



New Horizons: Appendix B

Estimates on the benefits of levelling-up educational attainment rates -
methodology note, October 2022

This appendix sets out the methods and sources used to conduct analysis as featured in CPP's report; [New Horizons – Transforming educational opportunities to support inclusive growth](#). To produce estimates of the economic benefits of levelling-up educational attainment, information was collected on current qualification rates in the most and least deprived local authorities in England, alongside earnings estimates by qualification level. These were used to determine an aggregate projected boost to earnings of £14.4bn in England.

Assumptions and methodology

This analysis assumed that any increase in an individual's qualification level would lead to that person earning the average amount currently earned by those with the same qualification level within their region. To better reflect the capacity of the labour market to absorb additional workers with higher qualification levels, the current employment rate was applied to the aggregate earnings figure to adjust earnings.

To estimate the aggregate figure, data was collected from Nomis, the Index of Multiple Deprivation (IMD) and the most recent available Annual Population Survey from January to December 2021. Data was collected on population by decile of deprivation, current qualification rates, using National Vocational Qualification (NVQ) levels and finally earnings by qualification level.

We took the average qualification rates in the least deprived decile, and applied them to the most deprived decile, to establish new figures on total numbers with a given qualification level. We then multiplied through by average earnings, and uprated to produce an aggregate, annual estimate of £14.4bn