers job satisfaction and professional development to its staff. Skilled, invested professionals are better able to support learners, contributing to other aspects of social value.

Example: meeting local and national skills needs through professional development

According to London's Waltham Forest College, its investment in continuing professional development 'has been pivotal in supporting career progression, raising aspirations and ensuring the college has the right skills, experience and expertise at all levels to continue to be able to meet local and national skills needs'.

Achieving community social value

The four strategic goals and linked activities contribute to community social value by connecting to local people and groups; strengthening communities; contributing positively to the local environment; and meeting the needs of local employers.



Sector research: respondents' perceptions of what social value brings to communities⁷

Local people and groups: providers actively contribute to community social value through outreach, partnerships, projects and volunteering; they also contribute indirectly by strengthening communities ties, delivering local employment and prosperity.

⁷ETFs call for evidence on social value in the FE and skills sector in England (July 2024). The numbers in brackets represent the evidence submitted by providers in each area.

communities

Chesterfield College in Derbyshire offers an Access to Higher Education course that trains around 100 people a year, many of whom lack GCSE maths – which is needed for later progression – when they start the course. Their work has led to hundreds of learners progressing to local universities to study subjects leading to employment in shortage occupations, including nursing, social work and teaching.

Local environment: the sector's contribution to local environments includes training learners in areas relating to green skills, local procurement and direct investment through renewable energy schemes.

Example: Green Changemakers

Fircroft College in Birmingham has been involved in this cascade training model, through which individuals from different colleges are trained in green change-making skills and trainees pass on these skills within their own institutions. This, according to a representative, enables institutional shifts in systems, culture and mindset, as well as local community bonds and trust.

Employers: the FE and skills sector connects employers with potential employees. It also helps them to fill skills gaps; sometimes this is through the supply of skilled, knowledgeable graduates of sector-specific courses, while in other cases providers work closely with employers to design courses around local priorities, creating a pipeline from training to employment

Example: identifying and then filling gaps

Skills Edge Training in Norwich identified a lack of good-quality training in financial and insurance services, a sector that it had also identified as high growth. It shifted its provision from hairdressing to these areas to plug the gap.

Achieving wider societal social value

Evidence provided by the sector as part of our research on social value focused mainly on examples relating to individuals and communities, though some examples of wider societal social value were given; these included supporting jobs linked to the public good and addressing inequality.

FE and skills, for example, can support the needs of the increasing numbers of young people, which currently stands at around one in seven 16- to 24-year-olds, who are not in education, employment or training⁸. The Post-16 Education and Skills White Paper recognises that FE and skills is an engine for inclusive growth and innovation and brings real opportunity for strong local partnerships and place-based collaboration, building towards societal and national impact.

It is our view that the sector's most tangible impact on wider society is its downstream impact from the value it offers to individuals and communities: these provide the raw materials that underpin local and national economic growth.

The sector trains and upskills the people who drive our economy – the builders, the heat pump engineers, the chefs, the beauticians and the coders. Investing in workforce development and local provision levels up education standards and creates opportunities for everyone, including the country's most disadvantaged and vulnerable young people.

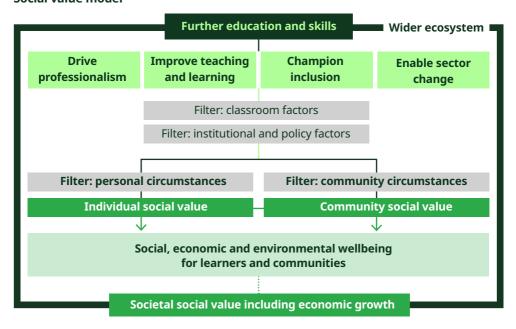
The Post-16 Education and Skills White Paper recognises this foundational contribution, calling for a national effort to elevate FE and skills as an engine of inclusive growth and innovation. By embedding social value in local delivery and aligning with the White Paper's focus on regional growth and skills for the future, the sector amplifies its economic and societal impact.

Communities cohesions is an essential part of this picture – the relationships, networks and sense of belonging nurtured through FE and skills provision help bind local areas together. Contributors to our research discussed the sector's vital role in fostering social inclusion and widening participation.

They talked about the importance of providing access, opportunities and support to learners who are socially disadvantaged, such as those with special educational needs and/ or disabilities (SEND), individuals experiencing social isolation, people living in poverty or those with poor mental or physical health. Such value is critical as the FE and skills sector supports a disproportionate number of learners with SEND and from disadvantaged backgrounds, with a third of students coming from the 20% most deprived areas in England⁹.

The model overleaf shows how we see the sector realising social value. The impact of the four key building blocks – driving professionalism, improving teaching and learning, championing inclusion and enabling sector change – depends on classroom factors as well as wider institutional and policy factors. The realisation of individual social value depends on learners' personal circumstances; community circumstances equally inform the extent to which community social value can be realised. The sector creates the most social value when it is has sufficient funding to operate effectively, when its institutions are well run and when teaching is led by highly skilled, knowledgeable individuals. Social, economic and environmental wellbeing for learners and communities contributes to wider societal social value, underpinning local and national economic growth.

Social value model



WHAT WE KNOW AND WHAT WE DON'T

As our data summary makes clear we have plenty of anecdotal evidence of sector-driven social value as well as some more data-led examples: Manchester University NHS Foundation Trust, for example, believes that its widening participation programmes created £1.9 million of social value between 2023 and 2024, and Learning Curve Group estimates an annual economic benefit of £206 million.

However, standardised, longitudinal data capture in FE and skills is rare. While many of the assumptions that underpin the theory of change – for example, that high-quality professional development leads to positive outcomes for learners – can be evidenced from other sectors¹⁰, we currently lack this evidence in FE and skills. We also lack a granular understanding of which approaches work best, for whom, and under which circumstances.

We believe that the potential for social value, including economic growth, is significant, but we need better data to show the links and to understand how this potential can be maximised for individuals, learners and wider society. Developing such an understanding will enable investment to be targeted more effectively, amplifying social value returns for government, employers and learners.

This approach supports the evidence ambitions of the Post-16 Education and Skills White Paper, which calls for a more data-driven understanding of impact across the tertiary system. Developing shared metrics and consistent data capture will be essential to achieving these policy goals.

CONCLUSION

The evidence gathered through this report powerfully reaffirms what those within the FE and skills sector already know to be true: that this sector delivers clear and transformative value in the lives of individuals, the communities they live and work in, and the local economies they support. Whether through helping learners build confidence, secure meaningful work, or contribute to thriving communities, the FE and skills sector plays a vital role in creating a more inclusive, skilled, and resilient society.

While the stories and examples showcased in this report are both compelling and inspiring, they are not yet matched by a systematic and sector-wide approach to measuring and articulating value that the sector generates. Too often, our understanding of impact rests on individual case studies or short-term proxies. To ensure the full contribution of the sector is recognised and maximised, we must go further. The Post-16 Education and Skills White Paper reinforces this imperative by placing evidence, workforce excellence, and social value at the centre of national reform. Delivering on its ambitions will depend on the collective efforts of the FE and skills workforce, supported by the systems and professional standards that ETF champions.





We now need a shared framework that enables all providers to evidence social value in ways that are rigorous, consistent, and aligned to national priorities. This includes:

- developing a common measurement approach, co-designed with sector leaders, practitioners, and government
- improving data collection across the sector to build a stronger, longitudinal evidence base
- embedding social value into institutional planning, workforce development and funding decisions, to ensure it is a deliberate outcome of how we operate, not just a welcome consequence
- establishing a national knowledge base to evaluate what works, for whom, and under what circumstances, with a view to scaling impact.

As the professional body for the FE and skills sector, ETF is dedicated to enabling sector change by supporting the people, institutions and practices that generate social value. Through our work on professional standards, workforce development, leadership development and more, we will continue to collaborate with partners to build the systems, insights and infrastructure needed to realise the sector's full contribution to individuals, communities and the wider economy. As we develop the sector's evidence base together, a national workforce strategy, aligned with the White Paper's calls for a strong, more connected tertiary workforce, will be a crucial enabling factor to help recruit, retain and develop those who work in FE and skills – and who deliver social value every day.

It is only by moving from a collection of inspiring stories to a robust and systematic understanding of impact that we can ensure the FE and skills sector is fully recognised, not only for the qualifications it delivers, but for the lives it changes, the communities it strengthens, and the national ambitions it supports.



157–197 Buckingham Palace Road, London SW1W 9SP 020 3740 8280 enquiries@etfoundation.co.uk ETFOUNDATION.CO.UK

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