



A Dual Mandate for Adult Vocational Education

TUC Submission to the BIS Consultation

Introduction & key points

1.1 The TUC welcomes the opportunity to submit evidence to the BIS consultation on policy measures aimed at developing a “dual mandate for adult vocational education”. While the TUC supports the central thrust of the proposals, namely the expansion of higher level vocational education, we have a number of concerns with the proposed means of achieving this end and the government’s wider policy framework for FE and skills, above all the unprecedented cuts in FE funding.

1.2 Below is a summary of the main points made in this consultation response, which broadly fall into two groups. First and foremost, we summarise our response to the policy challenges arising from the steep decline in state funding for FE and skills in recent years, the long-term decline in employer investment, and recent moves to switch more responsibility for investment to individuals through the new FE Loan system. Following this we summarise the key points that the response makes with regard to the specific proposals about developing a “dual mandate” for FE and skills.

1.3 This response does not answer every question, some of which are fairly technical. However, other TUC affiliated unions with extensive membership in, and expertise of, the FE sector (e.g. UCU and UNISON) have also submitted responses to the consultation that cover some of these specific points in more detail.

1.4 Our major concern is the funding crisis that has been imposed on the FE and skills sector with a 24% cut taking effect during the current financial year. This follows five years of cumulative cuts to funding during the last Parliament that saw funding of the adult skills budget fall by 40% from £4.5B to £2.7B. It is ominous that the consultation paper says that “it is likely that budgets will continue to be restrained” suggesting that further cuts to adult FE and skills are likely to be a feature of the spending review due later this year. In addition, there is a serious risk that the government will use the spending review to announce a significant extension of the FE Loan system in spite of widespread opposition to this from the wide range of stakeholders that responded to the consultation last year.

1.5 The TUC continues to support some of the major priorities of the government’s learning and skills policy framework, in particular the commitments to expand high quality apprenticeships and traineeships for young people and to support adults to gain minimum standards in English and maths. We also support the central thrust of the current proposals to revitalise higher level vocational education. It is also welcome that the government continues to provide investment to sustain the significant role unions play in supporting learning and skills in the workplace, through funding for the Union Learning Fund and unionlearn. It is to be hoped that this funding support continues.

1.6 However, the TUC has also highlighted that deep cuts to government funding for FE and skills, in combination with rapidly declining employer investment, are having a hugely detrimental impact on the economy and wider society. Imposing further cuts in skills funding at this stage is of particular concern in light of the

latest slowdown in GDP growth and the UK's abysmal productivity performance in recent years.

1.7 The decline in government funding in recent years has been accompanied by a long-term fall in employer investment in skills, with one recent authoritative academic study estimating that the volume of workplace training has fallen by between 50% and 85% since 1997. During this period many government initiatives have been introduced to try and influence employer investment behaviour, to little effect. There is a growing consensus that the time has come for the UK to fall into line with the vast majority of developed economies and to use some form of regulatory mechanism to ensure that all employers are making a fair contribution to the training and development of their staff.

1.8 In summary, the TUC recommends that the following policy approach should be given urgent consideration by the government:

- Draw a line under any further cuts to government funding over the current Parliament and give a clear commitment not to extend the FE loan system to cover people aged 19-23 and lower-level qualifications as proposed in the consultation paper issued last year.
- Review the most effective regulatory measures that could be introduced to drive up employer investment in training and skills. At the same time there should be a strengthening of “social partnership bodies” to articulate what industry and sectors view as the priorities for investment in training and skills.
- Introduce some form of individual tax relief for training, which the TUC believes could be achieved on a cost-neutral basis by reforming and redistributing the existing corporate tax relief provision that employers can claim for work-related training.

1.9 In general the TUC is very supportive of the overriding aim set out in the consultation aimed at expanding the number of opportunities for individuals to access higher level vocational education. We also agree with many of the findings about the need for reforms to incentivise and enable many more individuals to access high quality higher level vocational education.

1.10 However, we have a number of concerns with the policy aim of explicitly distinguishing between “vocational education for the workplace with a focus on higher level professional and technical skills” and “second chances for those who have not succeeded in the school system.” An integral feature of this “dual mandate” approach ultimately involves the development of greater specialisation by educational institutions, with many being encouraged to focus on higher level vocational education. Developments along these lines would have major implications for FE colleges, many of which currently support both higher level vocational courses but also remedial courses and lower-level vocational education courses. Of course many FE Colleges have a “third mandate”, between the two in the paper, which is the provision of A levels and equivalent level 3 qualifications. All three mandates should be integrated. While some colleges may wish to specialise in higher level vocational skills, this should not exclude their mid- and lower-level provision or community learning.

1.11 We are also concerned about the possibility of specialisation leading to fragmentation. As highlighted above, we believe that the thrust of the proposals in the paper will throw up major challenges for the current model of FE colleges that have a remit for delivering both vocational education courses (at lower level and higher level) and remedial courses for individuals failed by the school system. This current model has many advantages, including delivering a range of provision that meets the wider needs of the local community - including employers and learners - which it serves. While we accept that developing specialisation will help to improve the quality of higher level vocational education, this should not be at the price of destabilising and fragmenting the existing college network.

1.12 We are also concerned that another potential unintended consequence could be to limit progression pathways for individuals who are engaged in lower-level studies but who have the capacity to ultimately progress to a higher level vocational course. If specialisation and institutional change leads to the demarcation of remedial/lower-level courses and higher level courses (including institutional demarcation) there is a danger that it becomes more challenging to progress from one to another and that individuals with the potential to develop are trapped in one part of the sector, thereby limiting their progression.

1.13 It is therefore imperative that any moves towards greater specialisation and separation of higher level and lower level courses are developed in a way that obviates the above outcomes. Otherwise there is a danger that any new vocational system leads to even greater degrees of marginalisation of disadvantaged learners, especially those who are engaged in “second-chance” pathways to remedy a poor experience in the school system. Such pathways are not likely to succeed without progression opportunities. As highlighted in recent OECD studies, the UK already has a major problem with young people and adults leaving the formal education system without the necessary skills to progress their employment and career prospects. So any reformed vocational system needs to be developed with this in mind.

The skills investment challenge

1.14 A number of recent large-scale surveys have served as a wake-up call for the urgency of the skills challenge facing the UK and the need for government to act to address the rapidly declining levels of investment in learning and training of the employee workforce in particular. The most worrying analysis, undertaken by a number of distinguished labour market economists, estimates that training volume fell by just under a half (48 per cent) using one data set, or by 85% using alternative data, between 1997 and 2012.¹ The authors of this study highlight that inadequate training data sources have meant that “many commentators - ourselves included - have as a consequence hitherto missed the fact that in the last 15 years there has been a sea change in the volume of training received by the average worker in Britain.” In other words this study verifies that the amount of training made available to employees has fallen off a cliff since the mid-1990s.

¹ Green, F. et al *The Declining Volume of Workers' Training in Britain*, British Journal of Industrial Relations (forthcoming)

1.15 And things have not improved on this front in recent years as evidenced in the consultation paper itself (page 15), where it highlights that: nearly 1 million businesses currently do not provide training; spend on training has fallen by £2.5B since 2011; and, spending per employee trained has decreased by 17% since 2011. It is welcome that the consultation paper is so explicit about these poor investment levels as there has been a tendency in the past to gloss over the large number of UK employers failing to invest in the skills of their workforce. But for interventions such as Train to Gain, the Employer Ownership programme, or of course unionlearn itself, this fall in employer investment could have been even worse.

1.16 The OECD Adult Skills Survey² published in 2013 highlighted the fact that skills levels in the UK are disproportionately influenced by social inequality compared to other countries, with individuals from poor families much less likely to progress up the skills ladder. For example, the OECD finds that the UK has “one of the strongest associations between socio-economic background and literacy proficiency among young people and among the broader population of 16-65 year-olds”. A key theme of the OECD survey is the need for policy to support more lower qualified citizens to develop their skills, especially in the workplace, and this is highlighted as a key policy challenge for the UK where lower qualified workers face greater barriers to learning opportunities.

1.17 According to the OECD survey findings the UK is blighted by a “learning divide” that further disenfranchises those in most need of learning and development opportunities. Seventy five per cent of adults with Level 4/5 qualifications (i.e. degrees and above) participated in adult education and training over the latest 12-month period compared with only 30% of those adults who score below Level 1. Commenting on this situation in the UK, the OECD says: *“These results confirm the vicious cycle in which low-skilled workers risk being trapped in a situation in which they rarely benefit from adult learning and their skills remain weak or deteriorate over time, making it even harder for these individuals to participate in learning activities. The key policy challenge is to help low-skilled adults break this cycle.”*

1.18 A more recent OECD study³ has reiterated the above finding in relation specifically to young adults aged 16-29 who are not in education, employment or training (NEET). This study shows that young adults from the UK in this position had the largest differences when their literacy and problem-solving skills are compared with the literacy and problem-solving skills of equivalent young adults in employment. Overall, there was a 12.6% gap in literacy skills (double the OECD average of 6.5%) and there was a 9.6% gap in problem-solving skills. The OECD emphasises the need for the UK government to urgently address this policy challenge “including through second-chance options” being made available to many more of these young adults.

² Full OECD report and summary: www.oecd.org/site/piaac/publications.htm. UK summary document: www.oecd.org/site/piaac/Country%20note%20-%20United%20Kingdom.pdf

³ *OECD Skills Outlook 2015*, May 27 2015 (<http://www.oecd.org/education/oecd-skills-outlook-2015-9789264234178-en.htm>)

1.19 It is against this policy backdrop that the current 24% reduction in the FE and skills budget needs to be viewed, including the prospects of further cuts over this Parliament. In addition, there are concerns that the government is considering using the forthcoming spending review to announce some form of extension of the FE Loans system. The TUC's view is that at this point in the economic cycle the last thing that the economy and wider society need is a set of additional barriers that will prevent young people and adults having the opportunity to acquire or develop the skills needed to support their entry into the labour market and/or their long-term career progression. The TUC believes that this is particularly important in the case of those individuals who face the greatest barriers to accessing high quality learning and skills either in the workplace or through participation in courses provided by colleges and other providers. There is no evidence such learners would take up loans

1.20 In addition to committing to end any further cuts to the adult skills budget and curtailing any further expansion of the FE loan system, the TUC believes that the government needs to introduce regulatory measures to require more employers to invest in training. There is a growing consensus that the time has come for the UK to fall into line with the vast majority of developed economies and to use some form of regulatory mechanism to ensure that all employers are making a fair contribution to the training and development of their staff.

1.21 The TUC has consistently called for the government to review the most effective regulatory measures - including levies, procurement, tax relief, human capital reporting and occupational licensing/Licence to Practice - that could be introduced to drive up employer investment in training and skills. However, it is interesting to note that a research review undertaken on behalf of BIS in 2013 concluded as follows: "Employer contributions through levy systems are the most wide-spread mechanism used to induce employer co-investment in training. Levy systems have been adopted by Governments in Belgium, Cyprus, Denmark, France, Greece, Hungary, Ireland, Italy, Korea, Malaysia, the Netherlands, Quebec (Canada), Singapore and Spain."⁴ A levy/rebate system is also used in Germany, the USA, the Nordic countries and across almost all the developed economies. The UK is highly unusual in having no such collective measure.

1.22 In addition to reviewing regulatory measures, the TUC has recommended that there should be a strengthening of "social partnership bodies" to articulate what industry and sectors view as the priorities for investment in training and skills. This combination of social partnership sector bodies and some form of regulatory requirement on employers to invest in workforce development reflects the situation in most of those European countries with high quality higher level vocational education provision that is open to a much larger proportion of the population than is the case in the UK.

1.23 It is welcome that building a high quality apprenticeship route for many more young people is now a widely shared policy priority. In reality, we still lag well

⁴ Marsden, J. And Dickinson, P (2013) *International Evidence Review on Co-funding for Training*, BIS Research Paper no.116

behind many of our European counterparts. Only 11% of our employers employ apprentices compared to 3 to 4 times as many in some other countries and two thirds of apprentices (many of whom are over 24) train to a level (Level 2) that would not even count as an apprenticeship in much of the rest of Europe. Exploitation of young people is also rife with too much low quality training and wide scale contravention of the minimum wage.

1.24 The TUC has long argued that our apprenticeship and wider skills system is flawed because of the lack of a social partnership framework found in much of the rest of Europe based on industry- and sector-led collaborations, comprising employers and trade unions. In many countries this social partnership approach governs the supply of high quality training, especially through the apprenticeship system, in line with the needs of employers, individuals and sectors. The national skills body that advises government – the UK Commission for Employment and Skills (UKCES) – has recently stated that “compared to countries with strong vocational systems such as Denmark, Germany and the Netherlands, industry leadership and partnership working in the UK is underdeveloped.”⁵

1.25 The TUC has supported the recent establishment of Industrial Partnerships under the auspices of UKCES to test out a new industry-led skills framework. However, we are a long way off anything closely resembling a social partnership model. The new government needs to give its full support to such an approach.

1.26 The TUC also believes that there is a need to stimulate more adults to engage in learning. One means of achieving this in a cost-neutral way would be to introduce a new Personal Learning Allowance for adult learners, especially those coming within the remit of the FE loan system. This could be funded by reforming the current tax relief given to employers for work-related training. Previous research commissioned by unionlearn⁶ estimated that the total cost of this relief to the Exchequer is in the region of £5 billion per annum, with little available data on how it is being used by those employers that qualify for it. The TUC has previously called on the government to introduce a Personal Learning Allowance to provide financial support for adults undertaking vocational learning or training, with a view to helping them progress in the labour market. The allowance should not apply to any job-related training that employers are responsible for funding and/or any course that continues to attract 100% state subsidy.

The “dual mandate” approach

1.27 The remainder of this response addresses the key policy areas covered in the consultation paper in relation to taking forward a “dual mandate” approach for adult vocational education. In general the TUC is very supportive of the overriding aim of expanding the number of opportunities for individuals to access higher level vocational education. We also agree with many of the findings in the consultation paper highlighting that historical developments in the our education

⁵ UK Commission for Employment and Skills (2014) *Growth Through People*

⁶ Reed, H. (2011) *Tax Relief on Training: investigating the options for reform*, unionlearn, March 2011

system and labour market have led to increasing barriers when it comes to incentivising and enabling individuals to access high quality higher level vocational education. However, we also have a number of concerns with the policy aim of explicitly distinguishing between “vocational education for the workplace with a focus on higher level professional and technical skills” and “second chances for those who have not succeeded in the school system.”

1.28 An integral feature of this “dual mandate” approach ultimately involves the development of greater specialisation by educational institutions, with many being encouraged to focus on higher level vocational education. Developments along these lines would have major implications for FE colleges, many of which currently support both higher level vocational courses but also remedial courses and lower-level vocational education courses. Of course many FE Colleges have a “third mandate”, between the two in the paper, which is the provision of A levels and equivalent level 3 qualifications. All three mandates should be integrated. While some colleges may wish to specialise in higher level vocational skills, this should not exclude their mid and lower level provision or community learning.

1.29 Our key concerns about the “dual mandate” approach are focused in two specific areas, as set out below. We would emphasise that we believe that, in many circumstances, these may be unintended consequences of a “dual mandate” approach. But it is essential that these two central challenges are given careful consideration and the risks avoided at all costs when implementing changes to expand higher-level vocational provision.

- Possibility of specialisation leading to fragmentation? As highlighted above, we believe that the thrust of the proposals in the paper will throw up major challenges for the current model of FE colleges that have a remit for delivering both vocational education courses (at lower level and higher level) and remedial courses for individuals failed by the school system. This current model has many advantages, including delivering a range of provision that meets the wider needs of the local community – including employers and learners - which it serves. While we accept that developing specialisation will help to improve the quality of higher level vocational education, this should not be at the price of destabilising and fragmenting the existing college network.
- Possibility of specialisation limiting progression routes? We also believe that another potential unintended consequence of the dual mandate approach could be to limit progression pathways for individuals who are engaged in lower-level studies but who have the capacity to ultimately progress to a higher level vocational course. If specialisation and institutional change leads to the demarcation of remedial/lower-level courses and higher level courses (including institutional demarcation) there is a danger that it becomes more challenging to progress from one to another and that individuals with the potential to develop are trapped in one part of the sector, thereby limiting their progression.

1.30 It is therefore imperative that any moves towards greater specialisation and separation of higher level and lower level courses are developed in a way that obviates the above outcomes. Otherwise there is a danger that any new vocational system leads to even greater degrees of marginalisation of disadvantaged learners, especially those who are engaged in “second-chance” pathways to remedy a poor

experience in the school system. Such pathways are not likely to succeed without progression opportunities. As highlighted in recent OECD studies referred to above, the UK already has a major problem with young people and adults leaving the formal education system without the necessary skills to progress their employment and career prospects. So any reformed vocational system needs to be developed with this in mind.

National Colleges

1.31 The TUC supports the development of a more coherent national industrial policy and the need to align industrial and skills strategies so that individuals and communities can benefit from high skilled employment opportunities in certain growth sectors. This includes addressing the skills needs of major infrastructure initiatives in the coming years. In line with this the TUC accepts that the establishment of national colleges has a role to play in developing opportunities for young people and existing employees to acquire the necessary skills and qualifications to enable them to take advantage of any growth in demand for high skilled technical staff. It is also welcome that mandatory employer investment will be an integral feature of the model, with businesses co-investing 50 per cent of the cost of each establishment.

1.32 In the above context the TUC has publicly welcomed the confirmation that a National College for High Speed Rail will be established, saying that it is an “important step in ensuring the workforce is in place to deliver HS2 efficiently and on time [and that] it will also give young people the training they need to get into highly skilled engineering jobs”.⁷

1.33 However, the TUC is concerned that there are aspects of the national colleges model that have raised a range of concerns among a number of stakeholders and it is imperative that these issues are addressed with a degree of urgency. The key concerns that the TUC believes should be prioritised are as follows:

- There is a significant risk of further fragmentation of the education and skills system and weakening of existing FE colleges as a result of the establishment of yet another set of new institutions. Recent experience, especially the establishment of University Technical Colleges (UTCs) – has shown that there are clear risks in taking forward such an approach. In the case of the poor performance of a number of UTCs (including impending closures), critics have quite rightly questioned whether the investment in UTCs would have been better directed at strengthening 14-19 provision in the existing FE college network. It would therefore be damaging if the expansion of national colleges came at the price of reduced investment in existing FE colleges, especially in light of the local/regional dimension (see below).
- There is a danger that the vocational specialism led by a specific national college will not lead to expanding learning opportunities for the wider population and will tend to be focused on learners in the local and/or regional vicinity. We support the measures under consideration to support more young people to

⁷ TUC press release (www.tuc.org.uk/industrial-issues/regional-policy/midlands-tuc-welcomes2)

leave home to study independently at a national college if this is their preference (in the same way that many young people are able to take up the opportunity to leave home to take up a university place). However, as the consultation paper itself highlights, many individuals following non-graduate courses at present attend local institutions because they do not want to live away from home.

- In line with the above point careful consideration needs to be given as to how access to the vocational specialism of a national college can be disseminated via other FE colleges and providers. Measures need to be put in place to ensure that individuals from across the country who cannot attend a national college, but who wish to study in that specialism, can be empowered to do so. In essence the development of national colleges should lead to the expansion of high quality provision in the specific vocational specialism across the wider college network (e.g. consideration could be given to offering students short-term placements at the national college where they could build on their studies at their local FE college).
- Government also needs to ensure that all national colleges genuinely reflect the broader needs of industries and sectors and are not simply a model of provision drawn up by a small number of influential employers. In this respect it is important that the colleges have strategic links with some of the existing key institutions involved in industrial and skills strategies, including Sector Councils, Sector Skills Councils, Industrial Partnerships, local authorities and LEPs. If the national colleges are to be industry-led it is also very important that the voice of individuals and employees, and how this is properly articulated through the role of trade unions, is given due prominence.
- The strategic plan for any further national colleges should draw on priorities based on a dialogue between government and key stakeholders, including employers and trade unions. The TUC has welcomed the development of a national industrial policy by government in recent years and would recommend that any expansion of national colleges should draw on further development of this policy approach. At the same time there is a growing recognition that there are many sectors, which may not be classified as priorities in the context of industrial policy, but where there is a strong case for the need to drive up quality and expand provision (e.g. social care and childcare). Government also needs to look at how the national colleges will link in with the provision for the vocational specialisms that have been taken forward by the National Skills Academies in recent years.

Other measures to help deliver a quality higher level vocational education system

Communications and branding

1.34 With regard to communications and branding the TUC broadly supports the two proposals in the consultation paper on “rebranding” English higher vocational education and instituting a national advertising and marketing campaign to encourage greater take-up of higher vocational education courses. As regards rebranding, our initial view is that “Professional and Technical Education” would be the preferable terminology on the basis that it would resonate with people who wish to pursue careers in a wide range of professional and technical occupations. There are many women learners at Level 2 in e.g. Retail or Social

Care who wish to progress. “Technical” is not a good description of progression routes in those sectors so adding “Professional” will encourage a broader and more equal conception of Higher Vocational learning.

1.35 However, a major proviso to our broad support is that such marketing measures should not be initiated until reforms are put in place that will ensure an adequate supply of high quality provision to meet any increased demand from individuals. Otherwise there is a real danger of raising expectations and letting people down when they encounter difficulties identifying a suitable course.

1.36 In addition, caution needs to be taken as regards the potential impact of communications and branding campaigns. The consultation document makes reference to the positive impact of national advertising and marketing campaigns as regards the growth in Apprenticeships in recent years. However, this needs to be qualified - whilst such campaigns have driven up demand from young people in particular, there has not been an equivalent growth in the proportion of employers offering apprenticeships. This has led to a significant mismatch between demand and supply and there is a risk of a similar situation occurring with higher vocational education.

1.37 As set out in other parts of this submission, the evidence to date shows that stronger measures need to be put in place to drive up employer engagement and investment in skills (e.g. training levies, procurement, occupational licensing etc.). Otherwise there will be an even greater potential for a mismatch between demand and supply. As well as recommending this, the TUC is of the view that we can better promote higher vocational education if we have industry-led systems in place that make the case for this. As we have argued in the earlier parts of this submission, we need to move to a situation similar to many European countries where employers, unions and other stakeholders are enabled to articulate the high quality education and training pathways that individuals can follow. As in other European countries, this would prove to be a powerful means of making higher vocational education the norm in all sectors of the economy.

Funding reforms

1.38 As we have highlighted in the earlier part of our submission the TUC believes that cuts to FE and skills funding present a major risk to the economy and wider society and that the thrust of government policy should be to boost skills investment through the following approach:

- Draw a line under any further cuts to government funding over the current Parliament and give a clear commitment not to extend the FE loan system to cover people aged 19-23 and lower-level qualifications as proposed in the consultation paper issued last year.
- Give urgent consideration to introducing regulatory measures (e.g. training levies, procurement and occupational licensing) to drive up employer investment in training and skills. This should be in tandem with the development of stronger social partnership bodies to articulate what industry and sectors view as the priorities for investment in training and skills.
- Introduce some form of individual tax relief for training, which the TUC

believes could be achieved on a cost-neutral basis by reforming and redistributing the existing corporate tax relief provision that employers can claim for work-related training.

1.39 The TUC view is that the balance of investment in higher vocational education between government, employer and individuals risks being skewed towards the individual citizen because the government appears determined to cut the FE and skills budget and is seriously considering extending the FE loan system despite widespread opposition evidenced in the responses to the consultation last year. In these circumstances, and if government once again fails to address regulatory measures to require employer investment, the danger is that a new higher vocational education system would have to be funded by an extended loan system. In reality this would be completely unsustainable.

1.40 The consultation paper also highlights that participation in part-time HE has continued to decline in spite of a range of changes to the funding and financial support systems in recent years designed to boost participation. Many individuals taking this route are, as the consultation highlights, employees with existing qualifications who are “seeking to develop particular knowledge and expertise to support their professional development.” Unionlearn and trade unions are engaged in a number of initiatives, often supported by Union Learning Fund projects, to support part-time HE students in the workplace.

1.41 The consultation refers to recent initiatives to tackle the decline in part-time HE learners. The TUC’s view is that, welcome as the initiatives are, there is a need for a much wider review of the negative impact of policy changes in recent years on the take-up of part-time HE and the development of a coherent strategy to reverse the decline. Without such an approach there is little prospect of achieving the required reverse in the decline to date and revitalising part-time HE, especially among mature students who are in employment. Much better IAG would also help, particularly on the future earning potential of higher qualifications.

Reforms to Qualifications, Standards and Curricula

1.42 The TUC strongly supports the recommendations of the Commission on Adult Vocational Teaching and Learning (the CAVTL) on which the TUC was represented. The key CAVTL recommendations were that every course should have a “clear line of sight” to work and that colleges should have greater powers.

1.43 Colleges should have the power to award their own Foundation Degrees, subject to meeting required standards, in areas where the college has demonstrable specialist expertise and strong employer and relevant union support. The TUC is not convinced that a new overarching regulatory body would be necessary. It could add another layer of bureaucracy. It would also undermine the parity of esteem between college based HE and university based HE.

1.44 More important than designing new structures is developing much stronger employer and union engagement with colleges. That in turn will ensure that course content, delivery and assessment are appropriate, as demonstrated by leading to well paid jobs and careers. That evidence should be taken into account when considering whether colleges should be given degree awarding powers.

1.45 A review of Foundation Degrees (FDs) is timely. Originally it was proposed that FDs could be topped up with a third year to become full university level degrees. That option has largely disappeared, leading to a reduced status for FDs and lower take up. Moreover there is a perception that they have become too theoretical and “academic”, rather than being based on practice, as originally conceived. FDs could be the cornerstone of a revived higher vocational qualification linking HE in FE to mainstream HE. To do so they need much greater employer and union involvement in design, development and delivery. Paragraph 153 in the consultation document is right that too little weight is given to college based teaching which is practical and based in workplace experience. Involving unions and employers will help to correct this. Colleges which can show they are doing this should have the power to award specialised FDs in their own specialist areas.

1.46 On the question of work based learning (question 19) the TUC strongly believes that all vocational courses (not just higher vocational) should have a substantial element of work based learning. In this way they will guarantee the CAVTL aim of a clear line of sight to a job. If colleges cannot find an appropriate work placement it is questionable whether they should be running a course. Such a requirement would encourage colleges to seek out employers and help employers to see the value of working with colleges. Some colleges have attempted to create their own internal work environments, such as college restaurants or hair salons. These can be very helpful but rarely provide the same experience as a real working environment, with all the pace and pressure that learners need to experience.

1.47 Colleges that acquire new FD awarding powers should be given an appropriate designation. The experience of the Centres of Vocational Excellence (COVEs) was that they lacked sufficient resources or employer and union backing to be fully successful. It would make sense to proceed gradually with this new approach; the key issue is demonstrable employer and union support in the appropriate specialist area. That will take time. Government should encourage and support colleges, unions and employers (building their capacity to work together) rather than changing structures or systems.

1.48 New technology or digital learning is of course extremely important. It can greatly improve the quality of teaching and learning as well as offering flexibility and choice. However it must be adequately resourced and should not be seen as a means of reducing costs. Staff and learners need training and support, as well as appropriate equipment. There is room for much more e-learning in colleges but this should not be blamed on any lack of appetite among staff. Rather, it is the experience of poor and hasty introduction of e-learning as an attempted cost saving measure with arbitrary and unrealistic targets which has led to scepticism and low take up.

Delivering skills for the future - supporting second chances

1.49 As already highlighted earlier in this response, a key TUC concern is that the “dual mandate” approach does not lead to the segregation of learners into learning pathways and/or institutions that prevent them from building on “second chance learning” to progress to higher vocational education courses. However, bearing

that in mind, the TUC is broadly supportive of the flexibilities proposed in Chapter 5 (questions 28-39), but with the proviso that any such flexibilities should be avoided if they would undermine current high quality provision in this area delivered by colleges and other providers. On this area we would defer to the views of colleges and specialist providers currently engaged in supporting learners who need additional support.

1.50 It is welcome that the consultation paper acknowledges that “FE has the potential to support people to attain in a way they didn’t in their formal education” and also that adult community learning provision has had a proven impact in supporting such learners to make great strides. However, the flexibilities under discussion should only be taken forward if they will maximise the capacity of such colleges and specialist providers.

1.51 Trade unions are also heavily engaged in supporting “second chance learning” in the workplace, especially through Union Learning Fund projects and the activities of union learning representatives (ULRs). One of the acknowledged successes of union learning and ULRs is that individuals lacking the confidence to re-engage with learning have been persuaded to do so through the encouragement of work colleagues and ULRs involved in union learning activities. There is little mention in this part of the consultation document about the importance of the workplace in identifying and supporting second chance learners. The TUC therefore recommends that the government gives further consideration to how the flexibilities under consideration could impact in the workplace and how unions and other agents in the workplace could maximise their efforts to support “second chance learners.”

1.52 The work of trade unions in this area has also highlighted the importance of embedding English and maths provision into all learning programmes to reduce the stigma of individuals being identified as “basic skills” learners. In too many instances this stigma proves to be a major deterrent to the take-up of “second chance learning” and it is crucial that this is avoided at all costs in any forthcoming reform of existing college provision for supporting entry level English and maths learners.

1.53 Questions 28 to 31 raise issues about local accountability and funding adult skills through local commissioning via local partnerships of, for example, LEPs or local authorities. The TUC has always strongly defended the role of colleges in their community and the importance of local accountability. On the other hand a transfer of funding from national (SFA) to local/regional could cause many problems. First, at a time of drastically reduced funding with local partnerships deciding between, for example, skills, transport, health and social care budgets; skills funding could be squeezed even further. Second, local/regional priorities may not make sense when viewed nationally. For example many localities might wish to specialise in media skills or advanced engineering (which attract higher paying jobs) but not all should; national industrial strategy must also be considered. Third, many skills are national (if not international) and highly mobile; again there needs to be a national industrial/skills strategy within which local/regional skill needs sit.

1.54 The key issue, identified in paragraph 205 in the consultation document, is that skills provision leads to stronger outcomes: well paid and sustainable jobs. Local/regional partnerships should therefore be required to meet the test of showing that devolved skills funding would lead to such outcomes. The TUC would support pilots aimed at testing this kind of outcome based approach, which would need to be designed in close collaboration with relevant unions and employers.

1.55 The TUC would support the review of Community Learning outlined (paragraphs 209-212). For too long it has been sidelined (albeit with ring fenced funding) in a way which has prevented or damaged links between community learning and other kinds of adult learning. Unionlearn’s experience is that community learning can help young (and older) people enter or re-enter work. Learners and their families are not naturally divided into “community” or “adult” learners. Most learners are both. The ring fenced budget has protected community learning which is very welcome but at the cost of hindering evolution and growth. The Specialist Designated Institutions (SDIs) should continue to be protected but also encouraged to integrate; to adapt and grow their links with workplace and other adult learning.

Change and resilience in the college landscape

1.56 “Resilience” is something that Colleges understand very well. There is no lack of willingness to adapt to change and evolve to meet changed needs and circumstances. Staff have shown their resilience by meeting the myriad demands placed on colleges over the years since incorporation, often with much reduced funding. Yet it cannot be denied there is a crisis with many colleges, perhaps one in four, deemed at risk.

1.57 The problem is lack of resources, not lack of resilience. The barriers faced by colleges are lack of resources to change provision coupled with a regulatory framework which makes it hard to engage local (or national) employers. So the response to questions 40 – 44 is that government should help colleges to engage more with employers and unions, thereby building up vocational courses which have a “clearer line of sight to work” and hence alternative sources of funding and support. The risks of moving to greater local influence have been covered above. Central government should continue to take an active interventionist role in a way which is supportive, encourages greater employer/union/college partnership and is consistent with an overall industrial skills strategy.