



New Challenges, New Chances

TUC submission to the government consultation

Introduction and summary

The TUC welcomes the opportunity to comment on the government's consultation on the next steps in implementing the Further Education Reform Programme. We welcome the minister's emphasis in his foreword to the document on the crucial role that lifelong learning and skills plays in supporting the wider well being of society and key economic priorities. The consultation document also, quite rightly, emphasises the importance of partnership between colleges, training providers, employers, trade unions and other stakeholders.

The TUC shares the government's positive outlook on the importance of Further Education (FE) to the economy and society and its confidence in the ability of the sector to respond to current challenges. As the interim report of the Independent Commission on Colleges in their Communities points out, the FE system has weathered economic times good and bad for the last 100 years, developing distinctive localised services to meet local needs and in the most part colleges continue to enjoy the support of the communities that they serve. At the same time, the short to medium term pressures on our economy, public finances and society create huge pressures on the FE system and the ramifications of the government's reform programme must be given careful thought and scrutiny.

However, the TUC is seriously concerned that aspects of the reform programme risk destabilising the FE sector, in particular the rapid scaling back of the role of centralised government and the expectation that local institutions will become consistently responsive and effective engines of the new economy. A key concern is that as central funding for FE and skills is reduced and a new fee/loan system is established, the financial viability of the sector will be increasingly subject to the uncertainties of employer investment behaviour and the decisions taken by individuals (many of whom would have to take on increased private debt to fund their learning). Another important issue is the need to maintain the skills and morale of the FE workforce over the coming period, especially as financial pressures and government policy will impact on pay and jobs.

The TUC submission to the 'Skills for Sustainable Growth' consultation last year emphasised the importance of skills policy promoting equality and reducing inequalities in relation to gender, disability, race, age and other areas. The TUC has consistently supported the government's commitment to expand apprenticeships and measures to promote equality and diversity in this area (e.g. via the 'diversity pilots'). The TUC has also welcomed the government's continued support for Informal and Adult and Community Learning (IACL), which often acts as a gateway that enables individuals from disadvantaged groups to access learning that will support them to progress both at work and in society at large.

However, the TUC has serious concerns about a number of the existing and proposed changes to the FE and skills funding regime, especially the following measures: abolishing the Level 2 entitlement for adults; restricting access to ESOL courses; requiring those aged 24 and over to pay (or take out loans for) the full costs of their course; and, requiring apprentices aged 24 and over to pay (or take

out loans) for half the cost of their training. The combined impact of these changes carries a serious risk of putting a freeze on social mobility.

Furthermore, we are concerned that the shift from centralised government to localised governance will inevitably lead to inequalities of provision between different groups that cannot just be explained away in terms of communities making their own choices on priorities. This leaves central government open to the charge of abrogating its responsibility if it continues to reject a role as a modifier of outcomes.

Below we set out the main areas where the TUC supports the proposals in the consultation followed by a number of areas where we have significant concerns.

The TUC welcomes the following aspects of the consultation:

- The government's positive outlook on the role of FE in terms of generating growth and strengthening the social fabric of the country.
- The commitment to expand high-quality apprenticeships and to tackle equality and diversity in this area.
- The government's continued support for IACL and recognition of the contribution that it makes to the quality of people's lives and to supporting skills development and employment opportunity.
- The TUC welcomed a number of recommendations in the Wolf Report and the consultation paper includes a number of positive initiatives that are in consideration relating to teaching, learning and qualifications.
- The proposals for further education to deliver more accessible 'higher education' opportunities particularly access qualifications such as foundation degrees.
- The Government's commitment to improved data for further education particularly if it can help inform IAG and empower the learner.
- The opportunity to access loans and student support for those who are currently denied this, particularly the unemployed.

The TUC has significant concerns in the following areas:

- The Government is attempting to engineer change and marketisation of the further education sector too quickly and on ideological lines rather than on a proper evidence basis which could lead to serious issues of a lack of equity and accountability. This could adversely impact on both further education and private providers and cause major problems for employers.
- The removal of government subsidy and introduction of further education loans risks reducing participation (especially for apprentices) very significantly with a potential knock on impact on income streams for the sector. This is of particular concern with regard to adult apprentices, where a worrying precedent will be set by requiring individual employees to fund job-specific related training, which could also be a major deterrent to participation.

- The government needs to develop “learning pathways” in order to ensure progression routes to level 3, following the removal of funding support for level 2 and workplace ESOL. This will inevitably put a brake on social mobility for many working people and create barriers to taking up new jobs requiring higher skills levels.
- The government’s moves to create freedoms and flexibilities for the sector, whilst no doubt potentially reducing bureaucracy, may well lead to gaps in accountability and quality. In addition, the TUC would like to see a stronger commitment to consultation with communities and the workforce where the government is planning an intervention on community colleges that are perceived to be failing.
- Reduced funding for literacy and level 1 and level 2 numeracy and a lack of central government co-ordination will lead to reduced outcomes, leaving many vulnerable working people without opportunities to improve their prospects and at risk of being caught in poverty traps.

The TUC makes the following recommendations for improving upon the measures outlined in the consultation paper:

- Future guidance on the development of the landscape of the sector should emphasise that there is still important evidence gathering to be done (not least on employer views) and therefore innovation and change should be carefully piloted and then managed over at least five years.
- Any institution delivering state-funded and/or accredited FE or training should demonstrate an adherence to the following criteria with regard to its governance and operation:
 1. Proper consultation with all stakeholders including employees, trade unions, students and the communities the institution serves (or will serve)
 2. Proper resourcing of the learning/training that meets appropriate occupational, regulatory or industry standards or at least demonstrably can contribute to the social productivity of the community as evidenced by employers, employees and consumers.
 3. Proper provision for the needs of learners to be put first including provisions for equality impact assessment regimes
 4. Proper democratic accountability allowing the public and its political representatives to have appropriate overview and sanction over the activities of the institution.
- Funding should be restored to fund all Higher Education Access Qualifications as recommended in the Hughes Report
- Funding should be restored for adults to achieve level 2 qualifications, ESOL learning in the workplace and increased for all literacy and numeracy teaching to level 2 [The Government should not introduce a requirement for adults to pay 50% of their apprenticeships but instead restore the government subsidy. There is a risk that these measures could be very destabilising for adult apprenticeships.

- The Government should have a look at the potential for stimulating the growth of collective learning funds which have been successfully piloted by unionlearn, stimulating an impressive numbers of learning opportunities.
- Put plans to one side for the extension of provisions for ‘good’ providers to be treated in the same ‘arms length’ way as ‘excellent’ providers until there is good evidence of the success of this approach.
- A commitment to consultation with communities and the workforce where the government is planning an intervention on community colleges that are perceived to be failing.
- A full and proper evaluation of outcome incentive payments and job outcome payments and proper monitoring to ensure that outcome payments to employers are not ‘deadweight’.

The following sections record the TUC’s response to each of the sections in the main consultation document with reference to the supporting consultation documents on FE loans and Informal Adult and Community Learning as appropriate.

Vision for FE landscape and shape of the sector

The Government’s vision for further education is driven by a range of policy agendas, including: reducing the fiscal deficit over the short-term; promoting economic growth and tackling unemployment; the ideological influence of the “Big Society” and “localism” agendas, productivity and a stronger market; and, the worrying signs of growing societal problems. It is welcome that the government explicitly acknowledges the crucial value of the FE system and that it sees it as an engine for driving up personal empowerment, improving employment prospects and wider participation in society, and contributing to improved economic vibrancy and competitiveness. In summary, the government appears to believe that the best way of increasing the capacity of FE is to strip down regulation and the direct control of central government, thereby empowering FE institutions to be more responsive to local need, to develop partnerships or ‘networks’ with employers and other local partners, and to be more entrepreneurial in their outlook.

The TUC can share some of this analysis in so much as there is a need to find new flexibilities that enable FE institutions to be able to channel funding where it is most needed in the locality and to innovate and form new partnerships in order to meet new challenges and demands on their resources. However, in our view this model needs to be tempered in order to safeguard the public accountability of FE bodies and to ensure that public spending prioritises the needs of the most vulnerable learners whilst also promoting equality of access, quality and standards of provision, the welfare and working conditions of the FE workforce and the long term impact on the reputation of the sector.

The TUC recognises that the development of the UK’s skills base and its contribution to employability, competitiveness and economic success involves forming new and dynamic relationships between the FE sector, employers, employees and their communities in localities and regions. This is particularly so in the current economic context and in light of the disappearance of certain bodies

(e.g. RDAs) that previously supported this form of partnership working on the skills agenda. However, it also needs to be recognised that there is a strong sectoral dimension to the skills challenge and the government is committed to supporting Sector Skills Councils and the growing number of academies now delivering a range of sector specific skills. The TUC, particularly through its learning and skills organisation – *unionlearn* - has supported reform that demonstrably improves delivery and creates services that are responsive to communities by engaging employers, learners and commissioning authorities through a collaborative model of negotiation and agreement within a public sector framework.

FE could be said to be at a crossroads and the government consultation invites stakeholders to consider a future based upon two recent reports. First, there is LSIS’s somewhat conceptually driven and selective report [*The FE and Skills Sector in 2020: A Social Productivity Approach*] and secondly, the interim report of the Independent Commission on Colleges in their Communities [*A Dynamic Nucleus: Colleges at the Heart of Local Communities*] which has established some early findings but is still testing them out with a wide range of stakeholders. The TUC does acknowledge many of the issues in the LSIS report, certainly in terms of the uncertainties now impacting upon the FE system, the broader social benefit that is derived from the activity of colleges in communities and the value of good leadership and dynamism in the sector. Further, the TUC welcomes the emphasis in the Independent Commission’s interim report on the durability of FE institutions, their often unique bond with the communities they serve and the challenges in the new environment. This new environment includes the establishment of Local Enterprise Partnerships which, to date, have yet to fully demonstrate close engagement with the FE sector and there also remain questions about their capacity to deliver on the equality agenda.

Both these reports are still in essence a demonstration of “work in progress” rather than a finalised policy framework and as such the TUC believes that it is too early to say that the FE sector has developed, on the ground, best practice “pointing the way to the future” (page 14, *New Challenges, New Chances*). In addition, the TUC does not believe that the models that the consultation proposes to promote in the new policy framework for FE landscape are based upon solid evaluation, experience or sufficiently wide involvement of stakeholders. We do however see the value in proper evaluations, dissemination and stakeholder feedback from the programmes funded by the government’s investment and innovation funds. The TUC therefore believes that the government’s plans for guidance on the new freedoms and business models should be careful not to proclaim models as ‘best practice’ before their full impact is understood. Further, the government’s transition plan should emphasise the careful management of innovation and change and maintaining stability and continuity of provision by the sector.

We would therefore like to offer the following criteria as important safeguards in the diversification of the FE system. Any institution that is to deliver state funded and/or accredited further education should demonstrate its adherence to the following criteria with regard to its governance and operation:

- Proper consultation with all stakeholders including employees, trade unions, students and the communities the institution serves (or will serve)
- Proper resourcing of the learning/training that meets appropriate occupational, regulatory or industry standards or at least demonstrably can contribute to the social productivity of the community as evidenced by

employers, employees and consumers.

- Proper provision for the needs of learners to be put first including provisions for equality impact assessment regimes
- Proper democratic accountability allowing the public and representatives of stakeholders and communities to have appropriate overview and sanction over the activities of the institutions.

The TUC has longstanding concerns regarding the marketisation of the education sector, including FE, as this approach carries the risk of being inefficient and costly, creating a 'race to the bottom', driving down labour costs, conditions of employment and overall quality of service. There is the significant risk of community and voluntary organisations, smaller social enterprises and employee-owned mutuals competing with large scale private for-profit enterprises at a disadvantage as the market is opened up. The TUC is also concerned that private sector businesses will increasingly aim to use charity or social enterprise organisations as a 'cover' in order to facilitate their access to public service contracts. The TUC is also concerned with the proposals regarding Academies and free schools having an influence over the development of the FE system and the clear signals in this document that the FE sector may be opened up to some of the Academy sponsors.

With regard to the National Apprenticeship Service's contract with 12 projects to set up ATAs and GTAs and the prospect of creating more, the TUC would like to make the following observations. GTAs have operated successfully for many years and the best ones are built on the principles of social partnership. For example, JTL is a partnership involving employers and Unite the union, established for the benefit of young people and industry. It has charitable status with 12,000 apprentices in training at any one time across 2,500 employers: it provides over 70% of all apprenticeships in the Building Services Engineering sector and can boast an impressive 84% success rate. The TUC favours trade union involvement at board level on GTAs, with the most representative unions and employers associations within industries taking up the relevant positions.

However, the TUC has very real concerns about ATAs as they use employment agency practices for training purposes leading to very real concerns for the quality, security and prospects attached to the apprenticeships provided. There is also a danger that ATAs allow employers to cut corners: for example, involvement with ATAs should not be used by employers with no track record of commitment to apprenticeships to simply 'tick' procurement requirement boxes in tenders to win work when it suits them, to the detriment of the good employers who have systematically engaged apprentices directly year on year through good times and bad.

Introducing level 3 / 4 loans and sharing responsibility for investing in skills

The TUC has very significant concerns regarding the replacement of government subsidy for people aged 24+ undertaking level 3 and 4 qualifications by a new system of 100% fees backed up by student loans. For some, (e.g. the unemployed) this offers new chances and some equity with higher education. For others, this change has the potential to undermine the advances in participation that have been achieved in recent years and to reduce the role of FE and skills in driving social

mobility. The move to emulate the approach in higher education means a further expansion of a model based on generating high levels of individual debt for educational provision which many still regard as a public good that should be accessible to all and free at the point of use. It is neither right nor possible in practice to expect apprentices to pay via loans for training which in the vast majority of cases would previously have been paid for by employers. Nor in our experience would many employers see this as a sensible or practical proposition.

It is also very concerning that the government intends to introduce such high interest rates on the loans (up to RPI plus 3%) along the lines of the HE model. The government's Equality Impact Assessment identifies that this could lead to declining participation by the muslim community because of sharia law preventing loans being taken out where interest must be paid. The EQIA also highlights the danger of declining participation of groups that do not have English as a first language and unfair pressure on people with learning difficulties to complete funded courses before they are 24 years of age and/or to complete within the time period that loans will fund. There are also concerns about declining participation from women who may have concerns about spending on their own learning whilst bringing up children.

The low-paid and most disadvantaged are most likely to reject the idea of taking out a loan and this could exacerbate the training divide that currently blights the UK labour market as well as sending social mobility into further decline. The TUC believes there is considerable scope for well being and economic competitiveness being adversely affected by this policy measure. Access to learning and training is a lifelong need, whether someone is in employment or not, and is particularly helpful in times of industrial change or where individual employees want to advance or reshape their careers.

The TUC welcomes the government's partial acknowledgement of the risks of the new 'loans strategy' by the announcement in the consultation that it will commission research to understand the attitudes of learners progressing from loan-funded FE into HE. However, by undertaking this research after the policy decision has been made, there is a danger that the government is creating a momentum that cannot be reversed. Whilst acknowledging the introduction of the National Scholarship programme from 2012/13, targeted at improving access to HE amongst young people and adults with incomes below £25,000, there is a need for further details of how this will be administrated and evaluated in terms of its impact on participation.

The TUC is very concerned that adults using the FE system to facilitate their progression to a university education will be faced with the prospect of taking out very large loans as they will now have to fund both their "access studies" and their subsequent degree studies. We believe that this will provide a huge disincentive to many adults who will be concerned about accumulating debt, particularly those who may have ambitions to do a degree afterwards, and will lead to reduced participation. This will exacerbate existing skills shortages in the economy, causing particular barriers for adults over 24 who would wish to advance their learning. We therefore recommend that BIS looks again at the recommendation in the Hughes report that HE Access courses be funded at all ages.

The TUC does however acknowledge the Government's good judgement in

listening to stakeholders lobbying the government for a delay to the change to level 3 funding until the new loans system was introduced in 2013/14. We also acknowledge that the FE loans facility will make money available up front to help pay tuition fees, a facility that has only previously been available to higher education students.

In the case of apprenticeships, the TUC is very concerned at the unprecedented move for apprentices of 24 years of age and over to pay towards what is in effect job-related training and we believe that there would be a strong risk that adult apprenticeships will go into serious decline. Where adults may be prepared to share costs with employers (itself an idea which raises major problems of fairness, deadweight, practicalities and employer appetite), we believe that this could radically worsen the relationship between employer and employee and have significant implications for the minimum wage. The consultation document itself acknowledges that “there is limited evidence related to the willingness of employers and apprentices to share the costs of their training”.

The TUC believes that the government should also give renewed consideration to the decision to cease public funding for ESOL in the workplace. We do, however welcome (the fact that the government has recently redefined the thrust of the policy to restrict free courses to those on work-related benefits by giving colleges much more discretion in this area). These policy changes relating to ESOL do not take into account fully that ESOL training enables those non-native speakers who need support with their English to unlock their potential and skills to contribute more effectively to the economy and society.

The TUC and affiliates are also concerned about the lack of strategy around level 2 qualifications for adults, both in terms of funding and delivery. There is an acknowledgement by government about the importance of literacy and numeracy in providing the foundations for further progression by adults. However, the proposals in the consultation document do not address progression routes from level 2. For example, in the retail sector where the majority don't have a level 2 qualification and almost 20% have no qualifications at all, access to affordable qualifications at level 2 is critical to any chance of progressing to level 3.

The discontinuance of the level 2 entitlement, coupled with the cessation of Train to Gain funding, has effectively negated the chances of those in low paid low skilled jobs accessing affordable level 2 qualifications. Without this springboard, there is little chance for this cohort of workers to access Level 3 qualifications. Plugging this gap and funding level 2 qualifications would provide a much more inclusive, seamless and holistic strategy for addressing progression within the labour market and improving social mobility.

It would also be useful to have more narrative and explanation of how the learning account will facilitate learner access to education and we await more details. Any learning account must contain real incentives and be more than just an information vehicle.

With regard to the Government's stated aim of finding ways to share responsibility for investing in skills, unionlearn has piloted collective learning funds for workplace based learners. The collective learning fund are union-led initiatives to stimulate co-investment in the personal development of the workforce to make such learning affordable and accessible by leveraging in cash and in-kind

contributions from employers, providers, unions and individuals. Unionlearn's CLF project, supported by DIUS then BIS, tested a variety of CLF models in 23 workplaces in the North West and the East Midlands. The aggregated outputs were impressive, including 2,719 learning opportunities, of which 721 were related to Skills for Life; 527 to ICT; 884 to NVQs; and 587 were wider/personal development courses. The CLF either helped a number of projects engage with Train to Gain for the first time, or extended a previous involvement with it particularly in the case of NVQ and Skills for Life provision. The CLF as a concept has considerable value although it is still at an early stage of development. CLFs are only one way of increasing co-investment in workforce development. At a time of severe contraction in public subsidy for such learning, however, it is important that the concept is taken up by as many workplaces as possible, if the level of workforce development is not just to be sustained but substantially increased.

FE college and provider freedoms and flexibilities

The TUC notes the Government's commitment to freeing colleges and training organisations from central control and regulation with the aim of improving their responsiveness to the needs of learners, employers and communities. We make the following observations in this area of the consultation.

The measures for simplification of funding streams and regulations over two to three years and plans for quality learning providers to have minimal external scrutiny may be welcomed by substantial sections of the sector. Nevertheless, the government must be careful that quality standards don't suffer in the medium to long term as the result of an arms length relationship of this order. 'Proportionate performance monitoring' [BIS: *Proposals for intervention approach*; 2011] is a subjective term that may not have universal understanding or application unless the government is able to clarify further what this means. Seven years between inspections is also a long time in the life of an institution during which a serious decline in service is possible, particularly in the current climate. Having the same provisions for 'good' providers should be put on hold until there is plentiful experience and knowledge of the effects of an arm's length relationship with government. Trade unions regard central government as having important input regarding the development of public services, particularly with regard to ensuring that our institutions serve all communities and offer a high quality of provision.

With regard to intervention focusing on failed providers who must make rapid improvement or lose funding, the TUC recognises that failing providers hinder the prospects of communities and that government has a duty to intervene. However, there should be a commitment to consulting with employees, trade unions and the community about changes to funding and transition to a new provider. The provision to inspect on a four year cycle but to monitor and support improvement through LSIS amongst 'failing' or 'coasting' FE providers also seems reasonable, but experience will tell. The TUC would like to see proper resourcing of support measures for further education colleges to give them every reasonable opportunity to succeed, rather than risking losing institutions that communities value.

With regard to tackling bureaucracy and seeking to achieve administrative and operational efficiencies in FE assurance arrangements, including streamlining the

approval process for vocational qualifications, the TUC again recognises that these could be popular measures within the sector. However, it should be noted that bureaucracy is rarely created for the sake of it and is often put in place to address issues with the system. We therefore think it's important to have open participation and consultation relating to these changes to avoid losing some of the more important checks and balances.

Also, it should be noted that the decision to remove adult entitlement to funding at levels 3 and 4 and the introduction of the loans system could create more bureaucracy rather than less for many further education providers, employers and learners.

Simplifying the funding system

The TUC recognises the progress being made with regard to the introduction of Single Adult Skills Budget and the reduced number of direct contracts between SFA and FE Colleges.

We await the results of the first Outcome Incentive Payment and Job Outcome Payments. It would appear that only large corporate providers would be able to sustain activity in this new market which merits serious discussion and debate. With regard to 'outcome only' payments to large employers directly contracting with SFA to deliver apprenticeships, again we await the early results. However, the Government must be careful not to repeat the 'dead weight' issues that were perceived with the Train to Gain initiative. It is just as important to avoid the state subsidising training which employers would normally pay for as to avoid learners subsidising that training: deadweight takes two forms.

With regard to the plans for an Approved College and Training Organisation Register (ACTOR) and the Minimum Contract Level, the TUC believes that registration and contractual arrangements should be applied to organisations that adhere to the following criteria with regard to its governance and operation:

- Proper consultation with all stakeholders including employees, trade unions, students and the communities the body is/will serve
- Proper resourcing of the learning/training that meets appropriate occupational, regulatory or industry standards or at least demonstrably can contribute to the social productivity of the community as evidenced by employers, employees and consumers.
- Proper provision for the needs of learners to be put first including provisions for equality impact assessment regimes
- Proper democratic accountability allowing the public and its political representatives to have appropriate overview and sanction over the activities of the body.

We welcome the Government's commitment to working with sector representatives in the development of simplified rates matrix, rationalising learner support and additional learning support. Further the TUC awaits further information on the DFE's plans to consult on 16 to 18 funding methodology.

However, it should be noted that the decision to remove the adult entitlement to funding at levels 3 and 4 and the introduction of the loans system could create more complication, rather than simplification of the system, for many FE providers.

Teaching, learning and qualifications

The TUC welcomed a number of recommendations in the Wolf Report and the consultation paper includes a number of positive initiatives that are in consideration relating to teaching, learning and qualifications. This includes the enhancement of sectoral expertise through the development of national occupational standards and the teaching and learning curriculum and the proposal to establish an independent commission on vocational pedagogy. Further, we welcome the engagement of employers in qualification design and researchers, academics, professional and craft bodies and national STEM subject experts in the development of the sector. The TUC also supports the positive activity to map returns on investment in the FE sector including apprenticeship frameworks that lead rapidly to Technician Registration and FE data on the personal and social returns of STEM training.

Review of informal Adult and Community Learning

The TUC welcomes the government's support for IACL through the £210 million Adult Safeguarded Learning Budget and the recognition of the value of IACL in terms of confidence building, well being, accessibility, personal empowerment, benefits to other government objectives (e.g. health and well-being) and a significant contribution to wider society (e.g. family learning, cultural aspects etc.). The TUC also welcomes the work that the government has done to identify links between IACL and other key policy areas (e.g. digital inclusion) and the development of partnership working with a range of key organisations (e.g. OU, BBC, UK Online, and the British Library). The government should add unionlearn and trade unions to the list of 'partnership organisations' in recognition of its role in promoting IACL in the workplace and communities through the role of union learning reps and community networks: unionlearn is a major additional source of IACL. In particular, a number of specific union-led initiatives have proved influential, including national learning events such as the Festival of Learning and Learning at Work Day, the use of online technology, and the 'six book challenge' in partnership with the Reading Agency

The TUC also recognises the value of reviewing the government's commitment to IACL in terms of delivering 'value for money', enabling progression, funding those who otherwise would not have access and maximising income from those who can afford to pay. However, the TUC would stress that any strategy to focus IACL provision on those with the least resource needs to ensure that this does not disenfranchise low-paid employees in particular. Further the TUC recognises the validity of the six key policy challenges (clarifying objectives, effective cross subsidisation to assist disadvantaged learners, robust evidence on social and economic impact, fair funding, expanding IACL and workforce training and quality assurance arrangements) and welcomes the partnership with NIACE in consulting with communities.

With regard to cross subsidisation of IACL, the TUC calls on the government to look at the potential of the Collective Learning Fund models that unionlearn has successfully piloted and shown that it is possible to build in policies on ability to pay in workplaces and also in wider communities. Collective Learning Funds are union-led initiatives to stimulate co-investment in the personal development of the workforce to make such learning affordable and accessible by leveraging in cash and in-kind contributions from employers, providers, unions and individuals.

Unionlearn’s CLF project, supported by DIUS (and subsequently by BIS), tested a variety of CLF models in 23 workplaces in the North West and the East Midlands. The aggregated outputs were impressive, including 2,719 learning opportunities, of which 721 were related to Skills for Life; 527 to ICT; 884 to NVQs; and 587 were wider/personal development courses.

With regard to enabling progression, the experience of union learning representatives, has demonstrated how IACL - often in the form of taster sessions, informal classes, or demonstrations - has formed a valuable stepping stone to the achievement of qualifications and valued workplace learning and skills. It also has a positive impact on wider areas such as health and wellbeing. The TUC would like to echo the initial response from NIACE to the consultation on IACL with regard to warning against IACL being treated in isolation or being ‘siloes’. Union learning representatives and workplace learning champions do not treat IACL as separate to other forms of learning but part of a strategy to build and maintain a culture of workplace and community learning. There are as, NIACE’s initial comments point out, many connections to different elements of adult learning particularly with respect to information, advice and guidance and literacy and numeracy.

With regard to addressing funding anomalies and addressing inequitable provision, this is indeed complicated. We therefore offer some commentary on the suggested funding options through the enclosed table but this is by no means our definitive position.

Funding model options	Pros	Cons
Funding allocated directly to providers [mostly existing ones]	Providers have experience and access to key networks and partnerships for delivery (e.g. Workers Education Association)	May not be able to reach out to new localities, communities or networks
Single local commissioning body (or commissioning partnership)	Democratic participation and accountability at a local level	There may be a shortage of experience and resources at a local level
Tender out a few large contracts across England	May help to bring use of private capital to IACL and to draw on the resources and experience of other programmes.	Risks losing the differentiation from other government schemes such as the work programme and may struggle to develop genuine localist or ‘Big society’ initiatives

With regard to the issue raised as to whether a targeted approach to localities where there is perceived deprivation of opportunity for IACL would be better than a more universal approach, we offer the following thoughts. The targeted approach may have the benefit of stimulating community learning where it has previously been weak. However, simply picking ‘strong’ and ‘weak’ communities for public funding support is a crude mechanism, as communities are more complicated than that. Some communities that are considered to have relatively strong provisions for IACL may have inequities within them that could worsen without some external stimulus and universal ethos. Also, communities that are considered to have weaker provision may simply come to see this approach as just another workfare intervention even if this was not the desired aim. The TUC therefore believes that IACL must be managed so that localities universally have access and it can be understood as part of a national movement for learning that underpins the revival of strong communities. The potential for a universal model of IACL commissioning should be supported by the internet, which the experience of unionlearn shows, can achieve substantial reach to learners. However, this of course needs to be underpinned by strategies to ensure digital literacy.

Review of literacy and numeracy provision for adults

It is welcome that the Government continues to recognise the scale of the challenge relating to adults needing additional support in order to improve their literacy and numeracy and that has maintained a commitment to tackling this. The TUC welcomes the government’s commitment to continued funding of literacy and numeracy provision, although we are concerned about the reductions in the overall funding. In addition, the TUC believes that the ability to improve levels of literacy and numeracy significantly over the long term will require central government and co-ordination on an even larger scale than at present.

TUC affiliates report that the reduction in the overall level of funding effectively means class sizes for literacy have to be much larger before they run. This is already resulting in far fewer classes and less individuals getting access. We note that learners are only being funded if they demonstrate through initial assessment/diagnostics that they need to move a ‘full level’ requiring ‘a substantial programme of learning’. However if the majority of needs within the subsets analysed are less than 50% the provider will not receive any SFA subsidy. Despite the obligation for providers to meet those needs, this is much less likely to happen because of the substantial cost involved to the provider. Furthermore in these cases, learners are also required to pay for test certification even if they have no other qualifications. This is prohibitive and discouraging for individuals as well as being unfair in principle. Whilst understanding the need for funding to more effectively reach those with the most needs, adults not yet at level 2 in literacy and numeracy also need support to attain level 2 in order to gain the platform of skills for progression.

The TUC’s learning arm, unionlearn is working with other partners on the Government’s review of literacy and numeracy provision and is providing evidence of valuable workplace based models of literacy and numeracy provision. We recognise that the Government’s review of the economic and personal returns for investing in literacy and numeracy is a valuable part of engaging employers and other social partners. We recognise the value of seeking cost effective and innovative ways of literacy and numeracy provision including investigating the

potential for more delivery with use of IT. And we welcome the commitment to using an evidence based policy making approach in terms of reviewing the evidence available on the experience of recent years of tackling numeracy and literacy domestically and also evaluating international evidence.

Unionlearn has developed a partnership model that provides the framework to reach and progress traditionally disadvantaged employees, including by extending the benefits of union learning in to non union workplaces. The key elements are:

- Employers supporting ULRs to reach and support their fellow workers who are low paid and low skilled.
- Close working relationship between the Company Training Department and the ULRs
- Learning Centres supported by ULRs employers and providers – unionlearn have identified 400+ union learning centres
- A combination of online learning, drop in sessions and also group delivery
- Learning agreements between the union, employer and sometimes providers which set out expectations and clear roles and responsibilities for all the partners. Unionlearn have identified over 600 learning agreements. It is usual for Learning Agreements to give some paid time off for literacy and numeracy sometimes matched by the learners own time. In the case of Merseytravel this is “time back for staff doing Skills for Life activities in their own time and release for staff learning during work time.”
- A key outcome for all employers taking part is that improving literacy and numeracy leads to improved competency at work and enabling progression including promotion

The TUC recognises the potential value of positioning literacy and numeracy as valuable skills that enable individuals to seek work and contribute to society. However, we think it’s important to carefully tailor messaging in conjunction with organisations representing learners in order to make sure that this is effective and doesn’t alienate adults. The TUC also recognises the importance of training and qualifications for the skills for life workforce and the importance of delivering quality provision and urges the Government to work with the providers and trade unions representing those workers to find ways to continue to improve upon the current record. However, the TUC welcomes the overall improvements made in the last decade to professionalise the workforce and the value of this to learners. This has been recognised in Ofsted inspections and various reports (e.g. the Ofsted Report into numeracy and the separate NIACE Inquiries into Literacy and Numeracy) which all found that the skills of practitioners themselves make a big impact on the learning experience of individuals.

Delivering higher education and skills

In the TUC’s submission to the Browne Review, the TUC acknowledged the growing role of FE colleges in delivering HE provision (particularly HNCs, HNDs and foundation degree) especially as they have done much to widen participation among “non-traditional” groups. For the learner, accessing face to face higher education at a local college can often prove to be more accessible and also more

convenient than university provision. Unionlearn has been at the forefront of promoting higher education in further education, including foundation degrees as a means of working people accessing higher education and local college delivery seems consistent with that vision.

Further, as the consultation outlines, there could be substantial merit in colleges and providers putting together “attractive propositions” such as higher and advanced apprenticeships (possibly leading to HE qualification) to achieve more employer focused and specialist industry provision. This would appear to be consistent with the government’s interest in expanding partnerships to meet local and sectoral needs and valuable new territory for further education.

However, it also needs to be recognised that there are dangers of undermining the crucial role of the newer universities that have largely supported the majority of “non-traditional entrants” to the university system over the past decade. It is also important that measures to increase competitive bidding for students at the lowest tuition rates (including the proposed in effect £7500 cap for Further Education institutions) do not risk endangering the viability or the quality of provision in some of these HE institutions and in effect, creating a race to the bottom.

Deregulation and devolution

The TUC recognises the perennial challenge of balancing of data requirements between ensuring propriety of public funding, allowing the FE skills sector to operate efficiently, enabling students and employers to make informed choices and keeping burden of data collection to a minimum whilst promoting consistency, efficiency and gathering only what is necessary to support effective delivery. It is therefore welcome that that the FE National Improvement Partnership Board is leading on design of a new public information system and we look forward to a discussion on the outcomes.

With regard to access to public information, the government’s consultation paper has been very brief about this in relation to some key policy initiatives, especially the introduction of learning accounts and the establishment of the national adult careers service. The TUC believes that these initiatives will provide significant opportunities to provide wide-ranging information for the learners’ benefit.