A dual mandate for adult vocational education

A consultation paper

MARCH 2015
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Executive Summary

Chapter one

Sets out what the Government has done since 2010 to promote a high quality system of vocational education and training for adult learners. It also explains how we have positioned skills as a core component of industrial strategy and sets the scene for the rest of the document by introducing the concept of a dual mandate for adult vocational education.

Chapter two

Analyses how and why England’s performance on higher level vocational education is weaker than many of our comparator nations and sets out the challenge that this poses to productivity. It also highlights higher level skills shortages in some of the sectors identified in the Industrial Strategy as critical to growth.

Chapter three

Looks at how we have already approached three key themes associated with higher level vocational education under the core themes of: funding; institution building; and the ownership and development of qualifications, standards and curricula.

Chapter four

Identifies options for further development and poses a series of questions designed to develop our thinking on the three themes identified in Chapter 3.

Chapter five

Focuses on the second part of the dual mandate: the importance of adult and vocational education’s role in ensuring that individuals are given a second chance to gain the fundamental skills required for life and work.

Chapter six

We look at the implications of the dual mandate for adult further education colleges, against a background of wider change in the way in which Government funds education for adults, and the Government’s wider strategy of empowering local places to make decisions on economic development.
Secretary of State’s foreword

I have been the Secretary of State with responsibility for further education for almost five years. In that time I am proud of the progress we have made across Government despite the severe financial pressures on the sector. We have seen a big growth in the number of apprentices, and generated a mood of excitement about a modern day version of a venerable tradition. We have introduced new training programmes for those furthest from the labour market, improved youth employment rates and introduced new community learning programmes which support some of our most disadvantaged to engage with learning. We have freed colleges from bureaucratic control enabling them to deliver what employers and individuals want, but strengthened and speeded up the intervention regime where their services are not good enough.

As I visit colleges around the country I am continually impressed by what I see across the further education spectrum. At Fareham College I opened a centre for advanced engineering skills – with design input from firms including BAE Systems, GE Aviation & Jenson Motorsports. At the Working Men’s College whose student base is mainly the unemployed or refugees, I saw great examples of programmes which promote community cohesion and address the problems of disadvantage and deprivation; especially by providing opportunities for local residents to improve their language, literacy and numeracy skills. And at Hull College, one of the largest UK construction training providers, I met apprentices refurbishing derelict housing for low-income families.

I have seen exceptional higher vocational learning being delivered by our universities and further education colleges in partnership with employers with strong links to the workplace. We will look to increase the number of these programmes, aimed at students who have left the compulsory education system with strong levels of attainment. Equally, I value the further education provision which provides a second chance often to those in the most disadvantaged circumstances, who have reached adulthood without the basic skills they need for the workplace or for modern life.

In publishing A dual mandate for adult vocational education my intention is to launch a debate on the main challenges that address adult further education over the next decade. It is important to look at both aspects of the dual mandate. We say more here about the first aspect because of the gap in higher level vocational education provision and the consequences this has for growth and innovation in key sectors of the economy.

It is also important to look at the system as a whole. Over the coming years we expect to see greater specialisation as colleges focus on what they are really good at, rather than trying to do everything. And we expect to see new partnerships and collaborations between colleges. There will be an important role for local business and community leaders in shaping the new landscape. Whilst there are links between BIS further education and skills policies and those of higher education and the Department for Education this consultation is about adult further education and skills in the purview of BIS.
I encourage everyone – business, providers, individuals – to contribute to the debate. Details of how to do so can be found at


VINCE CABLE
Chapter one: Reforms to vocational education since 2010

Introduction

1. This opening chapter:
   - Summarises what the Government has done since 2010 to promote a high quality system of vocational education and training for adults across the further and higher education sectors.
   - Explains how we have positioned skills as a core component of industrial strategy.
   - Sets the scene for the rest of the document by introducing the concept of a dual mandate for adult vocational education, and suggests that this should be the basis for further policy and institutional reforms.

Reforms to vocational education since 2010

2. Since 2010 the Government has pursued a strategy to support high standards in adult vocational education and to ensure that provision is determined by employers and changes as employers’ needs change. It has been, as in the title of the strategy document we published in April 2013¹, a programme for rigour and responsiveness in vocational education.

3. Both rigour and responsiveness are clearly essential to a well-functioning system of vocational education, for which parity of esteem with academic education can become a reality rather than a claim. But both had become eroded over time. Too many programmes were defined and taught in isolation from the world of work, and with too little challenge for learners.

4. The difference between vocational education and other forms of learning delivered by our education systems is the direct line of sight to work. There is a great deal of excellent practice in both the further and higher education sectors in the delivery of vocational education, at all levels and age ranges. But Rigour and responsiveness made the case that this is not enough. The importance of people to our competitiveness in the twenty-first century means that we need excellence to run all the way through our education system, including vocational education. Inevitably there will be variations in quality, and in that sense some provision will be below average. But there is no reason at all why we should tolerate provision that is below acceptable standards of quality.

5. We are following a number of approaches to support our aim to make rigour and responsiveness ubiquitous across the system of vocational education.

Apprenticeships

6. We are growing apprenticeships as the paradigm case of vocational education. More than two million people have embarked on apprenticeships since 2010. We have already driven up the quality of apprenticeships by ensuring that each apprenticeship is directly linked to an employer and that the apprenticeship has to last at least 12 months.

Figure 1 Government-funded apprenticeship participation by age (2008/09 to 2013/14)²

7. To be an apprentice is to have a job, in which there is a commitment by the employer to provide access to training and in-work support. At the end, the apprentice will have kick-started their career, have achieved the standard set by employers in their industry and be ready to achieve professional recognition where that exists for their occupation. We believe the apprenticeship to be the best form of vocational training, because it brings together the learner’s working experience with their wider education. This view is endorsed by employers and apprentices.

Case Study Valentin, Maintenance Apprentice at Mabey Bridge

Mabey Bridge’s specialities include steelwork and the installation of wind farms, meaning that as Valentin works towards a Level 3 BTEC in Electrical and Mechanical Engineering and several NVQs, 20-year-old Valentin has the chance to work with a broad range of complex machinery. He particularly values the care and attention given to his career progression, and sees his apprenticeship as the opportunity to gain an invaluable foundation in his chosen field. Upon completion of his scheme and having learnt the benefit of practical knowledge, Valentin aims to undertake a degree.

8. Figure 2 below shows that since 2008/09 the overall number of “full apprenticeship” starts has increased by over 250,000.

Figure 2 - All age apprenticeship starts by planned length of stay, 2008/09 to 2013/14

9. We have also after careful consultation embarked with the business community on a sustained programme of reforms to the apprenticeship programme which we expect will give us by the end of this decade a wide range of quality apprenticeships with employers at the heart of them. The apprenticeship reform has three key components.

10. The first focuses on the development of new standards. Apprenticeships had been built around “frameworks” which can be inaccessible for employers (particularly small ones) and learners, and which some employers told us did not fully reflect the needs of their industry. These frameworks were typically fifty pages or longer, and developed by intermediary bodies rather than by employers themselves.

11. To address these issues we have supported businesses across more than 75 sectors to work together to develop simple new standards of no more than two pages that are clear about the knowledge and skills that the apprentice will master. More than 1,000 employers are now involved in these “Trailblazers”.

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In October 2013, the Energy and Utilities Sector was one of the first eight to take part in Phase 1 of the Apprenticeship Trailblazers. Businesses including National Grid, SSE, Northern Powergrid and UK Power Networks began working together to design a new apprenticeship standard.

The first occupation was Power Network Craftsperson – the skilled individuals who keep the UK’s electrical power network running by maintaining overhead lines, underground cables and substations. Working with a wide range of large and small businesses, sector bodies and the Institution of Engineering and Technology.

The group designed the new apprenticeship standard, setting out concisely and clearly what skills, knowledge and behaviours are required for professionals in this role. This was approved by Government and published in March 2014 (www.apprenticeships.org.uk/standards).

The group went on to design a rigorous new assessment process to ensure that anyone successfully completing their apprenticeship would be a fully rounded professional. For the first time, this will create a single robust set of assessments used across all of the power companies, with a clear end assessment and grading of pass, merit and distinction. This was approved and published in October 2014. Just a year after the group started work, they have already delivered their first 100 starts on the new employer-led standards in companies including National Grid, SSE and UK Power Networks – real apprentices benefiting from their expertise. The sector are producing a range of other standards to raise skills right across the industry, with apprentices working to keep the power, gas and the water networks running.

Steven Read, Trainee Programmes Manager at UK Power Networks said: “We are delighted to welcome our first 29 new recruits to the new power distribution craftspeople apprenticeship. The trailblazer initiative has allowed employers like us to introduce a common industry standard in the skills we teach to the dedicated men and women who keep Britain’s electricity distribution networks running. It is refreshing, as an employer, to be involved in designing and developing the benchmark against which all our apprentices are trained.”
12. **The second component focuses on assessment.** We have also identified that in the current system sometimes an apprentice could complete all of the individual elements of their apprenticeship and yet not be a fully rounded entry-level professional in their occupation. We want to address that gap by ensuring that every apprenticeship culminates in an independent end assessment that tests the apprentice’s application of their skills, knowledge and behaviours. Where it exists in the occupation, this will be linked to ensuring that they have the evidence required for professional registration.

13. **The third component focuses on funding.** It is the responsibility of the employer to secure the right high quality training for the apprentice they employ, and to take action if the chosen provider is not addressing their needs. The previous public funding system has not reflected this. Instead, funding has been routed by Government to the apprenticeship provider. This creates the wrong incentives. The provider inevitably sees Government rather than the employer as the customer, and the employer can feel detached from the quality and content of the provision. In addition historically, providers have not collected the level of employer contribution assumed, so that training which is valued by learners, employers and the Government is being underfunded. The Government has accepted the principle that public funding for apprenticeships should reflect the position of the employer as the purchaser of training. We recently consulted carefully about how to move to a system where public funding for apprenticeship training is routed to the employer rather than to the provider.

**Higher apprenticeships**

14. These are relatively new, but have seen significant growth - the greatest percentage growth in apprenticeships starts in recent years. In 2013/14 there were 18,100 publicly funded higher apprenticeship starts. An increase from 13,000 in 2012/13 which in itself had more than doubled from the previous year (5,700). These apprenticeships are at levels 4 to 7: levels 4 and 5 (equivalent to higher education certificate and foundation degree) were introduced in 2010; statutory changes that came into effect in April 2013, enabled apprenticeships at levels 6 and 7 (equivalent to Bachelor and Master’s degrees). There are already over 50 higher apprenticeships available up to degree level in areas as diverse as Life Sciences, Law, Construction, Accounting and Space Engineering, with more being developed.

**Traineeships**

15. Alongside apprenticeships, traineeships are an integral part of the Government’s plans to tackle youth unemployment. Traineeships are backed by employers and unions⁴ as a high quality route for young people to prepare for apprenticeships or other jobs. They provide a flexible programme that gives motivated young people the skills, qualifications, experience and behaviours that employers look for when recruiting.

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16. The quality and number of apprenticeships is expected to increase in the coming years, and it is important to support young people to prepare for them, especially those with lower qualification levels and without work experience. Traineeships have had an excellent start since we introduced them in August 2013, with over 10,000 young people participating in the first year and commitments from a host of major employers. We want training providers and employers to increase the number of places quickly, while maintaining their quality, to support as many young people as possible to gain apprenticeships and sustainable jobs.

Qualifications reform

17. Qualifications are the underpinning currency of systems of education. Public debate typically focuses on academic qualifications: GCSEs, A-levels, and degrees although in reality 51 per cent of 16-19 year olds in full-time education are now taking some kind of technical or vocational qualification. We have ensured that vocational qualifications for adults are fit for purpose, above all by ensuring that they are led by employers. Getting the Job Done: The Government’s Reform Plan for Vocational Qualifications in England was published in March 2014. It identified that the large numbers of qualifications which are offered to adults by a wide range of awarding organisations mean that the system is complex, and employers and learners are often unsure whether a qualification is of high quality and will lead to employment. It also set out the significant progress that had been made since the Department for Education’s publication of the Wolf Review in 2011 which set out similar ambitions for the vocational education that is available to 14-19 year olds.

18. To simplify the current system Ofqual, the independent regulator of qualifications in the further education sector, has removed the opaque accreditation requirements for most vocational qualifications and has announced its intention to withdraw the rules requiring them to conform to the one-size-fits-all Qualifications and Credit Framework.

19. These changes will give a greater emphasis to what qualifications deliver, rather than whether they conform to technical rules, and will ensure that they remain robust throughout their operational lives through the adoption of a risk-based approach to regulation. We are working with the other administrations in the UK to ensure that National Occupational Standards, which underpin many vocational qualifications, are flexible and fit for purpose. We will also look to ensure that employers continue to be in the driving seat in developing standards and ensure alignment with the work being taken forward on developing higher vocational qualifications. These reforms align with changes to vocational qualifications at 14-19 as a result of the Wolf Review, which means that only the highest quality vocational and technical qualifications are now included in school and college performance tables. It is essential that all vocational qualifications are of high quality, whether they attract Government funding or are paid for directly by employers and learners.

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5 Number of pupils at the end of KS5 by type of qualifications entered 2013, DfE.
Improving the quality of leadership and teaching

20. The quality of vocational education and training at all levels is dependent on the quality of governance, leadership and teaching in education institutions. While responsibility for quality rests with institutions and providers (as independent organisations), the Education and Training Foundation (the Foundation) has been established as the sector owned and led body responsible for professionalism in further education.

21. The Foundation’s plans to 2016 describe its priorities for supporting the further education sector to improve standards of leadership and teaching; ensuring vocational education is based on partnerships with employers; and improving and embedding the teaching of English and maths; with better use of technology underpinning all of this. The Foundation is implementing recommendations from the Commission on Adult Vocational Teaching and Learning (March 2013) including embedding the concept of a ‘two way street’ (greater employer engagement and influence on vocational education); and creating Teach Too (business involvement in teaching). The Foundation published new standards for teachers and teaching in May 2014, to underpin quality improvement in future years.

22. To support this agenda, Government published its Further Education Workforce Strategy in July 2014. We are investing over £30m to improve the quality of leaders, teachers and teaching, through a range of programmes and incentives, many of which are being led by the Foundation. Collectively this is expected to raise standards of teaching in further education in future years and make the sector a great place to work.

Intervention

23. The strengthened intervention process has been operating since August 2013. At the heart of the process is the role of the Further Education (FE) Commissioner and FE Advisers, who intervene in those FE Colleges, designated institutions and local authority maintained FE institutions that have failed an Ofsted inspection, failed minimum standards of performance, or that have inadequate financial health and controls. Where the FE Commissioner intervenes, he does this to ensure that employers and learners have access to high quality provision. He assesses the capacity and capability of the governance and leadership to deliver the necessary improvements to quality and/or finances.

24. He provides advice to Ministers and the Chief Executive of the funding agencies on what action is needed to secure improvement in order to protect the needs of learners and safeguard public money. To date, 19 FE institutions have been subject to intervention, including one where intervention has been successfully concluded. Of these, 12 cases have been triggered due to an assessment of their financial health or financial management as ‘Inadequate’.
25. However, in many of the cases where referral for Intervention was triggered by an Ofsted assessment of ‘Inadequate’, the FE Commissioner identified underlying financial issues which needed to be addressed. These interventions have resulted in governance and leadership changes, structural and delivery model improvements, and new partnership arrangements.

**Outcome based success measures**

26. We need to look beyond the qualification to the outcome for the learner. The real test of vocational education is whether learners make progress into or within employment or further learning. New *Outcome Based Success Measures* in the further education sector are now providing valuable information to inform the decisions made by employers and learners, enabling providers to benchmark their performance, and allowing Government to introduce a new accountability framework based on outcomes rather than just the achievement of qualifications.

27. The measures are learner destinations (into employment and further learning), progression (within learning) and earnings. The new measures will form the basis for a revised accountability framework with providers in further education. In December we announced next steps in developing the measures: we will consult on detailed options for this accountability framework later this year and following that will publish a plan and timetable for developing and using the measures.

**Skills at the heart of the industrial strategy**

28. Over the course of this Parliament, the Coalition has further developed the notion of an industrial strategy. We aim to create more opportunities, skilled jobs and to make the UK more competitive so British businesses can thrive and compete with rising economies. The purpose is to shape the system for the long term giving business the confidence to invest so that as a whole it meets the needs of the modern economy. Working with business we have identified five cross-cutting areas of activity which are vital to the overall performance of the economy:

- **Sector partnerships**: providing support for all sectors to help increase global competitiveness, support innovation and maximise export potential; with tailored strategies for 11 key sectors.
- **Technologies**: supporting the development and commercialisation of technologies where the UK has the research expertise and business capability to become a world leader.
- **Skills**: working to deliver the skills that employers need, giving businesses more say over how government funding for skills is spent.
- **Access to finance**: helping businesses get the finance they need to invest in people and equipment and to grow.
- **Procurement**: developing UK supply chains and creating a simpler and more transparent public sector procurement system.
29. There are two reasons why skills are a core component of the industrial strategy. The first is that there is a clear link between the capacity of individuals in the workforce and economic performance. This link has become increasingly important over time and, across the global economy as sectors have become more technologically advanced and the pace of individuals and businesses engaging increases exponentially.

30. Figure 3 below shows that the employment share (as measured by number of employee-hours) accounted for by the high-wage (high-skilled) jobs has been increasing over time.

**Figure 3: Change in UK employment share, 1981-2008, number of employee-hours**

31. Secondly, a highly skilled and effectively deployed workforce requires action from both government and business. The principal role of Government is to provide policy stability and ensure the provision of a high quality system of education which allows all young people to embark on their adult lives with the knowledge, skills and understanding they need to succeed in contemporary society, including in the workplace. A key role for businesses is to create skilled jobs with opportunities for individuals to up skill and reskill to progress to new levels and embark on new careers but in recent years the levels of investment have been falling.

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7 Holmes and Mayhew (2012) 'The Changing Shape of the UK Job Market and its Implications for the Bottom Half of Earners'
Over the past year Government has allocated more than £2 billion to the industrial strategy objectives, a clear indication of commitment in a period of fiscal constraint. In addition to investing the time to set the strategic direction and by match-funding the majority of this investment industry has really stepped up; including projects funded through the Employer Ownership programme which are driving up skills and supporting elements of the skills challenges identified in the Industrial Strategies.

### The dual mandate for adult vocational education

In 2013/14 there were 2.93 million government-funded adult learners participating in further education. They are studying what can seem to be a bewildering array of courses, varying in all kinds of ways, including:

- By level, from courses in basic literacy and numeracy through to scientific and technical degree-level programmes.
- By subject area, with work-related courses from accountancy to zoology, and courses with general educational and personal development content.
- By level of engagement, ranging from short modules lasting just a few hours to courses involving years of study.
- By financing, with some learners paying the full costs of their course, others paying nothing, and others taking out subsidised government loans or studying with funding provided by their employers.
34. Of the three main national systems of education, further education is the most diverse and covers the widest spectrum of activity. The school system together with further education educates from basic literacy through to A-level and its technical and vocational equivalents with 36 per cent of 16-19 year olds now attending a further education college. Higher education institutions such as universities teach from A-level to degree level, masters and PhDs and have an important role in research. Further education spans learning across all parts of this spectrum. It covers the range of what a learner on an optimal trajectory through the education system might study from primary school entry to the end of a degree programme.

35. The further education college is at the centre of the FE system, but colleges vary significantly in size and focus, and it is dangerous to make generalisations about “the typical college”. Further education is delivered across a diverse range of providers. There are around a 1,000 direct contract holders with the Skills Funding Agency of which over 200 are FE colleges and around 100 are third sector organisations.

36. Perhaps because of or perhaps in spite of this range of activity, our further education system is less discussed and less understood. It is sometimes hard for those outside the world of further education to grasp a system with this diverse range of activity. Most commentators on public affairs have experience of school and of universities both for themselves and their families whereas the world of further education is more remote from their experience. This lack of visibility for further education compared to other parts of the education system can limit the impact of further education. There are too few learners aware of the options available to train in the specialisms that business and the economy need, and which might suit their learning style and future career paths.

Making sense of diversity: the dual mandate for adult vocational education

37. We believe it is best to see adult further education as having a dual mandate. There are two core purposes which adult further education serves:

- The first part of the dual mandate is to provide vocational education for the workplace with a focus on higher level professional and technical skills. Further education colleges were initially developed as civic enterprises by businesses and local authorities, teaching skills that were demanded by employers. This remains the essential core of further education.
- The second part of it is to provide second chances for those who have not succeeded in the school system. The issue here is stark. We estimate that there are 8.1 million adults in England who do not have the numeracy expected of an eleven year old child leaving primary school.

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8 2013/14 data from Independent Learner Records, DfE.
The further education system in all of its diversity remains the only chance such people have of addressing educational deficiencies which increasingly block off employment opportunities and infect the entirety of the life experience.

38. This dual mandate has in recent years not been sufficiently visible.

The problem is twofold.

39. First, there has been a conflation of purpose. Both parts of the dual mandate are important. But they are separate. Excellence in delivering vocational education for the workplace is not the same thing as excellence in providing second chances; and institutions which are excellent under one part of the dual mandate do not necessarily have what it takes to be excellent under the other part. Of course, in providing excellent vocational education for the workplace colleges often reach out to individuals whose potential has not been realised during compulsory education, and they often use their knowledge of local communities to attract learners from economically disadvantaged groups. Colleges rightly take pride in delivering excellent vocational education in inclusive ways that address long-standing social unfairness. But this should be seen as the first part of the dual mandate being delivered equitably. It should not be seen as a merging of the two mandates.

40. Second, there has been an erosion of the first part of the mandate. To say that further education is about vocational education for the workplace may seem obvious, but in fact too many colleges have become detached from this purpose, and as a whole the further education system has not delivered the skills that the modern economy needs. On the one hand, the requirements of businesses have changed so that there are more jobs requiring skills at higher levels; on the other, for many colleges the core of their adult education activity has become about teaching learners at a low level of education. A gap has opened in the supply of people with higher level vocational skills to the economy.

Our vision for 2025

41. It takes time to bring about change in an education system. Those who will be emerging as the graduates and newly qualified apprentices of 2025 have already started their secondary education, and are already beginning to form the preferences and make the choices which will determine their pathways as young adults. To ensure that they are able to experience a high quality and respected system of tertiary education with both vocational and academic options, we need as a country to have a vision we can work towards.

42. Our vision is that in ten years’ time this country will be recognised as an international leader across the whole of tertiary education. This will mean for the first part of the dual mandate that:

- There will be a strong offer across both further and higher education sectors of both academic higher education and of higher level vocational education.
• Both will deliver rigorous stretching education programmes which develop learners as resilient, self-reflecting individuals, able to adapt to a consistently changing world.

• Higher level vocational education, in particular, will be valued by businesses: there will be business engagement in the development of courses, in providing apprenticeships, work placements and internships, in setting qualification, in the assessment of learners’ skills, and in the leadership and stewardship of educational institutions.

• There will be a parity of esteem between academic higher education and higher level vocational education. We cannot bring this about by assertion. It can only come about by creating conditions in which parity of esteem is earned. To this end, it will no longer be the case that higher level vocational education for adults is a less prestigious option aimed at a learner community which has left compulsory education having become qualified to level three (A-level equivalent) or to level 2 where this is the level required for occupational entry. Like academic higher education, higher level vocational education will be aspirational. Schools will promote higher apprenticeships alongside going to university as equally valuable career choices.

• There will be greater synergies between academic higher education and higher level vocational education and the way in which these systems work together to deliver tertiary education. There will be distinctive academic and vocational routes, but it will be possible to switch between them, and young people will not be required to make a decision which closes down options prematurely. Academic and vocational routes will both lead to the highest levels of educational attainment.

• We will see sustained growth in higher level apprenticeships and technical qualifications. Higher vocational education as a share of overall tertiary education will no longer be an outlier relative to the balance in other developed economies.

• Students will make their choices between different forms of tertiary education on the basis of what they think will be best for their development rather than on short-term financial grounds.

• National Colleges led by employers will have been established in the key technical disciplines. They will provide quality teaching at higher levels, and accredit the lower level provision of colleges distributed across the country. In other cases, further education colleges will be recognised as national providers in particular disciplines, and they will perform the same role for these disciplines as National Colleges.

• Higher apprenticeship routes will be more prevalent and better known, providing a work-based pathway to higher level skills. Many of these will be Degree Apprenticeships or include higher education as part of the achievement.

• The geographical pattern of further education colleges will serve local needs and will be financially resilient, with local business leadership embedded in the governance of colleges, and real collaboration between institutions with different specialisms rather than a duplication of provision.
43. This is a challenging vision to realise, but equally as pressing is the need for the FE sector to deliver on the other half of the dual mandate. For many the FE sector provides a clear second chance for those who have not achieved the levels expected during their formal education.

44. This is a very challenging proposition for the FE sector and one that cannot be met without the same commitment to high quality institutions that can provide excellence in teaching and learning.

45. What is clear though is that the issues faced by adults with low attainment are many and complex, and the routes to addressing these issues rely on highly localised interventions, often spanning much more than just education.

46. Our vision is of an FE sector confident and capable of reaching into its local community, joining up services and addressing the needs of the most disadvantaged. This will mean for the second part of the dual mandate:

- Strong local institutions or networks of institutions working in partnership to address the needs of people in their communities. This can only be built on a diversity of providers, drawing on specialist knowledge working effectively together.
- Much greater flexibility at a local level on the nature of provision – we need to move away from a world in which qualifications are specified top down in areas where they have little currency or value, towards one where provision can be tailored or built into programmes that address the learning needs of individuals and any wrap around support they need.
- A clear accountability framework which clarifies provider accountability to their local communities – this is essential to underpin greater flexibility of provision and to ensure that all those involved have a clear focus on the outcomes they need to deliver.
- A robust informal learning offer, which supports the hardest to reach to take steps back into life and work with provision delivered through strong local partnerships.

47. Chapters two, three and four of the document set out the evidence that we have a weakness in an important element of the first part of the dual mandate: our vocational skills provision at higher levels across further and higher education. By this, we mean levels higher than would be the expected level of attainment for eighteen year olds leaving compulsory education. These chapters set out what Government has done so far to address the issue and then discuss, and seek views on, further options for change.
48. Chapter five looks at the other part of the mandate; second chances. In recent years further education for adults has become focused on relatively low level education (by which we do not mean low quality). Supporting adults with low attainment remains vital to the economy and society. However, progress on key indicators such as literacy and numeracy has been disappointing, and we retain a disturbingly large core of working age adults with skills levels that make it extremely difficult for them to succeed in the labour market. Refreshing the first part of the dual mandate should not be taken as a signal that the second part of the mandate matters less. Rather, it provides the opportunity for new thinking about how these endemic problems can be tackled in innovative, sustainable ways.

49. Chapter six looks at the implications of the dual mandate for adult vocational education colleges, against a background of wider change in the way in which Government funds education for adults, and the Government’s wider strategy of empowering local places to make decisions on economic development.

Please take the opportunity to help us realise our vision by responding to this consultation document.
Chapter two: The higher vocational education offer in England

Introduction

50. This chapter analyses how and why England’s performance on higher level vocational training has come to lag behind most comparator nations and sets out the challenge that this poses to productivity. It also highlights higher level skills shortages in some of the sectors identified in the industrial strategy as critical to growth.

What is higher level vocational education?

51. Higher vocational education covers education and training provision which is focused on employer need at level 4 through to 8, and is being delivered by providers across the further education and higher education sectors.

52. Many well established degree programmes delivered by our most prestigious universities – for example in medicine, law or dentistry – are clearly higher level vocational programmes which combine both academic and vocational learning already operating successfully within the HE sector. There are also excellent vocational programmes being delivered in a range of FE Colleges.

The levels of higher vocational education:

- Level 4: Higher national certificates, certificate of higher education, professional qualifications, and the first year of an honours degree.
- Level 5: Higher national diplomas, foundation degrees, professional qualifications, 2nd year of an honours degree.
- Level 6: Honours degree and equivalents.
- Levels 7 and 8: Post-graduate provision, including masters.

Higher apprenticeships can be studied at any of Levels 4-7 and combine work with off-the-job learning, whilst employed and earning a wage.

What defines effective higher level vocational education?

53. What defines higher level vocational education, and separates it from purely academic or research programmes is a direct line of sight to work. Higher level vocational education at all levels supports employers to meet their technical and professional skills needs directly.
54. The critical factor in distinguishing effective higher level vocational education is not so much the length of the course, or the type of education, but the strength of employer leadership. Where employers are engaged in the design of programmes and act as the customer for institutions and providers, those who go through the programmes are likely to be very well prepared for the labour market.

55. The Commission on Adult Vocational Teaching and Learning\textsuperscript{10}, which reported to Ministers in 2013, found that there are four distinctive characteristics of effective vocational training:

   i. A clear line of sight to work on all vocational programmes.

   ii. ‘Dual professional’ teachers and trainers who combine occupational and pedagogical expertise and are trusted and given the time to develop partnerships and curricula with employers.

   iii. Access to industry-standard facilities and resources reflecting the ways in which technology is transforming work.

   iv. Clear escalators to higher level vocational learning, developing and combining deep knowledge and skills.

56. These core principles run through this Government’s ambitions for higher level vocational education.

How and why England’s performance lags behind our comparator nations

57. In higher level training, England is an outlier. It is 16\textsuperscript{th} out of 20 OECD countries in terms of the proportion of adults holding vocational post-secondary qualifications (defined as equivalent level of a degree or higher).\textsuperscript{11} Our adult vocational programmes have historically been at a lower level, and have had less status attached to them than those in other comparable countries. The largest proportion of adult further education has been delivered at Level 2, with a lower proportion at Level 3, and a very small proportion at Levels 4 and 5 (in 2013/14 there were 36,400 19+ learners for Level 4+ provision in further education). At 16-19 56 per cent of students attain a level 3 qualification by the age of 19 with 9.2 per cent holding a recognised technical qualification at that level\textsuperscript{12}.

\textsuperscript{10} It’s about work… Excellent adult vocational teaching and learning (2013) Frank McLoughlin CBE
\textsuperscript{11} Source: Skills Beyond Schools – Synthesis Report (2014)
\textsuperscript{12} 16-19 level 3 attainment, 2013/14. DfE.
58. In addition to the 36,400 Level 4+ learners (19+) in further education, nearly 60,000 people studied at foundation degree level (all ages) in the higher education system.

59. The OECD found that less than 10 per cent of 25-40 year-olds in England has a post-secondary vocational qualification as their highest qualification. In contrast, the OECD reported that:

- In the US 22 per cent of the labour force take associate degrees or post-secondary certificates;\(^\text{14}\)
- In Austria, around 20 per cent of the cohort graduate with a post-secondary qualification from a vocational college;\(^\text{15}\)
- In South Korea a third of each age cohort enters polytechnics\(^\text{16}\); and
- In Scotland a third of each cohort undertake courses shorter than a full degree.

60. As the chart below demonstrates, whilst we have made great progress in increasing the number of learners participating in higher education and enrolling in bachelor degrees, the numbers taking part in post-secondary vocational education or training below this at levels 4 and 5 has fallen over the same period.

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\(^{13}\) https://www.gov.uk/government/statistics/learner-participation-outcomes-and-level-of-highest-qualification-held
61. We have also seen a dramatic decline in the volumes of part-time undergraduate entrants, which have been falling since 2008-09. This is set against a backdrop of increased qualification levels in the overall population; difficult macro-economic conditions; and changes to the way in which government has funded part-time qualifications. Especially worrying is the decline in employer contributions: following the 2012-13 introduction of tuition fee loan funding for part-time undergraduate courses employer funding has almost halved. This is cause for concern as part-time higher education study is often more closely associated with higher level vocational courses, especially at sub-degree level.

62. Why is England weak in higher level technical skills? The success of our work to widen participation in higher education has increased expectations that higher education and university study is now an option for anyone who has the ability to benefit from it, regardless of their gender, ethnicity and socio-economic background. However, we have not seen the same development of pathways into higher vocational education. For example, schools have been judged on the proportion of their students who gain entrance to university, and have therefore tended to see vocational options as a second tier, for those who are not capable of securing the grades to access HE.

63. Despite all FE colleges and many sixth forms now offering level 3 vocational and technical qualifications and the evidence to suggest that these can attract higher wage premia than A levels the pathways these qualifications provide into higher education and employment is not well understood or explained to students. Our current reforms are succeeding and apprenticeships at graduate or post-graduate level are heavily over-subscribed. Although the number of places available is still relatively small they already provide a real alternative to university for able students.

18 BIS, Qualification returns, 2011
64. The attitude that these options are second tier has been reinforced by our education funding system. Funding for higher-level study has been primarily routed through the individual and through institutions. The result has been that the role of employers has not been central to the development of higher vocational qualifications.

65. We need to make it simpler for businesses to fill technical roles by recruiting young people from this country. Very large businesses can develop their own training programmes to fill these niches, and conduct training post recruitment – but for smaller firms this is challenging, and often it is easier to off-shore technical roles, or to bring in workers with the right skills from abroad.

A longstanding issue

66. Concerns about the nation’s ability to produce a sufficient flow of qualified technical professionals are not new. Government policies from the 1950’s onwards on funding, qualification and standards setting, and institutional reform for higher level vocational education have created some systemic and structural flaws that are now being addressed. But more needs to be done.

Institutions

67. In 1956, spurred on by an alarming memorandum by Lord Cherwell, Churchill’s wartime scientific advisor, the Eden Government created a new network of Colleges of Advanced Technology (CATs) to address deficiencies in technical skills.

68. In 1966 CAT status was awarded to ten technical colleges who over time went on to become universities.

- Birmingham CAT became Aston University.
- Loughborough CAT became Loughborough University.
- Northampton CAT became City University London.
- Chelsea CAT was subsumed into King's College London.
- Battersea CAT became the University of Surrey.
- Brunel CAT became Brunel University.
- Bristol CAT became University of Bath.
- Cardiff CAT became Cardiff University.
- Salford CAT became the University of Salford.
- Bradford Institute of Technology became University of Bradford.

69. CAT terminology has fallen out of use, but the CATs have clearly been a success. They have turned into universities with a distinctive set of characteristics: strengths in science, technology, engineering and mathematics; an emphasis on professional and managerial skills; a tradition of sandwich course provision and other work-based experience for students; and increasingly strong research operations.
70. The CATs were followed by Polytechnics. In 1965 Anthony Crosland’s well-known speech at Woolwich Polytechnic set out a manifesto for the ‘binary system’ of higher education, in which universities would be joined by polytechnic institutions which concentrated on higher level vocational skills. The polytechnics’ remit would be to teach higher level vocational skills. Unlike universities which were independent institutions with charters funded on a national basis, polytechnics were to be the responsibility of the local education authorities.

71. For Crosland and for Governments through the 1960s and 1970s, the intention was that universities and polytechnics should be two different types of institution serving related but different purposes, and with a parity of esteem between them. At their peak there were over thirty polytechnics in England primarily located in urban areas large enough to support industry or commerce, funded by the Polytechnics and College Funding Council.

72. Following passage of the Further and Higher Education Act 1992 the polytechnics became fully fledged universities and many chose to retain the name of the city as part of their name e.g. Birmingham City, Manchester Metropolitan, Liverpool John Moore’s and Sheffield Hallam. They received, as the longer-standing universities now would do, public funding from the new Higher Education Funding Council for England (HEFCE). And they acquired powers to award their own degrees: initially, powers to award taught degrees but over time powers to award research degrees too.

73. The new polytechnics have generally thrived as universities. In a recent university league table five previous polytechnics are in the top sixty\(^\text{19}\) universities. Their courses continue to have a strong vocational focus, although not exclusively so. Their vocational courses usually include employers in course design and teaching. Often the former polytechnics have led the way in opening courses in emerging disciplines such as sports sciences. Distinctive research programmes have been developed, often with strong commercial and practical overtones. The institutions have taken on an international profile, while still tending within the HE sector to have relatively high rates of recruitment to courses from local communities.

74. But the conversion of the polytechnics into universities left a space in the provision of sub-degree level technical qualifications. This can be seen in retrospect to have created a long term structural gap in skills infrastructure – and contributed to a decline in the perceived value of technical skills pathways. It was not wrong to create the conditions to allow the then polytechnics to become universities. But no good answer was given to the question of how what the polytechnics had previously done would be secured in future. In so far as there was an answer to that question, it was that the further education sector would pick up the slack.

\(^{19}\) The complete university guide 2015
75. This has happened to a significant extent. For 2012/13\textsuperscript{20}, two million students enrolled at English providers of higher education. Of these 108,000 (5.4\%) were taught at further education colleges. The most common qualification aims taught in further education colleges were foundation degrees (43.1\%) and First Degrees (24.8\%); 3.4 per cent of students were doing Postgraduate studies.

76. Higher education in 2012/13 was taught at 252 FE colleges in England. However, 20 of the 252 colleges accounted for a third of the provision, and 42 accounted for half. The largest five providers of higher education were Bradford, Newcastle College Group, Blackburn, Blackpool & Fylde and Cornwall Colleges. 23 colleges had in excess of 1000 enrolments and 52 had fewer than 100 higher education students.

77. There is excellent higher vocational education provision in the FE sector with employers and learners benefiting from close links to employers and strong employer input into the design of programmes. Learners have put 12 FE colleges among the UK’s top 20 higher education providers in the 2014 National Student Survey on how satisfied learners were with their courses.

Case Study

New College Durham is a Grade 1 Ofsted College with over 50 different foundation degrees, honours degrees and professional qualifications in a range of subject areas. It has c11,000 students with c3,500 of those studying full time, and average fees are c£7,000. They are one of four colleges to have been granted foundation degree awarding powers. This means that they can design and award their own foundation degrees. They have an overall success rate which puts them in the top 10 per cent of all colleges nationally on performance. They also have excellent achievement and retention rates. The College has well established links with employers across all industry and business sectors. These employers have an extensive input into the design of the College’s higher vocational education programmes.

Qualifications and standards

78. Our current qualification structure lacks an effective route for the award of higher level vocational qualifications; post-secondary education has tended to converge on the full academic degree model.

\textsuperscript{20} These figures only include higher education provision that is ‘prescribed for HEFCE funding’, i.e. it does not cover non-prescribed HE or anything funded by Skills Funding Agency.
In the past, we have had a distinct system for higher level vocational awards. Polytechnics awarded degrees which were accredited by the UK Council for National Academic Awards (CNAA). The CNAA was external to the polytechnic sector and operated through subject boards. Undergraduate programmes in polytechnics tended to have a distinct character in which practical learning was more prominent than in degrees provided by universities. As they became universities, the former polytechnics took on degree awarding powers which required the institutions to show that they were also able to operate as educational institutions creating, teaching and assessing degree programmes. While as polytechnics had tended to offer a more balanced portfolio of degrees and shorter programmes such as technical certificates and diplomas, over time the balance in provision switched decisively towards the full degree.

**Funding of higher level vocational education**

Over the last decade higher level vocational qualifications have not been seen as a priority for funding, in part because of the original introduction of Public Sector Agreement targets at levels 2 and 3 and the adult entitlement which supported the full funding of qualifications at levels 2 and 3.

In short, therefore, public funding for the higher level vocational courses available in further education colleges has been squeezed out by funding both higher and lower level provision.

Funding of higher level vocational education within the further education system has been squeezed out by the need to find funding for adult learners who have left compulsory education without the basic skills needed to enter and progress in work and FE colleges’ reliance on funding for 16-19 education. There have been good reasons why successive governments have chosen to give priority to lower level adult skills provision. There are strong economic and social returns, enabling individuals to gain the core skills they need to enter employment and then progress in their chosen career. Information on how we are addressing the issue of lower level skills is included in Chapter 5.

In the simplest terms, England has two national funding systems for adult education, and whilst there is excellent higher vocational education provision in both, for neither of them is it their main, nor core, business.

**Why is this imbalance a problem?**

There are three reasons why this imbalance in the tertiary education system is problematic:

- The demand for higher level technical skills is growing, particularly in some of the sectors identified in the industrial strategy.

- Lack of advanced technical skills is a drag on the UK’s productivity.
• There is evidence to suggest that the benefit of completing training at levels four and five has considerable wage premiums for learners. The lack of such attainment therefore means we are paying an opportunity cost of foregone income.

**Demand for higher level technical skills is growing**

85. UK demand for higher level technical skills will increase in the coming years. Demand will be created both by business growth ("expansion demand"), and by people retiring or leaving the workforce ("replacement demand"). The ageing workforce is an important factor: “employers will find it increasingly difficult to maintain their workforce as baby boomers retire and fewer school leavers and graduates become available” (Duckworth, 2010, p46). The problem is acute in some of our key sectors:

• In the UK the Royal Academy of Engineering forecasts that the UK economy requires 830,000 more engineers by 2020.

• Employment of IT specialists across the economy is expected to grow by 2 per cent per year and it is expected a million new recruits will be needed in the next decade. There is particular demand for skills in growth areas such as Cyber Security, Big Data, Mobile and Web development, e-commerce and Cloud computing.

• Demographic challenges are a growing concern in the nuclear sector, with a majority of the workforce aged over 45. The situation is most severe in roles with significant technical expertise – with around 70 per cent of workers due to retire by 2025. This is a concern not just in relation to the development of new nuclear, but in addressing the £100 billion of investment required to address the UK’s nuclear legacy.

• In the automotive sector there is a forecast replacement demand of around 48,000 technicians by 2020.

• In the UK oil and gas industry 20 per cent of professionals are recruited from overseas and 53 per cent of businesses find sourcing qualified staff as the main factor limiting their growth.

• In aerospace an additional 80,000 managerial, professional and technical positions are estimated to be required by 2020.

• In agri-tech employment projections indicate that the sector will need 42,000 more people at Level 4 or above between 2010-2020.

86. The OECD has highlighted that two thirds of EU employment growth is in technicians and associate professionals – which are most closely associated with this category of training. A more recent report by IPPR (2014) also supports the view that by 2020 a strong growth in associate professionals will create more opportunities for those who pursue a vocational pathway to higher level skills, particularly as many workers reach retirement age. IPPR estimate there will be around 3.6million new and replacement technician and associate professional level roles by 2020.

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Lack of skills is a drag on national productivity

Skills and Productivity

87. A substantial body of research evidence demonstrates that skills and training has a significant impact on productivity growth. For example:

- Holland et al (2013)\(^23\) found that a 1 per cent increase in the share of the workforce with a university degree raises the level of long run productivity by 0.2-0.5 per cent.

- Galindo-Rueda and Haskel (2005)\(^24\) show that firms’ productivity is positively associated with the education levels of their workforce. Furthermore, firms operating in high-skill areas tend to have higher productivity than firms with a similar skill profile, but operating in a low skill area – suggesting productivity spill overs.

- Dearden et al (2005)\(^25\) demonstrate that a 1 per cent increase in the proportion of the workforce trained raises an industry’s productivity by 0.6 per cent.

88. The graph below shows that the UK has a productivity gap of around 30 per cent with countries such as France, Germany and the USA.

Figure 7: GDP per hour worked in selected countries\(^26\)

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\(^23\) BIS Research Paper No. 110 ‘The relationship between graduates and economic growth across countries’

\(^24\) Galindo-Rueda & Haskel (2005) ‘Skills, workforce characteristics and firm-level productivity: Evidence from the matched ABI/Employer Skills Survey’


\(^26\) ONS: ‘International Comparisons of Productivity, 2012 - Final Estimates’
Further demonstrating the importance of skills, other research estimates that improvements in labour quality through investments in skills added 0.4 percentage points to UK growth between 2000 and 2007, twice that of our major competitors (see figure 8)\(^\text{27}\). Coupled with investments in ICT, which are thought to be highly complementary to investments in skills,\(^\text{28}\) these accounted for around a third of UK growth over the period.

**Figure 8: Contributions to gross value added growth (2000-2007)**

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**Conclusion**

This chapter has analysed how and why England’s performance on higher level vocational training lags behind many of our comparator nations and set out the challenge that this poses to productivity. The next chapter identifies how the Government’s current reform programme is seeking to change the status quo.

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\(^{27}\) Gröningen Growth and Development Centre, EU KLEMS

\(^{28}\) See Bond and Van Reenen (2007) for a survey of the theory and evidence.
Chapter three: What we are doing about it - our current reform programme

Introduction

91. This chapter identifies how Government policy has already developed under three core themes of:
   • Funding
   • Qualifications, standards, and curricula
   • Institution building.

Reforms to funding

92. The Government has already made considerable reforms to the way in which employers and learners are able to access funding for higher vocational education. These reforms have principally been focused on moving apprenticeship funding directly into the hands of employers, making more resources available for higher apprenticeships, and the introduction of Advanced Learning Loans. These reforms are intended to help make higher vocational education more responsive to the needs of employers and learners.

93. The Government has also made changes to the funding of higher education to support part-time students to retrain in key disciplines to support the delivery of the Government’s industrial strategy.

Higher apprenticeships funding

94. In 2013 we announced £40 million to fund 20,000 more higher apprenticeships over the 2013/14 and 2014/15 academic years. In 2014, additional funding of £20 million over the 2014-15 and 2015-16 financial years was made available to co-invest with employers in apprenticeships that include higher education, up to postgraduate level, providing funding for HNDs, HNCs, foundation degrees, full honours degrees and master’s degrees. Until the 2014 Budget, higher education within higher apprenticeships either had to be paid for entirely by the employer or by the apprentice via an HE tuition fee loan.

95. In 2014, we also supported the digital industry to develop a new form of higher apprenticeship, the degree Apprenticeship. In this model, employers and universities, with any relevant professional body, co-design a degree that provides the apprenticeship training for full occupational competency, meeting any professional registration requirements.
96. Degree apprenticeships sit alongside other degree level apprenticeships or master-level apprenticeships that could include an existing honours degree or master’s degree as part of the apprenticeship training, such as the Banking Relationship Manager apprenticeship standard. By doing a degree as part of an apprenticeship, an individual is employed and earns a wage while learning. They come out of their apprenticeship programme with the technical and applied skills that employers need.

97. The economy benefits as they are productive for longer as they are working as they study part-time. Universities are now working alongside industry to develop their educational offer to employers and learners strengthening partnerships which will drive forward our economy.

98. The Government is trialling a funding model for starts in 2014/15 and 2015/16 on new apprenticeship standards designed by employers, where the Government provides two pounds of funding for every pound of employer investment, up to a cap. This applies to all external training, including degrees. Additional payments are available for apprentices aged 16-18, for small businesses (with less than 50 staff) and upon completion.

### Introduction of Advanced Learning Loans

99. To enable adult (24+) learners to access Level 3 and Level 4 education we have introduced Advanced Learning Loans. There is increasingly strong evidence to suggest that these loans can be a successful way of enabling learners to fund education and training that is considered valuable. Final data for the full 2013/14 academic year show there were 59,100 learners participating with a 24+ Advanced Learning Loan. Of these, 56,400 were participating at Level 3 and 2,700 were participating at Level 4. Of those 4,460 learners participated on STEM courses (Engineering and Manufacturing Technologies, Information and Communication Technology, Science and Mathematics).

100. Advanced Learning Loans allow learners to overcome the problem of being unable to afford the up-front costs of a course, and they are more cost-effective for Government than grant funding. Loans should play a part in improving the rigour and responsiveness of the sector. By ensuring that individuals are paying for their learning through loan repayments, there should be a stronger incentive for learners to hold learning providers to account for the quality of the courses provided, and a stronger incentive for learners to ensure they get the best possible outcomes from their courses.

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30 https://www.gov.uk/government/collections/apprenticeship-changes
101. Learners who use an Advanced Learning Loan will only begin to make repayments when their income exceeds the repayment threshold (currently at £21,000 per year). The existence of an income-contingent repayment threshold ensures that learners do not view Advanced Learning Loans in the same way that they might view a traditional bank loan. Our research shows that learners who understand the terms of an Advanced Learning Loan are generally willing to use the loan to fund their learning.

Part-time Higher Education (HE)

102. We know that part-time HE provision is important. The learner profile of part-time HE learners is often different, focusing more on learners already in work, such as apprentices, and with existing qualifications who are seeking to develop particular knowledge and expertise to support their professional development. For employers, part-time provision enables their workforce to develop their skills and knowledge without having an impact on day-to-day business.

103. And yet, we have seen numbers decline. But we have not stood still. We have already announced a relaxation and exemption to the Equivalent and Lower Qualifications Policy (ELQ), which will allow learners studying a part-time first degree in technology, engineering and computer science to access tuition fee loans to retrain from 2015/16. The Budget 2014 announcement providing funding from April 2014 to co-invest with employers in the HE costs within higher apprenticeships will also contribute to the growth of part-time HE students that are higher apprentices – this will expand further to include Degree apprentices from September 2015.

Qualifications, standards and curricula reform

104. The consensus is more and more clear that high quality vocational qualifications are based directly on employer needs and developed in partnership with employers. There are already long-standing examples of this for degree level vocational qualifications, such as medicine, which are approved by the relevant Professional, Statutory and Regulatory Body, the General Medical Council.

105. This Government has already implemented reforms to put employers at the heart of vocational education at Key Stage 4 (the 14-16 age group), with the introduction of technical awards, and for the 16-19 age group, with the introduction of Tech Levels and technical certificates designed to provide entry to specific occupations and higher vocational training. The Government has also announced reforms to apprenticeships (new employer-produced standards with clear outcomes) and to vocational qualifications [up to Level 3] in the adult market as set out in Sir Nigel Whitehead’s 2014 review32.

106. Many of the employer-led trailblazers are showing great interest in developing and offering higher apprenticeships, demonstrating the value of the reforms at the higher levels in particular nearly 40 per cent of the Trailblazer standards published so far are higher apprenticeships\textsuperscript{33}. These include occupations such as Solicitor (postgraduate), professional accountant (degree level), manufacturing engineer (degree level), and dental technician (foundation degree level).

107. Higher apprenticeship frameworks – unlike lower level apprenticeships - have been able to include either FE qualifications (Qualification Credit Framework-regulated) or HE qualifications or professional qualifications, or a mix of any of these. Under the apprenticeship reforms, employers decide which training is needed for their apprentice to meet the knowledge and skills requirements of the apprenticeship to enable them to successfully pass the synoptic end point assessment. Professional bodies are playing an essential role in supporting employers to design the new apprenticeships.

108. Under the reforms there is a clear focus on professional registration or licence to practice requirements - the apprenticeship must allow the individual to meet these occupational requirements where it exists in the occupation. For Higher Apprentices this could mean achieving chartered status, such as the new degree level apprenticeship to become a chartered legal executive.

109. It is an important priority to keep up the momentum in expanding the scope of higher apprenticeships. In January 2015, the UK Commission for Employment and Skills (UKCES) reported to BIS on the STEM occupations where higher apprenticeships could be most beneficial, and the Government is also working with employers to support the development of innovative new Degree Apprenticeship models in targeted industrial sectors.\textsuperscript{34}

**Institution reform**

110. High status institutions are vital if we are to establish quality higher vocational education which young people aspire to study. Employers often make the complaint that FE can be outdated – with an overreliance on using old equipment and established techniques, rather than preparing learners for changing technology, and the need for transferable and adaptable skill sets. This highlights the need for greater specialisation and employer leadership, and a greater separation between lower level, remedial training, and higher level vocational education.

111. The notion of ‘further education’ as a catch all for non-university, post-school education is outdated, and represents a dangerous conflation of two very different types of training.


\textsuperscript{34} Early findings data reported to BIS in January 2015. The full report will be published nationally by the UKCES in March 2015. The report will be available here: https://www.gov.uk/government/organisations/uk-commission-for-employment-and-skills
112. The classic example of a high status vocational institution is the Massachusetts Institute of Technology, motto *Mens et Manus* (Mind and Hand) originally known as ‘Boston Tech’. The institute’s original model was based on the European Polytechnic, and focussed on laboratory instruction in applied science and engineering. Today, while it has broadened its scope, MIT retains a focus on the application of academic learning, and has a strong entrepreneurial culture. The aggregated revenues of companies founded by MIT alumni would rank as the eleventh largest economy in the world.35

113. Britain has looked to MIT before - indeed the Centres of Advanced Technology discussed in the previous section took inspiration from it with institutions such as Aston continuing to exemplify similar strengths, if on a smaller scale.

### Case Study - Aston University

Aston University has its origins in the Birmingham and Midland Institute’s School of Metallurgy in 1875. From 1895 it existed as an independent entity, the Birmingham Municipal Technical School. As the College of Technology, Birmingham, it became the UK’s first designated College of Advanced Technology in 1956. The University of Aston in Birmingham received its charter as a technological university in 1966, taking its present name in 1997. Aston was associated with a number of pioneering ventures within the UK university system during its restructuring of the 1980s and 90s, including the establishment of the Aston Science Park in 1981.

It is a small university with a very strong research profile in specific areas of engineering. The university offers nationally distinctive provision in that it is focused on STEM subjects but based around a vocational model. Around 70 per cent of undergraduate students are on 4 year ‘Sandwich’ courses spending one year studying abroad or on an industrial placement. It has 8,934 students with 2,527 of those from overseas (HESA 11-12). It has an 83 per cent student satisfaction rate on the overall quality of the course. In March 2014 Capgemini announced that it will work with the university on a new work-based degree.

Capgemini higher apprentices will be able to progress to the second year of university study, using their higher apprenticeship as an entry point to complete a BSc (Hons) degree. Capgemini and the university have developed two degrees, which can be studied over five years. These will be the first sponsored degrees in the UK ICT sector to be taught and delivered almost entirely in the workplace rather than by attending as day release. The programme will involve two years on the higher apprenticeship and three years studying [part-time] for the BSc. In November 2014 we announced the development of a new form of higher apprenticeship, the degree apprenticeship, for digital Industries. Capgemini are one of the leading Digital employers working with universities such as Aston to co-design this apprenticeship and plan to have their first degree apprentices start in September 2015.

114. MIT and Aston both illustrate the need for high quality vocational education to cut across traditional distinctions between academic ‘higher’ education and lower level further education. However, while Aston and other similar institutions are excellent, as we saw in the last chapter, we have a critical shortage of this type of training.

National Colleges

115. Our response to developing new high status vocational institutions has been to support employers to establish seven National Colleges to spearhead the delivery of higher level technical and professional skills in priority sectors. These will be prestigious employer led institutions of technical higher education, from level four up to full degree and post graduate level, as well as professional development.

116. In addition to delivering training themselves, we will expect National Colleges to take a broader role in leading the definition of standards for their sector – ensuring that they are industry led, and that they reflect the changing nature of technology and processes. Those who are trained to a standard developed by a National College will be prepared to work in the industry of the next decade, not just the last one.

117. The core features of National Colleges will be:

- They will be new incorporated colleges, with employers on their governing boards.
- They will be led by businesses, who will co-invest 50 per cent of the cost of the establishment. This is not just to generate greater value for the tax payer, but also to give businesses a substantial on-going stake in the operation and success of the college.
- They will develop clear progression pathways, which take learners all the way from schools and University Technical Colleges through to post-graduate level.
- They will have substantial national centres of expertise teaching up to the highest level, while also delivering more widely across the country – often through arrangements developed in partnership with existing providers.
- They will be institutions that recruit on a national level, with residential accommodation at their main hub. They will be expected to develop an international reputation – which may include exchange schemes for students, as well as high profile in terms of their expertise.
- They will have strong links to universities and innovation institutions such as Catapult centres, enabling them to be at the forefront of changing technology in their sectors.
- For 2016/17 we have announced that a time-limited £5m fund will be made available for maintenance scholarships at National Colleges.

118. There are currently Seven National Colleges already announced in partnership with industry: Digital Skills; Onshore Oil and Gas (Shale); Nuclear; High Speed Rail; Advanced Manufacturing; Wind Energy and Creative and Cultural.
A dual mandate for adult vocational education

119. The development of National Colleges is still a relatively new programme of activity. This consultation provides an opportunity for you to help us inform our thinking on the next phase.

Improving the use of technology

120. Technology will be the lifeblood of the vocational institutions of the future. In recent years Government has:

- Funded Jisc\(^{36}\) and the Education and Training Foundation\(^{37}\) to support educational ICT infrastructure and better take up and use of technology in teaching. The vision is to encourage the development of a national fast broadband fixed and mobile infrastructure and to support development of new

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\(^{36}\) http://www.jisc.ac.uk/

\(^{37}\) http://www.et-foundation.co.uk/

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education technology resources and other innovations; including Massive Open Online Courses (MOOCs).

- Encouraged providers, partners and stakeholders to consider further what they can do to encourage on line learning and greater take up of technology including through engaging with the FELTAG process.\(^\text{38}\)

**Conclusion**

121. This chapter sets out the Government’s approach to date in reforms to funding, qualifications and institutions as part of the approach to creating a higher vocational education system that meets the needs of employers and learners. Yet, there is considerably more work to be done to take this strategic approach much further, and to address perverse incentives which act to entrench our historic weakness in higher vocational training. This is the focus of chapter 4.

\(^{38}\) http://feltag.org.uk/
Chapter four: What can we do next to deliver a quality higher level vocational education system?

Introduction

122. Chapter 2 explained the historic weakness of this country’s performance in the field of high level vocational education, how that has come about, and why it matters so much for our economic future. Chapter 3 set out what this Government has done so far to address these long-standing problems. This chapter looks at what more needs to be done if we are to make the transformation from being an economy with an internationally weak performance in the field of high level vocational skills, to one where our strengths allow us to achieve competitive advantage. It seeks views on the merits of proposals for change and on how best we can go about achieving such changes through sustained action over time. It also represents a call for a long-term partnership between Government and business to oversee this change as one of the most important challenges for our shared industrial strategy over the next decade.

123. We set out our ideas for further reform under four headings: Communications and branding; funding; qualifications and standards; and institutions.

Further reforms to communications and branding

124. One important consideration is the over-arching reputation and branding of higher vocational education (HVE). HVE study and qualifications will only ever be high quality if they are valued by employers and learners and recognised as high status options within the wider culture of family, school and community expectations.

125. The Government’s Inspiration Agenda, the National Careers Service and the recently announced Careers Company[^39] to support schools in engaging with employers are intended to help people establish up to date and well-informed careers ambitions and represent an opportunity to raise awareness of the higher vocational education options that lead to these careers. We are also working with UCAS to ensure higher apprenticeships and other higher vocational education options are signposted to people applying for university.

126. However, it is likely that more will be needed to really raise awareness of higher vocational options.

127. One issue is that the whole sector can seem very opaque to non-experts. The OECD recently referred to English higher vocational education as a “Hidden World” and CAVTL similarly described it as a “Secret Garden”. OECD have proposed all countries establish a common name for this sort of education, for example by adopting the Swiss “Professional Education and Training”. In England, the term “technical” also has a lot of resonance so “Professional and Technical Education” could be an alternative.

<table>
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<th>Question 4:</th>
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<tr>
<td>a) Would you support rebranding English higher vocational education as either “Professional Education and Training” or “Professional and Technical Education”?</td>
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<tr>
<td>b) If so, which would you prefer and why?</td>
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128. One of the factors behind the growth in apprenticeships over recent years has been national advertising and marketing campaigns.

| Question 5. Would you support a national advertising and marketing campaign for higher vocational education? |
| Question 6. What other means of promoting higher vocational education do you think would be desirable? |

**Further reforms to funding**

129. We have made progress in shifting the balance towards greater individual and employer investment in higher level vocational education. To deliver the step change required to meet the skills needs of the economy we will, in addition to embedding our current reform programme need to consider how individuals wishing to pursue a tertiary education career path might access funding.

130. There will be a range of individuals of differing ages and educational backgrounds looking to study higher vocational education. It is important that the funding system is flexible we know that many learners will live locally and travel daily, in fact they may have specifically chosen a higher vocational education route because they do not want to live away from home. It might also be that the course is part time in nature and offers them the flexibility to develop a range of new skills and/or up-skill or re-skill whilst dealing with other commitments e.g. caring responsibilities or working part time.
131. The funding available for higher vocational education should be a mix of public, employer and individual contributions. The levels of these should vary dependent upon what course is being undertaken and the benefits the individual and Government receive. In the case of apprenticeships individuals will be receiving a salary and others will not be incurring significant travel or accommodation costs. If the course is one in a skills shortage area then the Government gains as individuals enter and progress in employment. What is absolutely essential is that individuals wishing to study qualifications at level 4 and above are able to do so, and that access to funding is not seen as a barrier.

132. Government provides funding towards level 3 and 4 qualifications for those aged under 24. If a qualification is part of an apprenticeship, government provides funding to cover a significant proportion of the training cost. Advanced Learning Loans are available to fund tuition costs at Levels 3 and 4 for those aged 24 and over. Level 5 and Level 6 vocational qualifications do not currently attract Government funding, unless they are defined as prescribed Higher Education, which is the case for Higher National Diplomas.

133. However, the budget available for skills funding is constrained, as the reductions to the Adult Skills Budget have highlighted. In the future it is likely that budgets will continue to be constrained. Therefore we will need to keep reflecting on the prioritisation of existing funds. We are interested in views as to how best to prioritise the Government’s funding on skills in order to ensure that public funding has maximum impact.

134. In establishing the new group of National Colleges, we want the best and brightest learners from across the country to be able to attend these new institutions. In support of that we plan in the longer term to investigate maintenance loans for these institutions and for 2016/17 we have announced that a time-limited £5m fund will be made available for maintenance scholarships at National Colleges. In respect of National Colleges this should go some way to addressing this particular challenge.

**Question 7.** How can we encourage more individuals to study higher vocational education?

**Part-time Higher Education provision**

135. Part-time higher education is a key element of the skills offer; with particular benefits to individuals returning to learning and for individuals and employers re-skilling, or up-skilling improving the overall skills of the workforce. It is important to support the development of flexible vocational part-time higher education and whilst we have already made changes to support part-time learning for some of our key sectors we need to explore how we can continue to support the continued take-up of part time Higher Education.
Further reforms to qualifications, standards and curricula

136. A high quality system of higher level vocational education requires excellent vocational qualifications based on standards which connect the world of education to the world of work, and a curriculum and wider learner experience which provides both a rigorous challenging educational environment and real work experience. There is a balance to be struck here. The best vocational education programmes are not just about equipping the learner to succeed in an initial job role at a specific employer. They must also provide a strong foundation for the learner which lasts beyond the first few years of a career. This means that course content needs to extend beyond the needs of an initial employer; that there needs to be a conceptual as well as a practical content; and that above all learners gain sufficient understanding of the disciplines being studied to be able to update their competences time after time through their working lives as technologies, working practices and market conditions change.

137. This means that qualifications and curricula must strike a balance, doing justice both to immediate occupational and future educational/career needs. This in turn means that the creation of qualifications and curricula must be a joint enterprise between teaching institutions and employers. It is a weakness of the English system that there is still too little employer involvement.

138. There are some employers in the UK who have taken action themselves and developed their own standards and internal training programmes to deliver their workforce requirements: EDF, Tata Steel, Siemens and Nissan to name a few. Whilst this works for the individual company it doesn’t support the development of a wider UK workforce. These, and other employers, need to be at the heart of qualification development. It is heartening that some of them are involved directly through the Employer Ownership programme, Trailblazers and/or National Colleges in starting to develop industry standards, qualifications and curricula. Increasing the employer voice is critical, but empowering institutions to work with employers and develop higher vocational education qualifications is also important.

139. To support this Government will consider a range of measures which are focused on:

- Improving employer engagement in the development of higher level vocational education qualifications and curricula.
- Ensuring that HVE qualifications signal competence and are supported by a strong assessment of professional skills alongside core skills.
- Empowering further education institutions to develop, and accredit qualifications and curricula, for example exploring how the new National Colleges, given their specific expert knowledge, can develop and award qualifications relevant to their sector.

Question 8. How can we encourage more individuals to study part-time Higher Education?
140. To increase the volume of relevant Level 4 and Level 5 qualifications we are considering a number of approaches which may include:

- Consulting with employers and the education sector on the need for a new overarching body to accredit higher level vocational qualifications – with the employer voice at the heart of this approach.
- Reviewing the role of providers in developing qualifications and curricula and working with the FE sector in piloting new provision with a small number of FE Colleges with a proven track record of delivering HVE with strong employer engagement – possibly to award relevant L4 / L5 qualifications in their own right.
- Work with providers, learners and employers to refocus foundation degree curriculum, building on examples of qualifications with the best employer engagement and outcomes.
- Reviewing foundation degrees awarding powers (FDAPs)
- Accreditation reviews of provision not meeting employer need.
- Ensure HVE provision has direct line of sight with work based learning.

141. Each of the above are considered in turn below.

**Consult with employers and the education sector on the need for a new overarching body to manage awarding powers for higher level vocational qualifications**

142. Partly because of the concerns expressed in the FE sector about restrictions on access to FDAPs there has been in some quarters a call for the introduction of a national awarding body or committee. This body would differ from the former Council for the National Academic Awards (CNAA) in that it would grant awarding powers to institutions for specific sectors, rather than the bureaucracy of needing to approve each individual qualification. Such proposals have most notably been put forward by the Association of Colleges in their document *Breaking The Mould*40, and by OECD and CAVTL who propose this as a way of also simplifying the qualifications landscape, in the way that degree awarding powers maintain the brand of “a degree” while allowing each institution to design its own curriculum and assessment.

143. Such a proposal would: empower vocational providers to own their curricula; allow greater responsiveness to local or employer needs; save the cost and bureaucracy of complex validation arrangements; pave the way for a re-branded qualifications framework; and create a family of higher-level qualifications whose quality is assessed against the benchmark of impact in the workplace rather than being a stepping stone to academic research.

144. It may be that the opportunity for reshaping the role of employers and FE colleges could be addressed through the review of current awarding powers, rather than forming a new accreditation body. Some of these other options are explored below.

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A dual mandate for adult vocational education

Work with the sector and employers to refocus the foundation degree curricula

145. There are different choices in how we should look at foundation degrees. The view implicit in the 2007 legislation and the processes which underpinned its implementation would be that the foundation degree is essentially a degree, and while it may have value as a terminal qualification, its role in providing progression into the final year of a bachelor’s degree programme is equally important. On this view, there should be homogeneity of what is provided in the foundation degree in different educational environments, and this should be strongly related to the quality criteria which govern what it means for a study programme to lead to a degree. An alternative view is that there might legitimately be more differentiation between programmes offered in universities and colleges, because colleges might legitimately offer a programme that is less academic but more practical and experiential. This was an issue explored by the Wilson Review, with a recommendation that foundation degrees should be reaffirmed as a qualification in their own right rather than necessarily as a stepping stone to an honours degree.

146. The QAA are currently in the process of issuing revised guidance on foundation degrees so this paper is timely. It is expected that greater clarity on employer involvement in the development and monitoring of these qualifications is critical.

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Question 9. Should a new overarching vocationally focused body be established to grant higher vocational awarding powers?

Question 10. How could we increase the role of employers in scrutinising applications for new awarding powers?

Question 11:

a) How can the role of National Colleges in defining qualifications, apprenticeship standards and assessments and curricula best be taken forward?

b) Should other, high performing providers be empowered to do this?

Question 12. Are the right awarding powers in place to facilitate an increase in the uptake of HNC, HND and BTEC type qualifications?

Question 13. How do we design delivery and assessment in a way which imparts work ethics, occupational attitudes and standards, while enabling learners to reflect on and improve these?

Question 14. How do we develop these mechanisms without losing existing quality products that already meet these standards and which employers recognise and have faith in?
147. The revised guidance will go out for formal consultation in early 2015 for wider discussion. In addition to this consultation we will need to consider whether:

- There needs to be explicit employer backing to foundation Degree development, and be very clear if we were to pursue that approach how that employer backing is defined in the development, design and delivery of foundation degree provision.
- There is a set of appropriate outcomes for foundation degrees that can be established in order for our policy approach to drive these outcomes.
- The balance is right between foundation degrees acting as a pathway into higher level learning or as a terminal degree in their own right.

Question 15. Should the Government be prescriptive about the role of employers in the design, development and delivery of Foundation Degrees?

Reviewing foundation degrees awarding powers

148. When considering how best to reaffirm the value of foundation degrees, we should also consider how the current awarding powers will support their development as higher level vocational qualifications. The Further Education and Training Act 2007 enabled further education colleges to apply to the Privy Council for foundation degree awarding powers (FDAPs) which would allow them to validate their own course and award foundation degrees to their own students. Before this, all foundation degrees, including those taught exclusively in colleges had been awarded by validating universities under their degree awarding powers and in the name of the accrediting universities.

149. The policy intention behind this change was to enable colleges to respond more quickly to employer need; to respond to skills challenges; and to allow those institutions that could meet the appropriate criteria to contribute to the overall growth in foundation degree provision.

150. During the passage of the legislation, strong concerns were expressed in Parliament about the implications for quality and for the international reputation of the UK degree if powers to award degrees (albeit a limited class of degrees) were created outside of the higher education sector. In the light of these concerns, restrictions were placed on the way in which FDAPs could be used, including, a provision set out in the Order that the FDAPs holder does not have the power to validate the foundation degrees of another institution. Hitherto, it had always been the case that the possession of any kind of degree awarding powers also conferred the right to validate similar degree programmes taught by other providers. The criteria for FDAPs introduced at the same time drew heavily on the criteria used to assess applications for taught degree awarding powers.
151. Subsequently there have been four successful applications for FDAPs; New College Durham, Warwickshire College (now North Warwickshire & Hinckley College), NCG (formerly known as the Newcastle College Group) and Blackburn College.

152. In his independent review of collaboration between businesses and universities in 2012 Sir Tim Wilson recommended that the barrier to a college with FDAPs accrediting another college’s foundation degrees should be lifted.\(^{41}\) His argument was that this restriction was creating a barrier to the ability of the college sector to respond to business requirements for higher level vocational programmes, and that a college with excellence in higher level vocational education which had satisfied the QAA that it could be trusted with FDAPs might well be best placed to validate a foundation degree programme.

153. It has also been suggested by some college representatives that the criteria used to assess applications for FDAPs are too closely related to criteria for assessing applications for full taught degrees. On this view, the criteria gives too much weight to matters of academic good practice and reflect pedagogies that have been designed for full degree courses. They give too little relative weight to engagement with employers, and too little recognition to less academic pedagogies that colleges might choose to use. The small number of institutions to have applied for FDAPs since 2007 suggests that even those colleges with a large number of HE students face challenges in achieving FDAP status.

154. It will be apparent that although this issue emerges as a rather technical one about how a set of degree awarding powers should work, it embodies a deeper question about whether higher level vocational programmes (at levels four and five) should essentially be the same whether delivered at a university or at a college; or whether there should be more differentiation to reflect the different underlying strengths that different types of institution have.

155. We may wish to consider whether general awarding powers for foundation degrees is the most appropriate approach for colleges. We want colleges to develop specialisms and to focus on what they are good at, and the added value that they bring to employers and learners over and above universities. It may be more appropriate to consider some form of specialised FDAPs for colleges and to have those aligned with National Colleges and the new Trailblazer approach.

**Question 16.** Should we consider some form of specialised FDAPs rather than general powers to award any kind of foundation degree?

**Question 17.** Could the FDAPs process and/or criteria be changed to improve access while maintaining quality?

**Question 18.** How do we ensure that the quality assurance arrangements are appropriate to foster the right type of HVE (higher vocational education)?

Accreditation reviews of HE provision not meeting employer need

156. Some vocational HE provision, such as degrees in medicine, law or architecture, have a strong history in meeting employer needs and offer graduates excellent employment and earnings prospects.

157. However, some vocational subjects have relatively poor outcomes: for example, in 2012/13 Computer science graduates had the highest rate of unemployment amongst recent graduates at 13 per cent. More broadly the CBI annual survey of employers found that 45 per cent of businesses said that too many STEM job applicants were “not rounded, grounded and ready for work” and 39 per cent said they “lacked experience in the workplace”.42

158. Professional accreditation systems have a crucial role to play in setting standards and supporting professional development, ensuring that courses equip learners with high quality, relevant skills, and that they continue to refine their skills and knowledge so they are fit for the future. We therefore want to ensure that accreditation systems are being designed and developed to keep pace with the professions’ needs and can continue to play their role effectively.

159. The Government has asked Professor Nigel Shadbolt to lead an independent review to reform the accreditation arrangements for computer science where particular issues with the employment readiness of graduates have been identified. The Government has also asked Sir Bill Wakeham working with the Higher Education Funding Council for England to work with accrediting bodies to determine whether there are other areas that would benefit from similar review.

Work-based learning and higher vocational education

160. It is clear that the connection between work and learning in the higher level vocational education sphere is critical. We have already set out the potential for different approaches to engaging employers in the development of new curricula, a role with awarding bodies and in the accreditation of qualifications. What is equally important is the role of genuine work-based provision in the delivery of these courses.

161. We will need to shift, as some of our best further education institutions have done from a traditionally pedagogic approach based on the premises of the college to one in which learning is taken to the workplace and centred on business need. Workplace learning has, in too many instances, been focused on accreditation of existing skills and observation in the workplace rather than a genuine development of learning through practical tasks and experiential learning.

162. Some of the best practice we would hope to see will be driven by our reforms to apprenticeships and efforts to secure greater co-investment from employers in training as well as involvement in curriculum design and development.

163. But, we may also need to consider other ways of ensuring this line of sight with work is in place, for example by making work experience an expected part of all higher vocational education.

**Question 19.** Should all HVE courses involve work based learning?

**Further reforms to enable institutions to deliver higher level vocational education**

164. National Colleges will be a great start in levering up quality and aspiration in the delivery of higher level technical skills. But if we are to truly make an impact on the higher level vocational skills deficit identified by the OECD we need to be bolder and transform the FE sector as a whole.

165. The Government will focus on developing:
   - Greater specialisation in existing institutions
   - Higher Education Institutions delivering vocational qualifications
   - Greater collaboration between research, innovation and learning
   - Stronger virtual learning and use of technology

**Specialisation in colleges**

166. Further education colleges serve a wide range of community needs. However, many operate in areas with specific labour market challenges and particular sectorial skills challenges. We have an ambition to support colleges to develop centres of expertise in higher vocational skills in areas aligned with the needs of their local and regional economies.

167. This isn’t the first time Government has sought to support the development of facilities and provision for vocational excellence in further education. In 2006 the Government established the Centre of Vocational Excellence (CoVE) programme which had as its goal the ambition to develop centres of high-quality specialist vocational provision, which would work closely with business to more effectively meet the needs of employers and the economy. CoVEs aimed to develop the skills and careers of those already in work, and to enhance both the employability of new entrants to the labour market and the employment prospects of those seeking work (including self-employment). CoVEs also aimed to develop, deliver and maintain high-quality specialist provision across a range of new and traditional occupations. They were expected to be innovative in delivering learning that developed both specialist vocational and related general skills.
168. There will be lessons to learn about the role that CoVEs played in improving the capacity of colleges to deliver this type of provision and the approach Government took to them. The success of CoVEs was mixed and there has been much debate over the effectiveness of the approach. This debate has great pertinence to the ambitions to develop greater specialisation in colleges.

169. There were 400 CoVEs established – far too many to develop genuine specialisms and to command the respect of employers. As they became more mature the CoVEs increasingly became driven by national labour market intelligence and ended up in the hands of the Sector Skills Councils. Originally they had started as an innovative way to link local provision and local employer needs. With specialist colleges sitting within the context of the new National Colleges this may not pose such an issue. Particularly in the context of the local angle whereby through the 2013 Growth Deal process we have put £660 million of skills capital resources from the national system into Local Enterprise Partnerships in 2015/16 and 2016/17 with the intention that local areas have a better understanding of the needs of the local business population and are able to drive greater collaboration and specialisms across providers operating in a particular geography. We hope that these changes will start to deliver a more specialised, localised and responsive set of facilities that are more closely aligned with the economic priorities of the area.

170. CoVEs also cost the Government money - each CoVE received £500,000 grant funding and required a bureaucracy to manage them. There were also legitimate questions asked regarding the added value. If more specialised institutions are to genuinely offer something different and add value to the facilities currently on offer in many FE institutions we must find a way to badge/brand them, recognise existing excellence but also to engender that step change in quality and higher vocational focus required.

171. For those FE institutions that have developed greater specialisations there are also questions about whether they should have a role in owning the skills agenda for their particular area of expertise and also to what extent could, or should, the governance of these institutions be focused to ensure sector and employer leadership.

**Question 20.** Are there other lessons to learn from the implementation of the CoVE (Centres of Vocational Excellence) programme?

**Question 21.** Should there be a new status for colleges specialising in higher level vocational skills as the Institute of Public Policy Research recommended?

**Question 22.** How can we support FE colleges to achieve excellence in higher level vocational skills?
Excellent higher vocational education in Further Education

172. There are some excellent examples of high quality vocational excellence within colleges. These colleges, though limited in number have demonstrated that they can deliver this dual mandate by focusing on higher level skills needs and providing pathways to higher learning for vocational education learners through strong local relationships with employers and other Higher Education Institutions. See case study box below.

<table>
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<tr>
<th>Case Studies</th>
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<tr>
<td>• City and Islington College has strong progression pathways enabling students to go on to prestigious degrees, including medicine.</td>
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<tr>
<td>• Coventry University has set up Coventry University College, focused on sub degree provision.</td>
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<tr>
<td>• Teesside has a partnership between Teesside University and the Tees Valley further education colleges. It guarantees FE students a place on a degree programme once they’ve completed an Access to Higher Education Diploma. The Tees Valley Local Enterprise Partnership is now establishing a specialist STEM centre with the university and Middlesbrough College.</td>
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Higher Vocational Education in the Higher Education setting - extending the role of universities and links with research and innovation

173. Universities have a crucial role to play as institutions delivering higher technical and professional training. As we have seen, ‘vocational’ has unhelpfully become a word with some negative connotations in this country. Universities such as Warwick and Aston have already demonstrated how a compelling new model of higher vocational education can be delivered to complement an employer’s existing vocational training programme. In each of these universities they have worked with particular employers to design a tailored degree programme as additional training for their successful Higher Apprentices. This approach can have substantial advantages for all concerned:

- For **employers**, they have government support for a tailored programme which delivers both the analytical and applied skills they need. Apprentices who have completed their training will be productive immediately, and ready to fill specific skills gaps within the organisation.
- For **apprentices**, a higher or degree level apprenticeship is a very attractive offer. As they are employed they earn while being trained and can start the development of their career with their chosen employer. In some cases such an approach will enable them to progress more rapidly to a senior position than if they had done a traditional degree and graduate programme.
- For **universities**, such programmes can support strong relationships with businesses, which can strengthen their expertise in innovation, and can lead to additional investment in cutting edge facilities. Ultimately this type of approach is
likely to broaden the economic impact of the university, and provide opportunities for growth.

174. Yet, there remains much to be done to ensure progression from FE into HE, greater sharing of resources, aligned industry engagement and a stronger link between skills and innovation. As increasingly innovative approaches are developed, for example to integrate production lines, different skill sets are required to those needed for established processes. Often workers will need to be trained to a higher vocational level, and to be more flexible to engage with a more integrated process. This has two critical consequences:

- Firstly, if we train young people without considering innovation, we risk developing skill sets that are well on their way to becoming obsolete. We need our technical training programmes to be future proofed.

- Secondly, if we do not develop a workforce that is capable of adapting to innovation, then we will not exploit innovative approaches in this country. This means that our investment in innovation will not have the economic impact for the UK that we hope.

175. There is, therefore, a very powerful case to be made for integrating our approach to skills and innovation. The skills we develop should be driven by technological development, and our innovation centres should have a leading role in ensuring that the standards and curricula that are taught anticipate technological change. One way in which we can start to achieve this is to build into the Catapult Centre network an explicit focus on ensuring that both further and higher education are part of the delivery system for them.

### Question 23
What are the barriers to effective collaboration between colleges, universities and Catapult centres?

### Question 24:

a) Should all Catapult centres be engaged in developing vocational education and higher level vocational skills training?

b) If so, how best can this be achieved?

### Question 25
What should the role of universities, colleges and Catapult centres be in growing technician level skills?

### Question 26
How do we ensure even stronger employer/university engagement?

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43 Catapults are institutions where the UK’s businesses, scientists and engineers work side by side on research and development, transforming ideas into new products and services to generate economic growth.
Stronger virtual learning and use of technology

176. If we are to see the continued adoption of the use of technology in the vocational education setting then we need to consider what will be the defining factor. We think that this will ultimately be about leadership. Leadership teams in FE need to have a clear recognition of the potential of technology to deliver for employers and learners and also the skills and knowledge to be able to implement new approaches. We want to explore with stakeholders how we can most effectively embed this leadership.

**Question 27.** How can Government drive the further adoption of new technology in FE institutions?
Chapter five: Delivering skills for the future

Introduction

177. Earlier in this document we set out the importance of the dual mandate, describing the two basic purposes of further education for adults. The previous chapters have focused on the first part of that mandate: providing higher vocational education for the workplace. This chapter discusses the other part: giving a second chance to people who for a variety of reasons have not yet gained the fundamental skills required for life and work. Our aim here is to pose a series of questions about how the sometimes complex circumstances of the individual can be tackled in innovative, sustainable ways.

178. This chapter also explores the potential role for strong local partnerships which are able to work together constructively to deliver high quality skills support in every community. It looks at how we could have: robust institutional leadership; ensure greater flexibility in provision, and have an accountability framework that could underpin this. In all of this we will be looking at Community Learning, where there are models of very good practice which we are keen to see evolution of in the future.

Why are second chances important?

179. Too many people in the UK have failed to reach the levels they should reach by 16. Fully 78 per cent of the population do not have level 2 skills in maths and c. 50 per cent do not have this level of English. On international comparisons England is barely at the OECD average for literacy and below this for numeracy, despite being one of the wealthiest economies in the OECD. In responding to this the Department for Education has sought to radically improve maths and English teaching in both primary and secondary education, through the recruitment of new teachers and the redesign of qualifications and the requirements that students who fail to achieve a GCSE by the age of 16 continue to study those subjects afterwards. This is beginning to bear fruit with a 4% increase in the number of students passing a GCSE English and 7% increase in the number passing maths and 34,400 more students being taught English at 16-19 and 34,550 more maths in 2013/14 alone.

180. Despite this many people in England, young and old, lack the confidence, motivation and presentation skills needed to secure and succeed in interviews, and in employment, a fact bemoaned by companies across the country.
181. Unemployment rates in the UK have been at their lowest since 2008. However, there are still certain groups of people that despite this success are not doing as well. Despite improvements in youth unemployment, too many young people are still struggling to find employment. Those with the lowest skills are most likely to be unemployed - the unemployed rate for those below level 2 (including no qualifications) was 12.7 per cent in Quarter 4 2013, compared to 5.4 per cent for those with level 2 and above\(^{44}\), while 44 per cent of Jobseekers Allowance claimants are not qualified to level 2\(^{45}\) (equivalent to 5 GCSEs at grade A*-C).

182. Poor educational attainment not only reduces the chances of employment, but holds people back across numerous aspects of their lives from accessing basic services like the NHS to supporting their children in their own education. Improving educational attainment even later in life can help to break vicious cycles of poverty.

183. Further education has the potential to support people to attain in a way they didn’t in their formal education, whether through short, sharp help in securing employment or longer term support to improve educational attainment and to progress in life. There is strong evidence of good economic returns to government investment in adult learning.

184. The table below shows the estimated impact for aggregated qualification categories based on Individual Learner Record, using the department for work and pensions longitudinal study matched administrative data for highest learning aim studied by each learner (between 2004/5 – 2010/11).

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<th>Estimates of value added, to the nearest whole number</th>
<th>3 to 5 year average percentage Earnings Returns</th>
<th>3 to 5 year average percentage point Employment Probability Premiums</th>
<th>3 to 5 year average percentage point Benefit Probability Gaps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below Level 2</td>
<td>2%</td>
<td>0 pp</td>
<td>0 pp</td>
</tr>
<tr>
<td>Level 2</td>
<td>1%</td>
<td>1 pp</td>
<td>-1 pp</td>
</tr>
<tr>
<td>Full Level 2</td>
<td>11%</td>
<td>2 pp</td>
<td>-2 pp</td>
</tr>
<tr>
<td>Level 3</td>
<td>3%</td>
<td>1 pp</td>
<td>-1 pp</td>
</tr>
<tr>
<td>Full Level 3</td>
<td>9%</td>
<td>4 pp</td>
<td>-2 pp</td>
</tr>
<tr>
<td>Level 4+</td>
<td>8%</td>
<td>1 pp</td>
<td>-1 pp</td>
</tr>
</tbody>
</table>

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\(^{45}\) Analysis based on Labour force survey data https://www.nomisweb.co.uk
185. It clearly demonstrates the advantages of obtaining a full level 2 or level 3 qualification not only in regards of wage return but also of entering the labour market and reducing dependency on benefit. You can also see that learning at level 2 and level 3 has a positive impact on the individual.

186. For those learning at below level 2 the benefit is their ability to progress to a level 2 qualification which is reflected in the employability and benefit dependency figure in the table.

187. Using matched data we have been able to compare the outcomes of those who achieve a qualification, with those who start but do not achieve. This approach compares people with similar circumstances and innate ability and showed that:

- Qualifications at all levels were found to provide positive and statistically significant earnings premiums.
- Level 2 and above qualifications also provided positive employment premiums leading to lower dependence on ‘active’ benefits.
- Gaining a Full Level 2/3 qualification leads to better outcomes than gaining a thin Level 2/3.
- Studying English and maths together with a full Level 2 or full Level 3 enhances earnings returns by around 2 percentage points.

188. In addition, programmes funded as part of the Government’s Community Learning programme, have had a proven impact on confidence and motivation. Research undertaken by the London School of Economics and Institute of Education identified a range of benefits, including improved self-esteem, more effective parenting and the development of clearer life goals. Community Learning supports wider government policies on localism, social justice, stronger families, healthy ageing, digital inclusion and social mobility. The programme funds highly localised courses developed to meet the learning and progression needs of local people, delivered in accessible community settings to attract adults who are far from learning and often very socially and/or economically disadvantaged.

189. Courses offer many adults their first step back into learning since dropping out of school or leaving formal education. Importantly, the budget also supports the infrastructure for the wider ‘liberal adult education’ offer, enabling people of all ages and backgrounds to take part in adult education, paying according to their means. This principle of using the public investment to leverage wider contributions is at the heart of the reformed Community Learning approach.

The current system

190. The current system is delivering well in a number of areas but the spectrum of need is broad, ranging from the multiple problems faced by people who are very disadvantaged, socially isolated and low-skilled, through to people who need less complex, more focused interventions to enable them to secure sustainable, rewarding employment and progress at work. Many kinds of providers provide support for this activity, some with a specific focus and expertise others with a broader remit. The characteristics of individuals receiving much of the funding are:

- 13 per cent of learners have a learning difficulty or disability.
- 56 per cent of learners are women.
- A quarter of FE learners are aged 19-23, but they receive about half of the funding.

191. Government currently spends c£1billion of funding through the adult skills budget on basic skills and learning below Level 2 as well as the £210 million community learning budget.

192. The mainstream adult skills offer aims to; engage those with skills below level 2 and unemployed people appropriately according to their particular needs and circumstances, help them progress purposefully in relevant learning, and achieve positive life and labour market outcomes. Many of the organisations involved in delivering the mainstream offer are also involved in delivering Community Learning, but the predominant players in the mainstream offer are FE colleges and independent training organisations in the private and voluntary sectors.

193. However there are some significant disadvantages with the current mainstream system including:
- Short-term budget allocations can inhibit providers from pursuing more innovative approaches which might take longer to generate a return
- Providers do not have a shared responsibility for meeting the learning needs of local residents
- There is local provision but limited local accountability
- Funding does not reflect outcomes, but instead relies on outputs – this greatly limits the flexibility of providers to meet individual needs.

194. By contrast, Community Learning reforms are helping to improve the way Community Learning is planned and delivered. See case study below.
195. Following reforms in 2013, learning providers - Local Authority adult education services, Specialist Designated Institutions (SDIs), FE colleges and voluntary sector organisations – in each area are required to work in partnership. They must also work with local services and other stakeholders to identify and prioritise local learning needs. Providing courses conform to the national Community Learning objectives, with a particular focus on supporting the most disadvantaged local people, providers can use their allocation to fund unaccredited - and in the case of Family Learning accredited - courses of many different shapes and sizes based in accessible local venues. The flexibility of the Community Learning budget means that courses can address diverse barriers and meet different needs according to localities, local economies and different types of disadvantage. Most Community Learning providers also receive allocations from the Adult Skills Budget and many are adept at using these complementary funding streams to build secure progression pathways into formal learning.

Kirklees Council: excellence in management, partnership working and teaching/learning

In their November 2013 report, Ofsted inspectors remarked on the energy, commitment and effectiveness of Kirklees Council’s Adult and Community Learning Service, citing “outstanding leadership and management, demonstrated by exceptional strategic planning that places learners at the heart of all they do”, with managers who have an ambitious vision for community learning’s role in improving health and wellbeing and building strong, sustainable communities.

Inspectors reported that “the service benefits greatly from the support of the newly-formed Community Learning Trust for Kirklees.” The Kirklees Trust includes representatives from a wide range of local organisations, including FE and HE providers, councillors, council departments, voluntary organisations and the careers service. Inspectors noted that trustees are highly active in the work of the service, are fully committed to promoting its values and “provide extremely strong challenge and support”, with partner organisations engaging enthusiastically with rigorous monitoring and quality assurance arrangements.

Inspectors also praised the high quality of teaching and learning at Kirklees, much of which was judged to be ‘inspirational’. Many learners have no qualifications and have not participated in learning since leaving school. The Ofsted report identified the key role of effective partnership-working with local voluntary and public sector organisations in helping learners to overcome previous barriers to learning, raise their aspirations and fulfil their potential.
A dual mandate for adult vocational education

Making the overall system more effective

196. Building on the example of reform to Community Learning, we want a system which is strong enough to meet future needs and which goes further than the current one to ensure:

- Appropriate diversity of providers, drawing in specialist knowledge and ensuring that providers work together effectively to deliver what the local community and economy requires;
- More flexible and accessible provision, not necessarily linked to qualifications but able to meet the needs of unemployed people and all those with skills below level 2;
- A clearer focus on the outcomes achieved and
- Robust local accountability on providers for achieving those outcomes.

Diverse and responsive providers

197. The current funding system operates nationally and the Adult Skills Budget is allocated to individual providers. Whilst there is an expectation that providers work in partnership with others, there is no requirement to do so. Many providers have effective partnership arrangements with key local players such as Jobcentre Plus, Local Enterprise Partnerships (LEPs), local businesses, Local Authorities and housing associations. Some providers, both individually and in partnerships, use different budgets effectively to secure continuity of learning, combining engagement through Community Learning and progression into more formal learning routes. The very best providers take their provision out into the communities they serve, helping people to get over initial barriers to learning.

Academy Transformation Trust Sutton: delivering for the community, in the community

Academy Transformation Trust Further Education (the Trust), delivering in Sutton-in-Ashfield, asks local people and stakeholders what they would like to learn and where they would like classes to take place. This provider delivers learning at the heart of the communities it serves, in church halls, shops, libraries, pubs, primary schools, online learning, day centres, faith settings, Children’s Centres and housing association communal rooms, with venues on public transport routes to make classes easily accessible. The Trust’s staff and learners also support and attend a wide variety of local community events and activities in order to promote courses and ask local people about their learning needs. As well as building a strong ‘brand’ recognition across North Nottinghamshire communities, these approaches are helping the Trust to break down barriers to learning and motivate many more people to become lifelong learners.
A dual mandate for adult vocational education

198. These collaborations do not, however, extend to a shared provider responsibility to meet the skills needs of unemployed and disadvantaged people across a given locality. Likewise, sub-contracting arrangements can be both a block to smaller specialist providers, and prove to be a very uncertain business model for such organisations. We are interested in exploring the scope for how expanding the range of providers that can access the Adult Skills Budget could be expanded, without impacting on the quality of provision, embedding partnership working more formally and strengthening local leadership and accountability.

**Commissioning**

199. One route to embedding the principles we have outlined could be to adopt new approaches in the way we commission provision, for instance by commissioning partnerships within areas; commissioning lead providers with a duty to form partnerships; or looking at specific arrangements around the involvement of specialist providers and examining the rules regarding sub-contracting. This approach, to some extent, could mirror that being taken in relation to the European Social Fund (ESF) where the expertise of Local Enterprise Partnerships in influencing the skills needs of their local area is being brought to bear. We might also consider how to encourage better join up of other public services that can help by drawing on the work of the public service transformation network.
200. Taking this further, multi-year settlements and a focus on performance against a range of outcomes (such as employment outcomes, progression in learning, social outcomes) could support greater flexibility and stability, with a much stronger and clearer accountability. This commissioning approach might vary accordingly from one area to another under locally-determined arrangements, thus giving much greater involvement of local areas in setting the parameters and delivery of high level outcomes, driving local accountability.

Qualifications

201. We also want a system where providers have greater flexibility about how to structure their provision to deliver good outcomes for learners rather than necessarily around qualifications. The simple focus on qualification achievement means that the funding approach has no direct link to eventual outcomes for learners from their training. It has also led to all learning being brigaded into accredited units and qualifications, in order to trigger the flow of funding, even where the subject matter does not obviously lend itself to being defined as a qualification.

202. We want to move towards a system where providers have greater flexibility about how they deliver outcomes and whether or not to structure their provision around qualifications, especially where there is not a valuable role for the qualification in signalling vocational competence to employers or for progression to higher levels of vocational learning. Developing personal and life skills is important for some people; so is learning how to apply for jobs and present yourself at interview. But these are not skills where potential employers, for example, will be swayed by a certificate rather than what they see in the application and interview themselves.

203. Because of the way unemployed people can access units rather than have to undertake full qualifications, there is some flexibility in how formal learning can be designed to meet their needs. Providers currently have a measure of flexibility around the use of unaccredited and informal training in the mainstream offer, but this freedom is not as extensive as it is in Community Learning where this flexibility is seen as a key component of its success.

204. Looking to the future we want to explore the potential role for greater funding of non-qualification bearing learning and the wider role of programmes of study for adults. This is a useful concept, which sees the learning in its broader context, but there will be many challenges in embedding these concepts for adults whose lives are more complex than the young people who currently pursue programmes of study.
Testing alternative approaches

205. In order to understand some of these issues better, we intend to conduct some local pilots as part of developing new approaches to embed stronger institutional leadership and partnership, greater flexibility and a better, locally-responsive, focus on outcomes. We aim to test ways that local provider partnerships can take on the challenges set out in the paragraphs above. In doing this, they would be able to use more flexibility than at present around what learning they can offer. Similarly, partnerships would have greater flexibility than under the current system around how to involve the organisations, in the public sector, the third sector and the FE sector, best placed to deliver different kinds of support.

206. The pilots will also enable us to explore what governance arrangements best support local accountability, with scope to involve LEPs, employers and a broad range of partners with expertise in helping these learners in providing direction and leadership.

207. We will aim to gather evidence on achieving and balancing progression outcomes and sustained job outcomes. This will inform how the incentives within the current funding system can be revised to better reflect the objective of ensuring optimum progression for each individual along the sometimes long route to improved lives and economic outcomes.

208. The importance we attach to flexibility, innovation and local accountability in delivering skills support to people who are unemployed or those with skills below level 2 means that we are not in the business of identifying a particular model through these pilots, to be rolled out nationally. We may reach conclusions about guiding principles we think should apply generally; and we are particularly keen to learn lessons which will aid future innovation in local areas to increase the effectiveness of this aspect of adult and further education. What we learn from these

Question 28. What is the best way to ensure greater local accountability on the part of providers towards learners and employers, in terms of relevance and quality of provision, and social and economic impacts?

Question 29:

a) What benefits would there be to commissioning Adult Skills Budget provision through local partnerships or through a lead provider acting on behalf of a partnership?

b) What downsides might there be to such an approach?

Questions 30. How do we ensure a stronger focus on outcomes without encouraging cherry picking of the easiest to help?

Questions 31. What issues would there be with supporting programmes of study rather than qualifications?
pilots will be of value in supporting any future arrangements around local commissioning and influence over the contribution skills provision can make to the success of individual citizens, communities and local economies.

| Question 32. What risks do we need to cater for in testing out new local arrangements to deliver skills provision for unemployed individuals and those with skills below level 2? |
| Question 33. What new approaches can be taken on commissioning and funding streams to maximise the value gained from public spending to support unemployed and disadvantaged learners? |

**Community Learning**

209. The 2013 Community Learning Reforms are helping to improve the way Community Learning is planned and delivered. But there are still issues that get in the way of embedding the key principles of partnership working and innovation:

- The current distribution of the budget is based on historical allocations, and bears no relation to relative population or disadvantage between areas
- Some allocations are very small (the lowest is less than £2,000 a year) and providers with smaller allocations are often reluctant or unable to invest in partnership working
- Funding goes to multiple providers in each area; although many work together - and with local stakeholders - to plan and deliver a coherent local offer, that isn’t happening everywhere
- Funding has been allocated to the same organisations for over a decade and there are no opportunities for new organisations to receive funding directly from the Skills Funding Agency; this is unhelpful and will constrain innovation and quality improvement in the medium and long term.

210. Where we do see strong local partnerships forming, it is clear that through their breadth and the introduction of additional specialist expertise, they can help to build more secure progression pathways with a clear view of learners’ longer term outcomes and a contribution that goes beyond skills into broader objectives such as mental health/wellbeing, stronger families, healthy ageing and digital inclusion.

211. We believe that there are a number of ways to try and secure stronger partnerships and greater innovation, each with different consequences in different areas and with different advantages or dis-advantages. These approaches could include:

- Reviewing the funding model for Community Learning to consider giving more weight to factors such as the population levels or relative disadvantage in different geographical areas;
• Reinforcing the partnership approach in Community Learning by procuring through existing or new partnerships in each geographical area rather than through individual providers;
• Procuring instead through a lead provider on behalf of a broader coalition of providers;
• Revising commissioning to allow the introduction of new national or regional providers with a reach beyond their immediate location, but a strong commitment to localised delivery;
• Reviewing the barriers between Community Learning and Adult Skills Budget provision to facilitate greater joining up of progression routes for harder to reach adults.

212. Such changes would clearly need to be phased-in carefully to avoid destabilising frontline delivery, but if successful such reforms have the potential to redress historical funding inequities; deliver a better-planned and more coherent learning offer in each locality and maximise the impact of the budget.

**Question 34.** If we were to make the changes described in paragraph 208, how should we look to phase them in over time?

**Question 35.** Would a greater focus on commissioning partnerships enhance partnership working and deliver a more coherent Community Learning offer?

**Question 36.** What would be the pitfalls and unintended consequences that could arise from these potential reforms and how can we avoid them?

**Question 37:**

a) Do you agree that some institutions, such as Specialist Designated Institutions (SDIs), play a unique role within the wider sector and should continue to receive funding on an individual basis?

b) Are there other organisations that should be considered alongside the SDIs?

**Question 38.** What would be the risks associated with these proposals?

**Question 39.** Would there be benefits from greater integration of Community Learning and Adult Skills Budget funded provision?
Chapter six: Change and resilience in the college landscape

Introduction

213. In this document we have explored the dual mandate for adult vocational education. We have set out how a thriving further education sector needs to fulfil both elements. We have argued that there is insufficient provision of high level vocational education for adults in the important space above level three but below full degree level. We have explained why our performance on low level skills needs to be improved. Under both of these headings, we have talked about the importance of institutional leadership, and pointed to emerging specialisation via such things as the new National Colleges, and new networks of community learning institutions closer to the people they serve.

214. In this final chapter we look at the implications of the dual mandate for further education colleges, against a background of wider change in the way in which Government funds education for adults, and the Government’s wider strategy of empowering local places to make decisions on economic development.

215. This indicates an emerging agenda for change and is not a criticism of the sector. Indeed, as the account of post-war development in chapter two explains, it has often been government policy that has driven colleges down a particular route and limited the ability of some of our colleges to respond to new opportunities. We have also highlighted particular instances where FE colleges have excelled in both elements of delivering the dual mandate and set out how we expect colleges to play a greater role in developing, designing and delivering higher level vocational education. Through this we can achieve greater parity of esteem with our higher education system and have a set of FE colleges that offer a genuine alternative for learners in determining their path to higher level learning, employability and improved productivity.

216. This chapter:

- Looks at how FE colleges will need to adapt to the challenges ahead and the characteristics that we think colleges will need to have to respond to these challenges
- Looks at the impact of these challenges and how colleges can respond
- Looks at how we can support resilience in the sector - including exploring the continuing shift towards greater influence at the local level and the role of the FE Commissioner and the Education and Training Foundation.
FE Colleges will need to adapt

217. We have instituted a programme of reform that leaves no doubt that structural change in the sector is required. In essence this programme of reform will:

- Introduce greater contestability for public resources by shifting to a funding system that is driven by employers and learners rather than the traditional approach to funding where Government essentially acted as a proxy purchaser, paying grant directly to providers. It is now up to FE colleges to provide their own certainty by developing strong and forward looking relationships with employers, individuals and other local players.

- Actively support new entrants to the further education market. National Colleges, new Community Learning Providers and new apprenticeships providers will all challenge the existing further education college base.

218. This programme of reform also comes at a time where there have been reductions in BIS funding and the Department for Education (DfE) have introduced programmes of study requiring significant changes to the curriculum offer, especially the challenges around English and maths. For those colleges with high cost bases and significant overheads operating with high-volume low-margin operating models these changes have created significant pressure on finances.

219. The DfE have also opened up the market for new entrants in the 16-19 arena; the advent of University Technical Colleges, Academies, Free Schools and Studio Schools will place greater pressures on those colleges operating in this space. This is a new and extremely competitive operating environment driving high performance whilst at the same time creating the risk that some providers will be unable to recruit enough students to remain financially viable.

Impact to date

220. The cumulative impact of these changes is now starting to have consequences for the financial health of some FE colleges. We know that college governors and principals are concerned about the impact on learner numbers, the viability of teaching particular courses, and their institutions’ ability to respond to new opportunities.

221. Historically the further education and skills system has been a very stable market. Although there are always some changes in the number of providers (colleges and training providers) leaving and entering the FE and skills market the numbers have generally been small. In 2013/14 there were circa 925 providers in receipt of an Adult Skills Budget between 2013/14 and 2014/15 there were 36 new entrants and 39 who left.

222. In 2014 we saw the only newly incorporated college for twenty years; Prospects College of Advanced Technology.
Case Study: Prospects College of Advanced Technology (PROCAT)

Prospects Learning Foundation (PLF) was a major education and training charity based in South Essex with a strong focus on meeting the skills needs of employers and the economy and developing provision that was responsive to employers’ needs. PLF worked with BIS and the funding agencies over the course of 2014 to set up the first new incorporation in the FE sector for over twenty years. Prospects College of Advanced Technology (PROCAT) is a new type of college providing advanced, specialist, technical education and training with and for employers in the engineering and built environment sectors. This new college is ambitious for itself and its community; aiming to operate as a significant Social Enterprise in and for its area. It will build on existing excellent relations with many employers of different sizes and has plans to move to a position where in three years’ time over half of its funding will come directly from its customers rather than from the public sector.

223. FE colleges provide the Skills Funding Agency with financial information which has clearly shown deterioration in the financial health of some FE Colleges. This has resulted in some limited structural rationalisation or mergers. We also have some evidence from the work of the FE Commissioner that the number of colleges facing financial hardship has increased; since the FE Commissioner’s appointment he has gone into 19 colleges. Of these, 12 cases have been triggered due to an assessment of their financial health or financial management as ‘Inadequate’.

224. The messages set out in this section may be uncomfortable for some colleges. However, we believe that quality and choice thrive in an open and competitive market. The ability for new providers to enter and exit the system will be beneficial to employers and learners.

How can colleges respond?

225. For adult further education, we expect overall to see more colleges delivering higher vocational education so that their focus is on education beyond the expected level of attainment in secondary education. And we expect within this to see greater specialisation of subject area. But within this overall trend some colleges may choose to focus on more basic skills provision, if that is where they can achieve excellence. Equally, it is legitimate for colleges to think about whether they have the right balance between pre-adult and adult provision, and to choose to focus on one area.

226. Over a third of local 16-19 provision relies on local further education college provision whilst providing a large part of those colleges’ funding. In the future some colleges may wish to focus on 16-19 provision and others on adult provision. They may want to specialise and refocus their 16-19 recruitment but focus on a larger recruitment area in the way that more specialist providers such as agricultural colleges currently do.
227. Whilst the Government sets the legislative framework for FE colleges and will intervene where necessary to protect learners and public money FE colleges remain autonomous bodies. It is not the role of the state, at national or local level, to decide what operating model is best for an FE college – these decisions need to be made by College Principals and Governors. Collectively our approach has to be underpinned by a resolute focus on ensuring that the system delivers what employers and learners need now and in the future rather than on what has gone before.

228. Structural change will also need to take into account the impact of any change to the local education ‘offer’ to 16-19 year olds students in that area and the time needed to manage a transition from one provider to another. Government needs to understand what factors can support college resilience. If we do this then we will be well placed to deliver a vocational education system and be proud of the integral part that colleges play within it.

Resilience at the heart of college governance

229. Whilst it is not the role of the state to proscribe how colleges are run we are in a position to be able to describe some of the characteristics of colleges that will be well placed to adapt. We think this is best described as resilience. The changes running through the system make it critical that Governing Bodies and Principals refocus their efforts on ensuring the right governance is in place to generate this resilience.

230. We think that there are some characteristics which are helpful to define here. They are demonstrated by our best colleges every day. We believe that colleges which meet all of these tests will be best able to achieve success over the long term. Put another way, we believe that by 2020 our colleges will generally meet these criteria for resilience.

231. A resilient FE college is one in which:

- Provision is recognised as good or outstanding by Ofsted and performance is regularly benchmarked against other providers.
- There is a clear line of sight from the needs of employers and learners to the range of high quality provision offered by the college.
- There is a clear mission statement about the college’s focus and articulation of its role in the community and this mission is regularly refreshed.
- Management is visible, skilled and experienced to be fleet of foot enough to shift into new areas (specialise) and respond to new local priorities and opportunities.
- There is a clear, secure and long-term sustainable financial future with a balanced mix of funding.
- A strong governing body focusing on both finances and quality.
- Has identified the ‘pipeline’ of students it seeks to recruit and partnerships with the employers, schools and other colleges that provide this.
The practical implications of adapting

232. Governing bodies and principals are ultimately responsible for the college. It is likely that as colleges look to adapt to the new system that they will have to focus on a range of issues. These include:

- Working in partnership with local employers and other local stakeholders.
- Focusing explicitly on their strengths or growth in different types of activity.
- Developing new partnerships, federations and/or mergers developing specialisms in line with their local labour market needs.
- Retrenching or exiting the market.
- Reviewing their underlying financial sustainability, including estates and premises strategies.
- Managing the impact of changed provision in a way which is sustainable and minimises the impact on existing learners.

233. Some of these issues are explored in more detail below:

- Working in partnership with local employers and other local stakeholders such as Local Enterprise Partnerships and Combined Authorities our colleges will need to develop their strategic priorities. Some colleges may choose to focus on one element of the dual mandate if either private providers or neighbouring colleges can meet demand or are more appropriately placed to deliver. Some colleges may choose to specialise either in pre-19 or in adult education, or where these work well together continue to offer both.

Case study: Supporting Nuclear New Build

One of Europe’s largest new nuclear builds is planned to take place in Somerset at the Hinkley Point C site. The project will generate significant demand for skilled labour. To ensure a coordinated approach to training the required workforce, based on real industry demand local partners, Bridgwater College and private training providers are working together, through the Hinkley Point Training Agency (HPTA) to create a seamless supply of skilled staff. The HPTA aims to provide a single skills voice for the Hinkley C project and engage with both industry and skills stakeholders.

- Focusing explicitly on their strengths or growth in different types of activity, opportunities also exist for our colleges and providers, particularly driven by our ambitions for expanding higher level vocational education. For example, the removal of the cap of student numbers for HE provision enables FE institutions to expand their HE offer and as the new apprenticeships reforms take root the potential to lever in greater levels of employer investment in workforce training becomes a stronger possibility.
Case Study: Oil and Gas Academy – Tees Valley Unlimited

Redcar & Cleveland college is working with Tees Valley Unlimited (LEP) to create a new £7.4 million oil and gas academy on its campus in Redcar, supported by the oil and gas sector and Teesside University. The college has also recently been announced as part of the Government's new National College for onshore oil and gas will cement its reputation in the provision of international training and will drive further investment into the region.

As part of the National College, Redcar & Cleveland College will deliver a range of accredited higher education courses up to Level 5, including Drilling, Petroleum Engineering, Geology and Geophysics, Quality Management Systems, Piping, and Pipeline Engineering. Redcar & Cleveland College already offers oil and gas training to overseas workers from Libya, but its bid for funding from the Local Growth Fund to build a specialist academy and its inclusion in the National College will enable it to expand its offer further and would increase its facilities and equipment. It has ambitions to eventually run training centres overseas.

George Rafferty, Chief Executive of NOF Energy, said: "The college will continue the North East's legacy of developing skilled people and attracting companies keen to invest in and utilise the region's workforce. It will also support the North East's excellent supply chain, which has the ability to meet the requirements of the emerging onshore oil and gas industry."

By working together FE colleges may be able to focus on their particular specialisms, join up with employers on course development, share facilities and present a single voice to a locally important sector. The case study below highlights a good example of where five FE colleges in the Humber LEP area have started to align their offer to support the Wind and Marine Energy Sector.
There are two ways in which government can support the development of greater resilience in the sector:

- By ensuring that the FE college fits within the wider context of the needs of its local population and the needs of employers.
- Intervention and support to build capacity and the identification of, and challenge to underperformance.

A greater role for localities

We have already made a significant shift in the way local areas can directly influence the FE sector. For two years from 2015-16 Government funding for skills capital projects is allocated as part of the Local Growth Fund (LGF) in accordance with priorities decided by LEPs. A total of £660 million is being made available. LEPs, as the principal articulation of the business voice in the local area, are now working with colleges and providers to determine how skills capital monies can be most effectively invested in order to meet demand for provision of skills important to the local area.
236. This process will inevitably refocus capital investment in college facilities towards priority areas whilst crucially giving the LEP a role in the market. We expect LEPs to not only assess proposals from colleges in their own right, but to assess proposals within the context of what is already in place across the locality and how investment can be aligned with other infrastructure investment to generate particular specialisms whilst also helping to look strategically across the landscape and rationalise duplication of facilities across the locality.

237. Local areas have the ability to align funding and incentives to local priorities. An increasing number of LEPs are developing the capacity and experience to work closely with their colleges. As LEPs have matured, they have moved forward significantly in developing their relationships with the FE and skills sector and these partnerships provide a platform for sharing priorities and securing a provider offer that meets the needs of the local economy, including forward planning to identify and make the most of inward investment opportunities and major programmes of regeneration.

238. In the last two years a number of initiatives have been put in place to increase the level of influence over the skills system, including:

- City and Growth Deals – Since 2012, 28 City Deals have been agreed with cities and their surrounding areas. For most places, skills challenges were central to the delivery of economic priorities. The Deals have provided additional freedoms and flexibilities and in some cases funding that have enabled cities to address specific skills challenges for their local economies.
- Skills Funding Pilots – a model whereby three LEPs are working with their provider base to determine local priorities and to assess how well providers have responded to those priorities. Subject to the LEP demonstrating responsiveness/unresponsiveness the LEP will be able to instruct the SFA to reduce future funding allocations and to redistribute any headroom created across the more responsive provider base.
- Local areas are now playing a bigger role in directing the commissioning of some employment and skills training, including through new LEP responsibilities for the 2014/2020 European Structural Investment Fund (ESIF).
- 16-19 vocational education reforms which have incentivised the expansion of work experience and employer involvement through funding and qualification reforms.

Moving further

239. In November 2014 the Government and the combined authorities representing the Manchester city region published an agreement for the transfer of some budgets and responsibilities from central Government to a new elected mayor and the Greater Manchester Combined Authority (GMCA).
240. The agreement committed Government and the GMCA to a joint review of what provision of further education was appropriate to serve the needs of the city region and how, within the framework of statutory entitlements it supports, funding from BIS’s adult skills budget can support these needs. In shaping the future of further education provision, it will also be important to consider how private investment in skills and shared investment (notably investment in apprenticeship training) supports a resilient and effective system. A similar review has been agreed as part of the devolution agreement reached for Sheffield.

241. The Government believes that such local re-commissioning exercises are likely to be the best way forward as the further education sector responds to a changing environment over time. With some exceptions, notably the National Colleges which leads skills nationally for a discipline, further education colleges serve local needs, and it is right that local people and businesses should have a say in the shape and structure of provision in their area.

242. We intend that the re-commissioning exercises should create a resilient network of providers, with greater specialisation as regards level of learning, subject, and age. With greater specialisation will come a need for greater collaboration. Some rationalisation of capacity may be needed to create resilience. Institutional leadership will command business and civic confidence, and as providers of adult education colleges will be clearly visible as shapers and deliverers of local economic development and employment strategies.

**Intervention and support**

243. There remains a number of key interventions and support that should be provided at the national level to support colleges. National Government can be a cheerleader for the sector as a whole, and champion those colleges that provide the very best training for employers and individuals. We have already explored in previous chapters how colleges with specialisms may be able to take a lead role in qualifications and curriculum development. Whilst the best should be commended we should also ensure that weak performance is identified quickly and corrected rapidly.

244. Chief amongst this approach is the FE Commissioner's role. The Commissioner's job is to assess the capacity and capability of an FE college to deliver rapid and sustainable improvement; both in terms of its quality and its ability to respond to the changing landscape. He advises Ministers and the Chief Executive of the funding agencies on the action that is needed; including changes to governance and leadership, funding restrictions or conditions, and curriculum and structural changes. The FE Commissioner also advises on the use of the Secretary of State’s intervention powers. Where there are concerns about the long term sustainability of the college or institution the FE Commissioner will lead a Structure and Prospects Appraisal to determine the long term future for provision in that area. The Appraisal takes at its starting point the needs of and benefits for learners and employers in the locality, taking account of local customer and stakeholder views. Once the college or institution has improved the FE Commissioner intervention process ends. We know this can be successful.
245. The case study below demonstrates the positive impact the Commissioner, working with the College, can have.

**Case Study: City of Liverpool College**

The FE Commissioner conducted an assessment of the City of Liverpool College between 25 November and 6 December 2013. The assessment was triggered by the Skills Funding Agency’s assessment of the College’s financial health as inadequate. The assessment concluded that the existing governance did not have the capacity and capability to provide the necessary strategic direction, and the scrutiny and challenge required, to ensure delivery of quality improvement and financial recovery. Following the assessment, Ministers charged the college with developing and implementing an action plan that addressed the weaknesses in governance and ensure it has the right mix of skills and experience necessary to deliver improvement.

The College was re-inspected in May 2014 and was graded requires improvement. The College’s financial position was graded as “satisfactory” by the Skills Funding Agency. The FE Commissioner visited the College on 2 and 3 October 2014 to assess progress with implementing its action plan. The FE Commissioner’s assessment concluded that the College has made significant progress over the year in improving the quality of its provision, the success rates of its students, and was addressing the financial issues that it faced. The governing body now has the skills and expertise needed to challenge and scrutinise the Executive.

The Executive has increased capacity and is delivering the changes needed to secure improvement. In light of this, Ministers and the Chief Executives of the funding agencies agreed that the College should no longer be subject to FE Commissioner intervention, but will continue to be monitored by the Skills Funding Agency until there is evidence of sustained improvement.

246. Targeted action through the FE Commissioner is an important part of our efforts to tackle issues within poor performing colleges. Since his appointment the FE Commissioner has shared his findings though a number of letters with the sector.

247. We also have a role to play in supporting the wider college community. Through the Education and Training Foundation (the Foundation) the Government has supported the establishment of a sector owned and led body responsible for professionalism in further education.

248. In the first year the foundation has supported the sector in a range of ways, including providing workforce data, support for the recruitment and training of maths graduates (see case study below), development of professional standards for the workforce and advice and guidance to teachers in the sector.
Case Study: The foundation – Maths Enhancement Programme

The foundation is working with the National Centre for Excellence in the Teaching of Mathematics (NCETM) in partnership with the Centres for Excellence in Teacher Training (CETTs) to deliver the Maths Enhancement Programme. The programme enable teachers, trainers and tutors already involved in numeracy or functional skills teaching to enhance their knowledge in preparation to teach GCSE maths.

The programme involves six days face-to-face activity supplemented with personal support activities. The four subject content modules are: Statistics and data handling, Algebra, Geometry and Trigonometry.

Over 2,000 numeracy teachers and trainers have enrolled on this programme so far at a cost of £100 to the participant. Feedback has been overwhelmingly positive.

Question 40. What are the barriers preventing some colleges from adjusting their provision and approach?

Question 41. What lessons can we learn from colleges who have already made significant changes?

Question 42. How can relationships between localities and FE providers be strengthened?

Question 43. What are the risks to colleges and providers with the shift towards greater local influence and control over skills funding and accountability?

Question 44. What are the advantages/disadvantages of Central Government taking an active intervention role in the FE landscape, including supporting new entrants and/or supporting mergers and rationalisation?
Annex A: Consultation principles

The principles that Government departments and other public bodies should adopt for engaging stakeholders when developing policy and legislation are set out in the consultation principles.


Comments or complaints on the conduct of this consultation

If you wish to comment on the conduct of this consultation or make a complaint about the way this consultation has been conducted, please write to:

Angela Rabess
BIS Consultation Co-ordinator,
1 Victoria Street,
London
SW1H 0ET

Telephone Angela on 020 7215 1661 or e-mail to: angela.rabess@bis.gsi.gov.uk

However if you wish to comment on the specific policy proposals you should contact the policy lead.
Annex B: How to respond

When responding please state whether you are responding as an individual or representing the views of an organisation. If you are responding on behalf of an organisation, please make it clear who the organisation represents by selecting the appropriate interest group on the consultation form and, where applicable, how the views of members were assembled.

You can reply to this consultation online using Citizen Space:

https://bisgovuk.citizenspace.com/fe/a-dual-mandate-for-adult-vocational-education

As an alternative, the consultation response from is available electronically on the consultation page: https://www.gov.uk/government/consultations/adult-vocational-education-challenges-over-the-next-decade (until the consultation closes). The form can be submitted online/by email or letter to:

Strategic Funding Policy Team
Bay G
Department for Business Innovation and Skills
2nd Floor
2 St Paul’s Place
Sheffield
S1 2FJ

Email: FE.reform@bis.gsi.gov.uk

The closing date for responses is 16th June 2015.
Annex C: Consultation on a dual-mandate for adult vocational education – response form

If you are emailing the document, please include “dual mandate” in the subject box.

The Department may, in accordance with the Code of Practice on Access to Government Information, make available, on public request, individual responses.

The closing date for this consultation is: 16 June 2015

Your details

Name:
Organisation (if applicable):
Address:
Telephone:
Email:

Please tick the box below that best describes you as a respondent to this consultation:

☐ Representative organisation
☐ Independent Training Provider
☐ College
☐ Awarding Organisation
☐ Charity or social enterprise
☐ Individual
☐ Legal representative
☐ Local government
☐ Local Enterprise Partnership
☐ Large business (over 250 staff)
☐ Medium business (50 to 250 staff)
☐ Small business (10 to 49 staff)
☐ Micro business (up to 9 staff)
National Colleges

Question 1: How can the National College proposals be developed to ensure the employers across the whole sector benefit?

Question 2: How can National Colleges best work in partnership with local FE colleges, private training organisations and HEIs?

Question 3: Which priority sectors should be targeted for future National Colleges?

Communications and branding

Question 4a: Would you support rebranding English higher vocational education as either "Professional Education and Training" or "Professional and Technical Education"?

Yes □ 	 No □ 	 Don’t know □

Question 4b: If so, which would you prefer and why?
Professional Education and Training ☐  Professional and Technical Education ☐

Please explain your response:

Question 5: Would you support a national advertising and marketing campaign for higher vocational education?

Yes ☐  No ☐  Don't know ☐

Please explain your response:

Question 6: What other means of promoting higher vocational education do you think would be desirable?

Question 7: How can we encourage more individuals to study higher vocational education?

Part-time higher education provision

Question 8: How can we encourage more individuals to study part-time Higher Education?
A new overarching body to manage awarding powers for higher level vocational qualifications

Question 9: Should a new overarching vocationally focused body be established to grant higher vocational awarding powers?

Yes □  No □  Don't know □

Please explain your response:

Question 10: How could we increase the role of employers in scrutinising applications for new awarding powers?

Question 11a: How can the role of National Colleges in defining qualifications, apprenticeships standards and assessments and curricula best be taken forward?

Question 11b: Should other, high performing providers be empowered to do this?

Yes □  No □  Don't know □

Please explain your response:

Question 12: Are the right awarding powers in place to facilitate an increase in the uptake of HNC, HND and BTEC type qualifications?
Question 13: How do we design delivery and assessment in a way which imparts work ethics, occupational attitudes and standards, while enabling learners to reflect on and improve these?

Question 14: How do we develop these mechanisms without losing existing quality products that already meet these standards and which employers recognise and have faith in?

Refocusing the Foundation Degree curriculum

Question 15: Should the Government be prescriptive about the role of employers in the design, development and delivery of Foundation Degrees?

Reviewing Foundation Degrees Awarding Powers (FDAPs)
Question 16: Should we consider some form of specialised FDAPs rather than general powers to award any kind of foundation degree?

Yes □ No □ Don't know □

Please explain your response:

Question 17: Could the FDAPs process and/or criteria be changed to improve access while maintaining quality?

Yes □ No □ Don't know □

Please explain your response:

Question 18: How do we ensure that the quality assurance arrangements are appropriate to foster the right type of HVE (higher vocational education)?

Work-based learning and higher vocational education

Question 19: Should all HVE courses involve work based learning?

Yes □ No □ Don't know □

Please explain your response:
Specialisation in colleges

Question 20: Are there other lessons to learn from the implementation of the CoVE (Centres of Vocational Excellence) programme?

Yes ☐ No ☐ Don’t know ☐

Please explain your response:

Question 21: Should there be a new status for colleges specialising in higher level vocational skills as the Institute of Public Policy Research recommended?

Yes ☐ No ☐ Don’t know ☐

Please explain your response:

Question 22: How can we support FE colleges to achieve excellence in higher level vocational skills?

HVE in the higher education setting – extending the role of universities and links with research and innovation
Question 23: What are the barriers to effective collaboration between colleges, universities and Catapult centres?

Question 24a: Should all Catapult centres be engaged in developing vocational education and higher level vocational skills training?

Yes ☐ No ☐ Don't know ☐

Question 24b: If so, how best can this be achieved?

Question 25: What should the role of universities, colleges and Catapult centres be in growing technician level skills?

Question 26: How do we ensure even stronger employer/university engagement?

Stronger virtual learning and use of technology

Question 27: How can Government drive the further adoption of new technology in FE institutions?
Making the overall system more effective

Question 28: What is the best way to ensure greater local accountability on the part of providers towards learners and employers, in terms of relevance and quality of provision, and social and economic impacts?

Question 29a: What benefits would there be to commissioning Adult Skills Budget provision through local partnerships or through a lead provider acting on behalf of a partnership?

Question 29b: What downsides might there be to such an approach?

Question 30: How do we ensure a stronger focus on outcomes without encouraging cherry picking of the easiest to help?

Question 31: What issues would there be with supporting programmes of study rather than qualifications?

Testing alternative approaches

Question 32: What risks do we need to cater for in testing out new local arrangements to deliver skills provision for unemployed individuals and those with skills below level 2?
Question 33: What new approaches can be taken on commissioning and funding streams to maximise the value gained from public spending to support unemployed and disadvantaged learners?

Community Learning

Question 34: If we were to make the changes described in paragraph 208 of the consultation document, how should we look to phase them in over time?

Question 35: Would a greater focus on commissioning partnerships enhance partnership working and deliver a more coherent Community Learning offer?

Question 36: What would be the pitfalls and unintended consequences that could arise from these potential reforms and how can we avoid them?

Question 37a: Do you agree that some institutions, such as Specialist Designated Institutions (SDIs), play a unique role within the wider sector and should continue to receive funding on an individual basis?

Yes ☐  No ☐  Don't know ☐
Question 37b: Are there other organisations that should be considered alongside the SDIs?

Question 38: What would be the risks associated with these proposals?

Question 39: Would there be benefits from greater integration of Community Learning and Adult Skills Budget funded provision?

Supporting the development of resilience in the sector

Question 40: What are the barriers preventing some colleges from adjusting their provision and approach?

Question 41: What lessons can we learn from colleges who have already made significant changes?

Question 42: How can relationships between localities and FE providers be strengthened?
Question 43: What are the risks to colleges and providers with the shift towards greater local influence and control over skills funding and accountability?

Question 44: What are the advantages/disadvantages of Central Government taking an active intervention role in the FE landscape, including supporting new entrants and/or supporting mergers and rationalisation?

Advantages:

Disadvantages:

Thank you for taking the time to let us have your views on this consultation. We do not acknowledge receipt of individual responses unless you tick the box below.

Please acknowledge this reply ☐