

Creating gaps, causing uncertainty:

Why the government should lift the ban on AGQ diplomas and extended diplomas in T level subjects

July 2025

Executive summary

- Young people in England can currently choose between three types of Level 3 qualification at the age of 16: academic qualifications such as A levels, technical qualifications such as T levels, and applied general qualifications (AGQs) such as BTECs that combine the development of practical skills with academic learning. AGQs are available in different sizes and many can be studied alongside other qualifications such as A levels.
- In December 2024, the government announced a blanket ban on all diploma (2 A level equivalent) and extended diploma (3 A level equivalent) size AGQs in T level subjects. The aim of the ban is to “direct” students away from AGQs to T levels. As a result, popular and well-respected AGQs in subjects such as Health and Social Care, Applied Science and IT will be scrapped in 2026, with highly regarded AGQs in Business and Engineering due to follow in 2027.
- However, the government estimates that just **91,200** students will be studying a T level in 2027 (up from 41,589 students in 2025). In contrast, there are currently **277,380** students studying an AGQ, and 2027 is the last year in which these qualifications will be funded.
- The Protect Student Choice campaign is deeply concerned that the government’s ban will create a **qualifications gap** that tens of thousands of students will potentially fall through. For example, our research indicates that the ban could lead to:
 - **52,000 fewer young people** studying Health and Science courses each year, a reduction of 45%
 - **11,000 fewer young people** studying Digital courses each year, a reduction of 33%
- Life Sciences and Digital and Technologies are two of the eight priority sectors identified in the government’s Industrial Strategy as having the greatest growth potential. Reducing the number of students studying these subjects will hamper plans to upskill the workforce and act as a barrier to achieving the government’s key mission to kickstart economic growth.
- AGQs have transformed the fortunes of disadvantaged students and those with lower levels of prior attainment; scrapping them is incompatible with one of the government’s other key missions, to break down barriers to opportunity. Reducing student choice in this way risks reversing the recent progress made in widening access to higher education and could lead to an increase in the number of young people not in education, employment or training (NEET).
- Our research also indicates that just **71,000** of the **277,380** students currently studying an AGQ are enrolled on those that the government has agreed not to scrap (all are 1 A level equivalent or smaller and will be known as Alternative Academic Qualifications - AAQs - in the future).
- The rest - **more than 200,000 students** - are studying AGQs that are either being scrapped or have an uncertain future. This **uncertainty** is making it difficult for colleges and schools to plan their future curriculum, recruit and train the right staff, or to provide appropriate information, advice and guidance to younger pupils.
- To address these widespread concerns about gaps and uncertainty, the Protect Student Choice campaign is urging the independent Curriculum and Assessment Review (CAR) to recommend reversing the ban on AGQ diplomas and extended diplomas in T level areas when it publishes its final report in the autumn.
- More broadly, we are urging both the CAR and the government to make a commitment to retain the current three-pillar system of academic, applied, and technical qualifications. We believe that a full suite of AGQs of all sizes has an essential role to play as the middle (equally important) pillar in the system.

Background

- Young people in England can currently choose between three types of Level 3 qualification at the age of 16: academic qualifications such as A levels, technical qualifications such as T levels, and applied general qualifications (AGQs) such as BTECs that combine the development of practical skills with academic learning.
- In 2021, the Conservative government [confirmed](#) it would replace this three-pillar system with a two-pillar system of A levels and T levels where most young people pursue one of these “qualifications of choice”. As a result, most AGQs would be scrapped.
- In July 2024, the new Labour government [commenced](#) a limited review of Level 3 qualifications (including AGQs), concluding in December 2024. As a result, the plan to scrap AGQs in subjects such as Applied Science, Health and Social Care and IT was [paused](#) for 12 months – students can now enrol on these courses in the 2025/26 academic year.
- However, the government also [announced](#) a blanket ban on all diploma (2 A level equivalent) and extended diploma (3 A level equivalent) sized AGQs in T level subjects. [Guidance](#) published in February 2025 confirmed that “large qualifications in T Level routes...will have funding removed”. As Table 1 indicates, this will lead to the removal of AGQs aligned to the eight high growth sectors (IS-8) prioritised in the government’s [Industrial Strategy](#).

Subject area	Examples of AGQs that will be scrapped	Industrial strategy high growth sector(s)
Health and Social Care	BTEC Extended Diploma in Health and Social Care Cambridge Technical Diploma in Health and Social Care	Health and Adult Social Care (identified by Skills England as an additional priority sector)
Science	Cambridge Technical Diploma in Applied Science	Life Sciences Clean Energy Industries
Engineering	BTEC Foundation Diploma in Engineering	Defence
IT, Digital, and Computing	BTEC Extended Diploma in IT	Digital and Technologies
Crafts, Creative Arts, and Design	UAL Extended Diploma in Art and Design	Creative Industries

Table 1: Examples of AGQs in high growth sectors due to be scrapped

- Other AGQs (of all sizes) aligned to IS-8 areas have not yet been scrapped, but they face an uncertain future - some examples are set out in Table 2 below.

Subject area	Examples of AGQs with an uncertain future	Industrial strategy high growth sector(s)
Business Management	BTEC Extended Certificate in Business Cambridge Technical Extended Certificate in Business BTEC National Extended Certificate in Enterprise and Entrepreneurship	Professional and Business Services
Law and Legal Services	BTEC Extended Certificate in Applied Law	Professional and Business Services
Media and Communication	BTEC Extended Certificate in Creative Digital Media Production Cambridge Technical Extended Certificate in Digital Media	Creative Industries

Table 2: Examples of AGQs in high growth sectors with an uncertain future

Creating gaps, causing uncertainty

- The [Protect Student Choice](#) campaign is a coalition of 28 employer groups and organisations that represent students, staff and leaders in schools, colleges and universities. We believe that for many young people, AGQs provide a more effective route to higher education or skilled employment than studying 3 A levels or 1 T level.
- We are deeply concerned that the government's blanket ban on diplomas and extended diplomas will create a **qualifications gap** that tens of thousands of students will potentially fall through, leaving many young people without a suitable pathway in the future.
- The government's [guidance](#) is clear that *"large qualifications in T Level routes...will have funding removed as per the timescales set out in the conclusions of the review of qualifications"*. The aim of this ban is to *"direct"* students away from AGQs to T levels (still described as one of two ["qualifications of choice"](#) for 16- to 18-year-olds alongside A levels).
- But the Department for Education [estimates](#) that just **91,200** students will be studying a T level in 2027 - an estimate described by the National Audit Office as *"optimistic"*. In contrast, there are currently **487,566** 16- to 18-year-olds [studying](#) an A-level only study programme.
- We do not believe that a qualification system supported by one pillar that is five times bigger than the other is likely to be structurally sound. But we are particularly concerned about the future condition and status of AGQs as the (equally important) middle pillar.
- There are currently **277,380** students studying an AGQ, and 2027 is the last year in which these qualifications will be funded. Just 71,000 of these students are enrolled on AGQs that the government has agreed to re-approve as alternative academic qualifications (AAQs) in the future. The rest - **more than 200,000 students** - are studying AGQs that have either been scrapped or have an uncertain future.
- Colleges and schools have been told that the future of these qualifications will be set out when the ongoing [Curriculum and Assessment Review](#) (CAR) reports in the autumn. But there is no certainty on the timeline or process for making these decisions.
- It seems unlikely that a review of the curriculum and assessment system from Key Stage 1 to Key Stage 5 will make specific recommendations about individual AGQs by size and subject, which raises the possibility of yet another qualifications review.
- This **uncertainty** is making it difficult for colleges and schools to plan their future curriculum, recruit and train the right staff, or to provide appropriate information, advice and guidance to younger pupils.

The current position

- In March 2025, the campaign [wrote](#) to Professor Becky Francis, Chair of the Curriculum and Assessment Review setting out our concerns and urging the CAR to recommend that the government reconsider its ban on diplomas and extended diplomas in T level subjects. Professor Francis noted the campaign's concerns.
- However, in June 2025, Minister for Skills Jacqui Smith [reconfirmed](#) the government's position in response to a [letter](#) from the campaign partners and emphasised that *"The government remains committed to T Levels being the best large qualification in routes where they are available"*.
- As a result, popular and well-respected AGQs in subjects such as Health and Social Care, Applied Science and IT will be scrapped in 2026, with highly regarded AGQs in Business and Engineering due to follow in 2027.
- The last chance to retain these qualification lies with the Curriculum and Assessment Review. If the final CAR report recommends that diploma and extended diploma size qualifications should be permitted in T level areas, and the government accepts this recommendation, young people could continue to benefit from these qualifications in the future.
- To address our concerns about the potential qualifications gap and ongoing uncertainty, the campaign has made the following recommendations to the CAR and ministers:

1. Allow awarding bodies to submit *new* diploma and extended diploma size qualifications in T level areas for first teaching in September 2027
 2. Allow colleges and schools to enrol students on all *existing* diploma and extended diploma size qualifications in T level areas up to and including the 2026/27 academic year (and ideally the 2027/28 academic year)
 3. Make a commitment to retain the current three-pillar system of academic, applied and technical qualifications. Although AGQs are available in similar subjects to T levels, they provide a different type of educational experience and many can be studied alongside other qualifications such as A levels.
- The first two recommendations would provide students, schools, colleges, universities and employers with the certainty they need to plan effectively for the future and avoid deepening skills shortages in key sectors.
 - The third recommendation would reflect the reality (and the government's own estimate) that T levels are only likely to be suitable for a minority of young people. T levels are a welcome development and will strengthen the current suite of technical qualifications, but they should sit alongside, rather than replace, AGQs.
 - Retaining AGQs alongside T levels is not, as policymakers [recently suggested](#), comparable to retaining O Levels after GCSEs were introduced. Applied qualifications are not technical qualifications, and T levels are not simply upgraded AGQs – they are a different type of qualification that provide a different type of educational experience. The recent National Audit Office [report](#) into T levels highlighted the strengths of existing Level 3 qualifications.
 - And while policymakers continue to suggest there is widespread [confusion](#) with the current qualifications landscape and point to the 2,091 qualifications available at Level 3, it is worth reiterating that our focus is on the **134** AGQs – fewer than the number of A levels.

The fate of the 134 AGQs

- The government is reviewing these 134 qualifications in [two cycles](#). Of the **55** AGQs in Cycle 1, 17 have been reapproved as AAQs. However, 20 were scrapped in 2025 and the remaining 18 are due to be scrapped over the next two years. This means that AGQs in key subjects such as Applied Science, IT, and Health and Social Care will no longer be available in the future and will leave a significant qualifications gap.
- There are **79** AGQs in Cycle 2. We know that popular diplomas and extended diplomas in, for example, Business will be scrapped as there is a T level in this subject, but there is uncertainty about the fate of the 1 A level equivalent qualifications in Cycle 2. Many of these AGQs (such as Criminology and Applied Law) have a very high number of enrolments. However, a decision will not be made on their future until the Curriculum and Assessment Review report is published.

Qualification gaps and their impact

- In September 2023, the Protect Student Choice campaign published [Desperate Measures](#), a report that concluded at least 155,000 students could be left without a study programme from 2026 given the planned reduction in AGQs and slow growth in T levels.
- Since the publication of Desperate Measures, official estimates of T level student numbers have been made public for the first time – we now know that 91,200 students are forecast to be studying a T level in 2027.
- With T level numbers forecast to be so low, and with the government pressing ahead with plans to scrap AGQs, many students will be left without a suitable pathway over the next two years. But because there is such uncertainty about the future of AGQs in Cycle 2, it is not possible to replicate the analysis in Desperate Measures.
- However, it is possible to examine individual subjects and the availability of AGQs and T levels *within* a discipline. There are two Cycle 1 subjects where we have sufficient data to be confident in modelling future T level enrolments, using a model aligned to DfE's central forecast for total T level enrolments.

Impact on the Health and Science sector

- The first is Health and Science, an enormously popular subject with students. Life Sciences was identified as a priority sector in the government's recent [Industrial Strategy](#), and the [latest figures](#) show that there were over 25,000 nursing vacancies in the first quarter of 2025.
- But as Chart 1 illustrates, the government's Level 3 reforms could result in **52,000 fewer young people** studying Health and Science courses each year. The dramatic reduction in the number of AGQs combined with the low number of T levels will create a significant qualifications gap.
- For simplicity, overall student numbers are shown as static. In reality, demographic growth will continue in the 16 to 18 age group, placing further pressure on the qualification system. The three most popular AGQs due to be scrapped each have more students enrolled than the *total* number of Health and Science T level students.

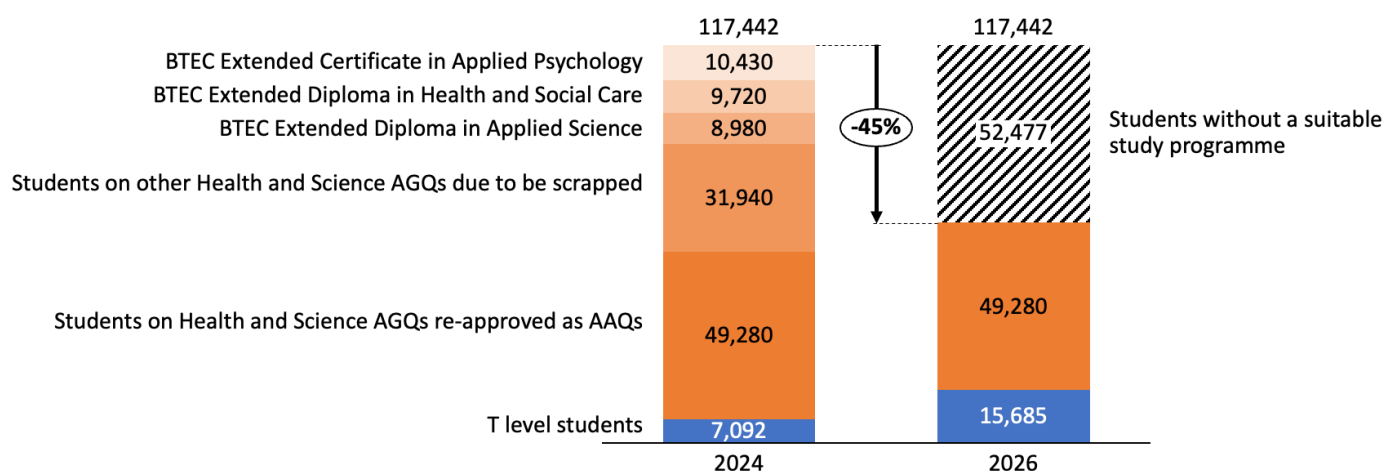


Chart 1: Health and Science students who could be left without a suitable study programme from 2026

- Employer bodies have raised serious concerns about scrapping AGQs in this sector. For example, [NHS Employers](#) has said this would amount to “*depriving the health service of a pipeline of fresh nursing, midwifery and other healthcare recruits*”.

Impact on the Digital sector

- Digital and Technologies is also identified as a high growth sector in the Industrial Strategy, with the government's Plan for Change aiming to make the UK Europe's leading hub for businesses in the sector. We can repeat the analysis above for IT, Computing, and Digital.
- Chart 2 shows that the government's plans could result in **almost 11,000 fewer young people** studying these subjects each year, a reduction of a third relative to current numbers.

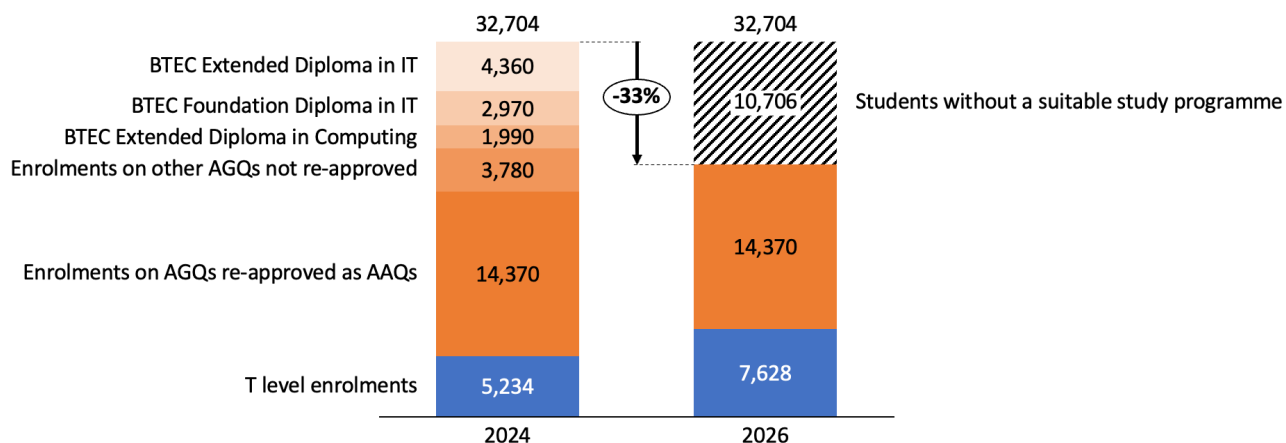


Chart 2: Digital students who could be left without a suitable study programme from 2026

Impact on young people

- The qualifications gap in these two areas will be replicated in other subjects over time. The key question that colleges and schools are now grappling with is: **What courses will students who would previously have taken AGQs now study?**

Student choice and performance

- We now know that T levels will only be studied by a small minority of students, so in many cases the alternative will be to study A levels – either an A level only study programme, or a mixed programme of 2 A levels plus 1 AAQ. The clear risk with this approach is that students who would have previously studied AGQs will either underperform or disengage from education altogether.
- Analysis from SFCA's [Six Dimensions](#) project has shown how AGQs have helped students (particularly disadvantaged young people and those with lower levels of prior attainment) to *remain* in sixth form education, *achieve* a qualification and *progress* to higher education. The shift from A levels to AGQs for students with low prior attainment in the sixth form college sector has been beneficial in a number of ways.
- In 2008/10, when the vast majority of sixth form college students were studying A level only programmes, 76% of students who started such programmes successfully achieved an A level; in 2022/24, the figure was 89%. Mixed and AGQ-only study programmes (which have a greater proportion of students with low prior attainment) now see 84% and 82% of students respectively successfully achieving the programmes they start.
- The availability of AGQs has allowed the right students to enrol on A level programmes, while those who are more suited to other ways of learning can take a mixed or wholly AGQ programme. Replacing AGQs with a small number of small 'alternative' qualifications will undo much of the progress made by in recent years and is also likely to result to a reduction in A level retention and achievement.
- Another workaround being considered by colleges and schools is to enrol students on three 1 A level equivalent AAQs in the future. This is currently a much less popular option than studying a 2 or 3 A level equivalent qualification. Colleges and schools report that students typically benefit more from the depth of study and coherence offered by a diploma or extended diploma, which can also make it easier for staff and students to monitor and manage progress.
- Some post-16 students studying Level 2 qualifications will find it challenging to progress to *any* Level 3 programme when the options are limited to two "*qualifications of choice*" or a small number of AAQs, and will have little choice but to embark on another Level 2 programme instead.

Progression to higher education

- The qualifications gap will also have implications for progression to higher education and the government's [ambition](#) to develop a highly skilled workforce. For example, **72%** of sixth form college students who studied the Diploma in Applied Science (which is due to be scrapped next year) secured a university place in 2024. The overall figure for A levels is 66%.
- Students on these courses would historically have started science A levels from a low GCSE starting point and would have been likely to fail to achieve some or all of their qualifications.
- With AGQs, these students can thrive on an applied Level 3 science course, and progress to university (often to subjects allied to medicine and related professions). It is a similar story in other subjects, including Health and Social Care.
- More broadly, AGQs play a vital role in widening access to higher education. Research from the [Nuffield Foundation](#) found that a quarter of students now enter university with BTEC qualifications, and that they are likelier to be from disadvantaged backgrounds. The vast majority of BTEC students complete their studies successfully, with 60% graduating with at least a 2:1.
- [Research](#) from the National Education Opportunities Network (NEON) found that over a quarter of students from the lowest participation neighbourhoods may not enter higher education if BTECs were scrapped and concluded that "*it is possible that the progress made in widening access to HE over the last 10 years amongst those from low participation neighbourhoods may disappear*".

Increasing the number of young people not in education, employment or training (NEET)

- When presented with a choice of A levels, T levels, and a limited number of small 'alternative' qualifications, some young people are likely to disengage from education altogether at the age of 16. There is a social and educational cost to this, but also an economic one.
- There are already almost one million (987,000) 16 to 24 year olds not in education, employment or training (NEET) [according](#) to the Office for National Statistics. The Youth Employment Group has [estimated](#) that UK GDP could increase by £69 billion if NEET levels were reduced to the levels seen in the Netherlands. The 'scarring effect' of becoming NEET at a young age is [well documented](#), and has been shown to increase the likelihood of developing health problems, becoming homeless and engaging in anti-social behaviour – all of which carry a significant economic cost.
- The prime minister has [warned](#) that the number of NEET young people risks leading to a "wasted generation" and comes with a "spiralling bill". It is therefore difficult to understand why the government is pressing ahead with plans to remove funding for AGQs (disproportionately studied by disadvantaged students) and replacing them with qualifications that its own modelling indicates will only be available to a minority of students.

Qualification uncertainty

- While students interested in studying Cycle 1 subjects like Health, Science, and IT will have a more limited range of options in the future, it is at least possible to estimate the size of the gap left by removing AGQs in these subjects. The impact on students studying Cycle 2 subjects is much more difficult to predict, because there is a far higher degree of uncertainty about the fate of these qualifications.
- Chart 3 uses T level enrolments based on DfE's "optimistic" overall forecast and the pattern of growth seen in Cycle 2 subjects so far. Again, for simplicity, overall student numbers are shown as static. In reality, demographic growth will continue in the 16 to 18 age group, placing further pressure on the qualification system. While courses studied by **36,750** students have already been deemed ineligible for re-approval, the future of Cycle 2 AGQs studied by over 140,000 students remains unclear.

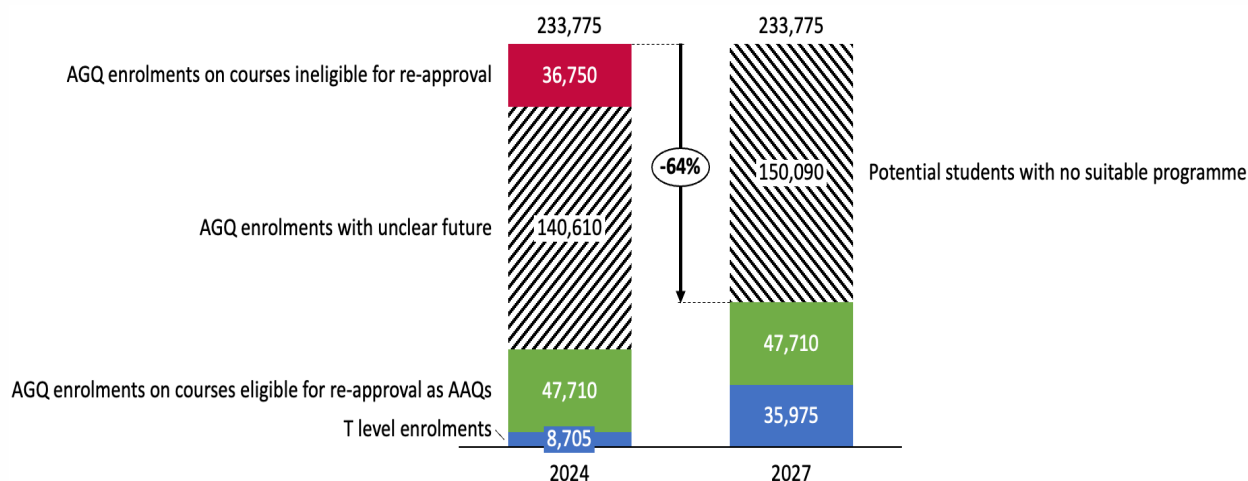


Chart 3: Students enrolled on Cycle 2 courses who could be left without a suitable study programme from 2027

- As we identified earlier, colleges and schools have been told that the future of Cycle 2 qualifications will be set out when the CAR reports in the autumn. But there is no certainty on the timeline or process for deciding which qualifications are retained – it is possible that the Department for Education could decide to conduct an additional review of Cycle 2 AGQs to determine this.
- Colleges and schools are looking ahead to the 2026/27 academic year and are hugely concerned that they will not be able to offer AGQ diplomas or extended diplomas in T level subjects. These popular and successful qualifications will disappear unless the government reverses its ban.

- They are also facing the prospect of delivering highly regarded AGQs in Business and Engineering for the last time in 2026/27 and enrolling the final cohort of students on hugely popular AGQs such as Criminology.
- The ongoing uncertainty makes it very difficult for colleges and schools to plan their future curriculum offer, recruit and train the right staff, or to provide appropriate information, advice and guidance to younger pupils.
- **For more information, please contact the report's authors, James Kewin james.kewin@sixthformcolleges.org or Noni Csogor noni.csogor@sixthformcolleges.org at the Sixth Form Colleges Association. For more information about the Protect Student Choice campaign visit: www.protectstudentchoice.org**