

Value of UK Skills Sector Exports



Summary Report

For the British Council and the UK Skills Partnership

THE RESEARCH  BASE

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This report, commissioned by the British Council on behalf of the UK Skills Partnership, represents a first attempt to value exports relating to the UK skills sector. The accompanying technical report demonstrates the significant potential of the sector, as well as its diversity. We estimate that the current value to the UK economy of skills exports is £6.3 billion. This has fallen by 17% from an estimated £7.6 billion since Covid-19 and the effect of Brexit on export markets. Future data collection rounds may see this figure start to rise once again.

Estimated values per indicator¹

Indicator		2020/2021	2018/2019
1	International Regulated Qualifications	£1,653,627,000	£2,133,179,000
2	International Unregulated Qualifications/Certifications/Accreditation	£536,238,000	£570,709,000
3	UK-bound Student Fee Income	£511,241,000	£629,883,000
4	UK-bound Student Expenditure	£1,955,963,000	£1,995,264,000
5	International Student Fee Income	£286,181,000	£445,985,000
6	Consultancy and Other Income by Providers & Awarding Organisations	£185,097,000	£295,601,000
7	Consultancy By Consultants	Excluded	Excluded
8	Chartered/Institute Memberships	£986,580,000	£1,272,689,000
9	Skills-related Supplies including EdTech	£145,090,000	£183,903,000
10	Training of English Language Teacher Trainers	£39,268,000	£102,547,000
Total		£6,300,000,000	£7,600,000,000

The value of the skills sector is not just an immediate financial one. It has long-term impacts in supporting employment, social inclusion and lifelong learning. Articulating its short-term export value is a way of presenting one element of the complex, overlapping benefits the sector provides to individuals, society and the economy. This can only be done comprehensively through the collection and collation of high-quality data, as modelled by the higher education sector.

¹ Please note that these figures have been rounded to the nearest thousand. For full calculations, please see the accompanying Technical Report.

Approach

Existing data sources and previous attempts to value the education sector more broadly were reviewed, and assessment made of their utility. These are outlined in full in the technical report, but examples include the Annual Qualifications Market Report, the Office for National Statistics population data and inflation indices, and the Association of Colleges' annual survey. A model was then developed outlining how calculations would be made. Considerations included data quality and age, how to avoid double counting, how to uplift figures to ensure they were representative of all four nations, and how to make best use of a planned sector survey to fill gaps. A survey of the sector was administered and the model later refined further according to survey coverage and feedback from the UK Skills Partnership Working Group.

Recommendations

In order to improve the methodology and make the estimates more accurate in future years, we have outlined some recommendations below.

Government

- Consider the possibility of adapting existing or planned data collection mechanisms to capture data relating to international activity. Capturing the data in this way would minimise bureaucracy while also ensuring comprehensive coverage of the sector.

Membership bodies and representative bodies

- Help to share the export survey with members and others, articulating the value to them, in terms of potential policy and funding focus, of doing so.
- Run an annual census of members or organisations represented, collecting data such as employee numbers, turnover and whether the organisation exports overseas. This census does not need to collect sensitive information on export turnover or segments, which is a job for the specific and anonymised survey which informs this work, but it will provide essential demographic information which can be used to uplift any survey data to make it representative of the broader sector.
- Discuss and share potential approaches for engaging with the wider consultancy market and chartered institutes – organisations which may not see themselves as skills specialists but nonetheless have a skills export offer.

Individual organisations working in skills

- Collect relevant data as per the survey in the annex to this document, held in an easily accessible form.
- Provide your data, where requested, knowing in the case of the survey that it will be completely anonymised. The calculations cannot be run accurately without you.

An accurate portrait of the sector's value allows for its promotion to individuals making decisions about

policy and funding. The methodology in this report is experimental. The data used is the best available, although limitations are significant.

The accompanying technical report gives full details on our methodological approach, data considerations and limitations. It is hoped that the level of detail provided will support future data collection rounds, and that stakeholders will come together to refine and improve both the methodology and the data which sits behind it.

This report was developed by The Research Base on behalf of the British Council and the UK Skills Partnership.

www.theresearchbase.com | info@theresearchbase.com