

A think piece



**Freedom and flexibility:**  
colleges and skills in 2015

## 157 Group

The 157 Group is a consortium of influential further education colleges. Its member colleges:

- are large, with a combined turnover of over £1.5bn, impacting over 670,000 learners, employing 37,000 staff, engaging with over 31,000 employers and contributing £15bn a year to their local economies
- focus on high-level vocational and technical qualifications, including apprenticeships, which lead to employment, and providing pathways to success at this level for all
- are strategic leaders in their locality to ensure an effective skills system that:
  - responds to the needs of local communities and businesses
  - provides a clear line of sight to the world of work for young people and those who are unemployed
  - enables maximum skills development for young people and adults
  - stimulates local economic growth and job creation
  - creates meaningful partnerships with schools, universities, local enterprise partnerships and other stakeholders
  - encourages entrepreneurship, resilience and strong leadership.

The 157 Group aims to represent its members and colleges more widely in:

- policy influence
- thought leadership
- practice improvement.

It works in partnership with other colleges, employer umbrella organisations, thinktanks, national and regional bodies involved in education, the government and its agencies, and aims to ensure that the practitioner voice is heard loud and clear in policymaking circles.

## Eversheds LLP

The Eversheds Education Sector Group is the leading provider of legal services to the education sector in the UK.

Its client base includes further education colleges, higher education institutions, schools and academies of all types, including those sponsored by FE institutions. The Eversheds Education Sector Group has an in-depth understanding of the education sector and the issues faced by education institutions. It has been ranked in Band 1 in the Chambers and Partners and Legal 500 legal directories and named as winners of the Education Investor Law Firm of the Year for the third year running.

## Acknowledgements

We gratefully acknowledge the input received from The Rt Hon Dr Vince Cable MP, Secretary of State for Business, Innovation and Skills, who responded in detail to our requests for information and views, on behalf of himself and the Minister for Skills and Equalities, Nick Boles MP.

We also acknowledge the time given by of the following who were interviewed in connection with the writing of this paper. They are, however, not responsible for the views expressed in it.

- **Confederation of British Industry (CBI):** Guy Parker, Policy Adviser
- **Federation of Small Businesses (FSB):** Dan Hooper, Policy Adviser, Education, Skills and Business Support
- **National Union of Students (NUS0):** Joe Vinson, Vice-President (Further Education)
- **Trades Union Congress (TUC):** Iain Murray, Senior Policy Officer, Learning and Skills
- **Unison:** Christine Lewis, National Officer, Education and Children's Services and Jon Richards, Head of Education.

# Contents

|                                |    |
|--------------------------------|----|
| Foreword                       | 4  |
| Introduction                   | 5  |
| 1 Legislative freedom          | 6  |
| 2 Demand-led freedom           | 7  |
| 3 Local freedom                | 8  |
| 4 Institutional freedom        | 10 |
| 5 Curriculum freedom           | 11 |
| 6 Teaching freedom             | 13 |
| 7 Student freedom              | 14 |
| Conclusions                    | 15 |
| References and further reading | 16 |



## Foreword

The election in May 2015 will be unlike any other in living memory. The permutations of parties that may be involved in forming the next government are manifold, and so some may argue that we live in challenging times as we try to gaze into our crystal ball and see what might be on the horizon.

At the same time, within the landscape of policy as it relates to skills, there seems little to choose between the overarching philosophy of any of the major parties. There is an ongoing focus on reform, with talk of new qualifications in English and mathematics and reviews of the efficacy of vocational qualifications now set to be a regular occurrence. New institutions have become an established part of the landscape, and continued deregulation – or ‘freedom and flexibility’ – is an accepted part of the political script in the arena of post-16 education.

Reports continue to suggest that the skills system is not ‘getting it right’ in producing young people – and adults – who have the right attributes and skills to be successful in a fast-changing world of work, and all major parties are committed to the greater engagement of employers in the skills system as a vital way of solving this problem. It remains the case that funding and accountability regimes are used to incentivise what are seen as the ‘right’ behaviours, and to penalise those who get it ‘wrong’. But education’s relationships with employers are complex and, if we are to move towards the kind of social partnership that is often cited in relation to countries such as Germany, we may have to find more sophisticated methods of incentivising collaboration.

The public purse remains tightly squeezed, and is likely to be so for at least the duration of the next parliament, so the more private money that can be brought into the system, the better. But that presents regulatory difficulties for institutions and training providers which are still seen, and see themselves, as part of the public sector. Politicians will face difficult decisions about where to focus the public funding that is available – and the somewhat neglected area of higher level skills is now right at the top of that agenda – bringing with it new pressures on colleges and universities to work together.

And alongside all this, there is a determination to press ahead with the devolution of responsibility and funding in the skills arena: to encourage local solutions based on cities and, in a less thought-out scenario, on rural areas and traditional counties. For a country whose education and skills system has often been described as one of the most centralised in the western world, that presents its own challenges.

It is in this complex context that the 157 Group, with the expert help of Nick Saunders and Glynne Stanfield from our friends at Eversheds LLP, has set out to explore the true nature of ‘freedom and flexibility’ in the skills system as we approach the general election. Through the words of the business secretary, Dr Vince Cable MP, the party manifestos and a number of key stakeholders, we examine policy development in a number of critical domains.

While the input is from politicians, external stakeholders, unions, staff and students in the skills system and employer organisations, the commentary is that of the 157 Group.

We believe that challenging circumstances offer some real opportunities for colleges and all those in the skills system, as well as for our society to begin to produce the kind of world-class skills system we all want to see. This survey presents those opportunities within the context of where we find ourselves at the start of 2015.

*Sarah Robinson*

**Sarah Robinson OBE**  
Chair  
157 Group

# Introduction

Ahead of the 2015 general election, the 157 Group has already set out its broad views of the future direction that skills policy should take.

Our manifesto for further education and skills (2013) called for:

- stability in the policy arena
- an equitable accountability framework
- a durable funding settlement from the government
- a coordinated partnership approach to employer engagement
- autonomy and trust for local professionals.

In *Future colleges – rising to the skills challenge* (2014), we explained how these principles could create a climate where local colleges were:

- at the heart of collaboration in local skills ecosystems
- leaders and innovators in higher-level technical education
- hubs of workforce development
- the focus for community cohesion, economic and social growth.



Perhaps the most important of our 'asks' is for autonomy and trust. Much has been (and continues to be) achieved at a local and a national level, by increased collaboration and mutual respect between all players in the skills system. It seems only natural to suggest that, for more of these relationships to flourish, the much-vaunted 'freedoms and flexibilities' outlined first in *New challenges, new chances* (2011) must be real and must be taken up enthusiastically.

As the 2015 general election approaches, the 157 Group and Eversheds LLP have worked together to offer this perspective on the skills policy landscape. We are excited that the recent 'dual mandate' consultation from the Department for Business, Innovation and Skills (BIS) offers a vision for the future of FE colleges that recognises the critical role they play in higher-level technical skills and the importance of their vital social mission.

The secretary of state for business, innovation and skills, Dr Vince Cable MP, kindly offered us the perspective of the current government on a number of key issues during the preparation of this document. We have also drawn on public statements and manifestos from all political parties as we seek to explore likely developments beyond May.

In addition to this, we spoke with representatives of five key stakeholder groups: the National Union of Students (NUS), the Federation of Small Businesses (FSB), the Confederation of British Industry (CBI), the Trades Union Congress (TUC) and Unison. All five offered different perspectives on the policy priorities that have shaped progress to date and that will be needed after May 2015.

This paper is structured around our analysis of the themes that were identified by the secretary of state and our stakeholder interviewees. While, inevitably, representatives of the different organisations placed different emphases in their responses, it was striking that there seemed to be a substantial degree of consensus on most of the areas covered. This suggests that the further education sector may be able to pursue valuable alliances with these and other stakeholder groups and argue for stability based on consensus during what is likely to be a very closely fought general election campaign.

# 1 Legislative freedom

---

Dr Cable comments that “the FE sector, and colleges particularly, have a dual mandate of delivering workforce skills and supporting the most disadvantaged through programmes such as adult community learning”. He suggests that “the sector supports many leading employers to develop their workforce and is playing a critical role in delivering the skills needed for the industrial strategy”. His commitment to the skills system, and to the role of colleges, seems clear.

What is less clear is how to define the ‘end users’ of the system in order to establish its objectives. Is it just about employers – and, if so, is it just about ‘leading’ employers? How do we define the needs of students themselves – in economic or social terms? And, in an era of increasing ‘competition’ in further education, what role do parents and local bodies such as local enterprise partnerships (LEPs) and local authorities play?

This government’s approach has been to try to make our vocational system mirror more and more closely the perceived values attached to our academic system, with talk of ‘rigour’ in qualifications and ‘responsiveness’ in the curriculum. But, acknowledging that the ‘outputs’ of this system are more varied than those required by traditional universities, much store has been set by enabling system leaders a degree of ‘freedom’ in regard to their organisational structure.

In a formal sense, there is some evidence from among our interviewees that the ‘freedoms’ provided by the Education Act 2011 have to date failed to significantly increase flexibility in colleges’ operation. They have enabled a number of college corporations to make useful changes to their constitutions that have helped them to increase the efficiency of their business processes, and other college corporations could usefully follow their lead.

However, more radical changes to operating structure, such as conversion of the college corporation to a company, or of a sixth-form college to an academy, have so far been resisted by the current government, which has instead preferred to encourage new providers to consider establishing as a statutory college corporation, despite the relative inflexibility of this form.

Given the likely scale of cuts in public funding following the election, whatever the outcome, it may be that a gradual approach will no longer be adequate if FE colleges are to have a sustainable future. The existing powers of college corporations, as set out in the Further and Higher Education Act 1992, do not cater adequately for innovations that some colleges would like to implement, such as formalised group structures in which one college is owned by another entity, with each subsidiary being subject to individual rather than joint inspection.

Little mention is made in any of the manifestos of decisive action that will allow colleges to fully reform themselves. Barriers remain to colleges that wish to operate in a similar manner to multi-academy trusts, or with the degree of autonomy enjoyed by universities. This will need to be addressed if the college sector is to be as dynamic and multifaceted as politicians claim they want it to be.

If colleges are to be required to remain statutory corporations, some widening of their statutory powers may need to be considered.

The government also needs to heed the warning that implementing such initiatives – for example, sponsoring an academy – comes with significant risks as well as benefits for the college concerned. These risks and measures to manage them need to be identified up front. This has not always happened – as witness the problems being faced by some college academy sponsors – in contrast to initiatives where the necessary regulation has been put in place from the outset, as with the direct recruitment by colleges of 14 to 16-year-olds.

## 2 Demand-led freedom

---

Dr Cable talks about the importance of high-level technical skills, and believes that “the FE sector is best placed to deliver these”. It is clear that – as reports from the UK Commission for Employment and Skills (UKCES) and the CBI regularly tell us – high-level technical skills will become increasingly important to our economy. The Liberal Democrat manifesto places a premium on ‘advanced’ apprenticeships and, for both Labour and the Conservatives, the focus of skills-related pledges is at the higher end of the ability spectrum, with a special focus on science, technology, engineering and mathematics (Stem).

This highlights a problem with the notion of ‘demand’, however, for while employers may demand high-level skills, many students embarking upon further education are not in a position to take advantage of them. Critical to bridging this gap into the future will be the ability of those in FE to engage employers in a meaningful way. As Dr Cable says, “The sector [must] develop strategic advocates that [can] speak on its behalf to central government ... this needs to be more widely understood.” Chief among those advocates should be employers.

Dr Cable points to a number of initiatives that are designed to drive a more ‘demand-led’ system and to free colleges in particular to respond to this. He cites the BIS Simplification Plan; the introduction of advanced learning loans; reforms to apprenticeship funding; and employer ownership pilots as evidence of this direction of travel. But a recent report from the National Audit Office suggested that simplification had not gone far or fast enough, and recent government announcements have cast doubt over plans for further funding reform, so we may have to look away from national policy for signs of any real change in relationships.

Employer groups have made an effort to work more closely with FE groups in recent years, but it has proven difficult, some argue, to break through the provider-customer barrier and view education and the skills system as something for which both employers and educationalists have joint responsibility. In 2014, the 157 Group, UKCES and Gazelle Colleges Group published *A new conversation: employer and college engagement*, which outlined the need for much more strategic relationships to evolve – and this document has been well received in the sector.

Our stakeholders suggested that employers need to up their game further in terms of commissioning and paying for training, but there was also a danger that colleges that increasingly looked to businesses for their income might simply give the government an excuse for reducing direct funding still further. While it was desirable that UK employers spent as much on training as their counterparts in other countries, it would take time to reverse decades of decline in terms of such funding. Also, smaller businesses would continue to find it more difficult than larger businesses to fund training, and the notion of a social contract in which employers play their part is a long way from being formed in this country.

The focus on apprenticeships from all parties is, in part, a mechanism to encourage employers to take responsibility for training, but there is a tacit acknowledgement that apprenticeships alone will not solve any perceived problems with the skills system. Changes to the funding mechanism will, in reality, have little effect on how the day-to-day transaction of creating and delivering an apprenticeship takes place.

The Labour party has defined an apprenticeship as a high-level, long duration programme, but this definition seems out of kilter with the notion of ‘demand’. Despite the recommendations of *The Richard review of apprenticeships*, apprenticeship policy is, some argue, a proxy debate for the failure to establish a definition of ‘demand’ that can be agreed upon by all players. There is little will for policy that may impact upon employers’ values and perception of their own responsibility to be part of a social partnership as described. The latest BIS consultation on the ‘dual mandate’ for adult vocational education at least acknowledges there is a spectrum of ‘demand’, but appears to advocate less, rather than more, integration in the system in order to respond.

While in theory FE in England is now market-led, in practice the current government, like its predecessor, appears reluctant to allow a failing college to go to the wall given the serious impact this would have on its local community. However, the government appears to have little concern that the FE market may at times operate imperfectly, at times resulting in undesirable duplication and gaps.

In the future, employer engagement must be framed in a sensible way – with the encouragement of strategic partnerships and mutual respect. Neither employers nor providers have all the answers to our future skills needs. We should:

- revisit the apprenticeship funding debate with a more realistic outlook, and establish how to maintain employer choice while not disincentivising their increasing participation
- ensure that efforts to engage employers are not distracted into debates about accessing public money
- be clear about the benefits of engagement to employers in securing a future talent pipeline, enabling their own staff to develop new skills and contributing to their own and broader growth
- engage in a mature conversation about the financial contribution we should expect employers to make in sustaining the skills system.

The government may wish to consider asking the Competition and Markets Authority to clarify the steps that could be taken by providers, consistently with competition law, to collaborate further where that would be in the public interest.

### 3 Local freedom

---

Dr Cable talks of “enhancing the role of localities in the planning and delivery of adult skills”. All our stakeholder groups agreed that there was a need for brokerage between the FE sector and employers to help determine local need. There was also acceptance that LEPs could play this role, but a view that individual LEPs varied greatly in terms of their level of engagement and expertise. Some groups also felt that LEPs currently lacked accountability, suggesting that their role needed clarifying and being put on a statutory basis.

What is clear is that the coalition government believes LEPs are critical in this arena, although Dr Cable’s comments contain the caveat that the so-called ‘Devo-Manc’ deal may offer other lessons. He presents the localist agenda as an opportunity for colleges in particular to “think more creatively, considering, for example, whether specialisation and greater collaboration is the way to provide the best outcomes for their local communities”.

The business secretary is clear that he sees no threat to existing FE institutions from national colleges, university technical colleges (UTCs) or new academies – but it is also clear that such new institutions are part of the drive towards increased competition under which current providers will need to pay attention to their responsiveness and their performance.

Colleges must be active players in the localism agenda, leading collaboration and skills policy rather than simply responding to it, but they must also seek to engage with the national college agenda – perhaps by coming together to offer a ‘hub and spoke’ approach to delivering high-level skills needs. The election manifestos are curiously quiet about the detail of any further proposed devolution of responsibility for skills – perhaps an indication of how tricky this work is – but that need not stop colleges and other providers from seizing the initiative in their local areas.

One possible incentive towards strategic collaboration locally may come in the form of local outcome agreements, for which no major political party is keen to legislate, but which may be on the agenda. For now, employer groups report some frustration that the skills system continues to have funding and accountability incentives for the curriculum that are not as responsive as they would like. Care must be taken to integrate local accountability with the Ofsted regime, in order not to create an additional layer of bureaucracy.

Attempts to incentivise collaboration through funding alone appear to be hitting difficulties: in a demand-led system, they will always depend upon a genuinely free market working towards a commonly agreed set of goals, and we are not convinced that this debate has been thoroughly pursued. None of the major manifestos contains a truly bold statement about refocusing the purpose of education on employment or renegotiating the responsibility of the state in this arena, although the Liberal Democrats have promised a review of adult education and some of Labour’s proposals for schools hint at a greater role for employability.



There was some agreement among our stakeholders that colleges had become rather more responsive to the concerns of students and (in particular) employers, but employers' representatives (particularly the FSB) felt that this process could go considerably further. All stakeholders were agreed on the need for colleges to see themselves as key partners in their local communities, even if they might have particular areas of provision that they marketed nationally.

Stakeholders saw the general key to increasing responsiveness as resting on a social partnership approach, in which all the key stakeholders, internal and external, were involved. There was also agreement that there were considerable risks in colleges becoming more proactive and in trying to anticipate future needs – the government had too often attempted this by implementing initiatives designed to encourage colleges to pursue programmes.

All parties are committed to localised solutions. Provided that they and their officials can then cope with the inevitably wide range of practice this will bring, this localised world may have the best opportunity of bringing about a more strategic and collaborative approach that is truly responsive to need.

What is vital is that national control is not simply replaced by a form of local control. The professional autonomy of colleges and all educational institutions must be preserved in whatever system is ultimately successful. Regionally influential colleges are perhaps best placed to lead a devolved skills agenda and to forge close bonds with other providers in order to ensure that high-quality skills training remains accessible to all. There is a crucial point about equality in all this – whereas it is acceptable to see a university degree as a passport to working anywhere, we currently risk limiting the prospects of those in the vocational system to their local area. Balancing local need and national aspiration is critical.

High-level skills are critical in the responsiveness arena; the government's solution to this is national colleges and the Labour party proposes institutes of technical education. Both solutions risk mirroring the university system and creating a new league of 'super vocational' institutions, and it is less than clear at the moment how such new institutions are to be married with existing practice in FE colleges.

After the election, there should be a drive towards forming more strategic relationships at a local and national level between the FE sector, employers and their representatives, based on a shared vision and common goals.

Responsiveness is closely allied to the development of localised skills policy. We support this approach, as long as localism results in greater autonomy for professionals to make decisions about the best solutions, rather than the imposition of new bureaucracies. Local solutions should:

- be driven by relationships and need rather than by funding
- ensure that they do not limit student aspirations only to job prospects in the local area
- remain inclusive and enable everyone to acquire higher levels of skill
- measure success through the use of a wide ranging basket of measures, which will include Ofsted inspection but also more subtle methods such as employer and student satisfaction surveys and self-assessments
- refocus clearly on the provision of higher-level skills, with the recognition of the role of FE colleges, greater freedom to innovate in the curriculum, the encouragement of college activity in this area and the development of more flexible approaches to college awarding powers.

## 4 Institutional freedom

---

Dr Cable does not comment directly on the extent to which colleges have acquired specific freedoms to make themselves more 'fit for purpose'. He is clear, though, that "with increased freedom and autonomy, comes greater responsibility and accountability". He describes a vision of colleges as "social enterprises" and emphasises the critical role that governors will play in making this vision a reality, through "being responsive to the full range of customers and stakeholders and ... ensuring that open consultation takes place locally".

The business secretary is confident that a combination of Ofsted and the FE commissioner will be sufficient to enable governors to perform their other key duty – that of "driving up performance". Although, with the last Ofsted annual report indicating over 81 per cent of colleges are now 'good' or better, some may argue that the current system is not as broken as it may appear.

The CBI felt that the changes in 2012, which gave colleges more control over their legal and governance structures, could be a catalyst for improving colleges' effectiveness and efficiency, but other stakeholders were less sure – or perhaps less aware. On the other hand, internal stakeholders had concerns that the 'freedoms' might simply be used by some college corporations as a means of reducing the representation of students and staff on governing bodies, in a way that risked being detrimental.

The reality of autonomy is not as clear as is often presented – there remain elements of the funding system and the nature of incorporation itself that limit what colleges actually may do. But it is clear that all political parties believe such autonomy is the best way to go and, privately, members of both main parties will suggest that the future of FE colleges will always depend upon their own success.

There was general agreement among our stakeholder interviewees that merger was only one possible answer to a college's difficulties and was not a panacea. It was generally accepted that the importance of a publicly funded college in its locality would usually mean that an unsuccessful college should not simply be allowed to fail, as might be appropriate in the private sector. In return, publicly funded colleges needed to earn this protection through demonstrating their commitment to meeting local needs.

There was also agreement that college corporations were often not as diverse as they might be and often lacked appropriate expertise in particular areas. In relation to the possibility of paying governing body members, while it was generally felt that such a departure from the voluntary principle should be exceptional, there was also agreement that if such payment would enable a corporation to fill gaps in its expertise, then it should be acceptable for governors, or more likely their employers, to receive some compensation for the time involved in college business.

All the main parties agree that good governance of colleges is essential to the success of the skills system. The two main parties have, while in government, pursued policies intended to strengthen college governance, but until recently such policies tended to involve adding layers of regulation and an increasingly 'tick box' approach. More recently, the Education Act 2011 changes signalled a move away from this and towards greater reliance on college governing bodies deciding their detailed governing rules, with more reliance on the broad principles of charity law as the bottom line.

Some governing bodies have fully appreciated the significance of these changes and moved to a more value-led approach. The revision of its Foundation Code of Governance by the Association of Colleges (AoC), in collaboration with other FE sector bodies, gives others an opportunity to show their commitment to dynamic and committed governance. Those colleges that do have such governing bodies already have embraced new ways of working – and there are undoubtedly lessons to be learned from this elsewhere in the education system, which should be recognised.

While none of the parties would want to spell out what any one college should or should not do, many in both the Conservative and Labour camps privately acknowledge that policies such as national colleges will inevitably drive colleges towards greater specialisation. In turn, they hope this will incentivise collaboration, but it is something of an unproven assumption. Dr Cable certainly believes that "learning providers ... that embrace innovation are those best placed to thrive", and the dual mandate consultation acknowledges the future need for specialisation directly.

What is clear is that all parties believe that responsibility for ensuring we have a skills system that works should be placed on governors, employers and educational leaders rather than politicians and officials. Some might argue, in such a scenario, that politicians having any policies at all relating to the curriculum, funding or assessment is therefore inappropriate.

It is clear that no party intends to stop the development of UTCs, studio schools and career colleges; indeed, the Conservatives have pledged a UTC in reach of every city. All ‘encourage’ the best FE colleges to seek an ‘academised’ arrangement with such institutions and to gain their own national accreditation. A Labour win in 2015 could mean seeing fewer new free school sixth forms, but no political will exists to assess in a systematic way the value-for-money offer from different types of establishment.

There was general acceptance by stakeholders that the government was entitled to regulate colleges to ensure appropriate use of public funding and that basic standards of quality, integrity and value for money were observed. However, beyond this, more emphasis should be placed on accountability to colleges’ local stakeholders, who were better placed than the government to ensure that colleges were meeting their needs.

The government should tread carefully in this area since initiatives could backfire. Unison, in particular, suggested that as a result of the 2012 governance freedoms, some colleges were pursuing commercial activities (including with subsidiary companies) that involved significant risks, as a result of which the government might feel the need to intensify regulation in a counterproductive way. And there has been little political support for legislative reform that might help to isolate those risks, despite calls for colleges to act in a more entrepreneurial way. There may be a fine balance between innovation and diversification and public value for money.

Future policy must:

- ensure a sensible balance between new local structures and the preservation of institutional and professional autonomy, as well as inclusive representation
- reflect the reality of autonomy in a more mature approach to accountability
- assess the impact of the burgeoning world of open data on improving performance in a genuine way
- reflect an ongoing commitment to supporting and developing governors
- enable commercial risk to be managed in a way that protects public investment in FE.

## 5 Curriculum freedom

---

Dr Cable believes that the “vocational qualifications system is designed to provide a skilled workforce with access to relevant, rigorous qualifications that employers value, enhance social mobility and improve progression”. The removal of more than 6,500 vocational qualifications from public funding is cited as evidence of how those principles are being applied in practice.

However, the link between qualifications and the curriculum is maintained, with the Skills Funding Agency now adopting “new business rules to approve qualifications”. As long as the link between funding and qualifications exists, some argue, the curriculum will not be able to be truly responsive. And the election manifestos hint at yet more top-down qualification reform.

There was general agreement by stakeholders that the number and nature of vocational qualifications needed to be kept under review: the opacity of the vocational qualification system remained one of the reasons for its lack of understanding by parents and employers. On the other hand, our stakeholders agreed that such reviews should not be undertaken by the government alone: there was a need for real involvement by employers and their representatives.

Dr Cable also stresses the importance of online delivery, while acknowledging that some of the targets set out in the report of the Further Education Learning Technology Action Group (Feltag) were “perhaps too ambitious”. He goes on to concede: “It may be that the sector is already embracing online with no need for [the] government to take action.”

While there was an acceptance among stakeholders that it was appropriate for some vocational teaching to be provided online, there was agreement that skills training, particularly for young people, needed to incorporate a blend of online and face-to-face provision. There needed to be an explanation for and justification of any particular targets for proportions of skills teaching that were to be undertaken online.

The fact that the Skills Funding Agency is undertaking baseline measurement of online delivery was positively received by stakeholders, more as a sign that future decisions in this area would be based on real evidence of practice. Some stakeholders argued that the same could not be said of decisions to remove qualifications from funding, or, indeed, for the assertion that employers value qualifications as a proxy for skills.

The current government has announced that it has now finished its reform programme to 14–19 and adult vocational qualifications. However, proposals to amend the ways in which traineeships are delivered signal that more may yet be to come, and a review of English and maths qualifications is ongoing. For the Conservatives, a technical baccalaureate remains a measure of attainment across the piece rather than a qualification in its own right.

The Labour party suggests a new technical baccalaureate, as well as technical degrees, indicating that more curriculum overhaul might follow a Labour win. Many have commented that England remains one of the few countries where politicians and officials meddle so directly in the content of the curriculum and qualifications.

Awarding organisations have been exhorted to deal more with employers, but there has been little sign yet of colleges moving away from ‘off-the-shelf’ qualifications, despite the introduction of more wide-ranging study programmes. There are concerns about the ability of staff to redesign the curriculum, but all suggest employers are the key here. In adult education, there remains a strong link between qualifications and funding, which no party is proposing to review in any great detail.

Finally, in this area, as with skills policy generally, all agreed there was a desperate need for stability and a reduction in the number of new initiatives. Governments, of whatever political character, tended to see structural changes as the answer to educational problems, rather than putting learners and their interests first. Facilitating the continuing development of students, started in schools and continued in college and (for some) in higher education, should be the government’s aim if further education is to be seen as a major contributor to growth, in the way already recognised by the government in the case of science and technology.

In the future:

- the professional services of the Education and Training Foundation should be developed, strengthened and supported beyond the election and should include an increased focus on the skill of teachers in FE to review, adapt and design a more responsive curriculum
- the Ofsted focus on the quality of teaching and learning should be re-emphasised, and should be used by all those involved in the skills system alongside other measures developed locally and nationally to measure performance
- accountability systems, including Ofsted, must be designed in such a way as to incentivise and encourage innovation, especially in higher education, and to reward maturity of collaboration and provision
- we should break the links that remain between qualifications and funding and recognise that qualifications can no longer be used as a proxy for whether or not students have actually acquired the skills they will need in working life
- ensure that changes to qualifications and the curriculum in general are informed by strong evidence about what works, and that the provider and student view is heard much more strongly in any reform.

## 6 Teaching freedom

---

Dr Cable comments on the government's four priority areas for the FE workforce strategy:

- improving the quantity, quality and professionalism of teachers and trainers, especially in English and maths
- being responsive to employers' needs
- improving the quality of leadership, including system leadership and FE governance
- making effective use of technology in teaching and learning.

Some stakeholders argued that these assumptions started from a 'deficit position' of assuming there was a problem to be fixed, but it is clear that the government believes more needs to be done with the teaching and leadership workforce in FE. With further reforms promised, it is clear that many in the Labour party agree with this premise.

Staff in FE colleges are undoubtedly hard-pressed, and colleges are having difficulty recruiting staff in particular areas (such as teaching English and mathematics), despite the allocation of some support resources to which Dr Cable alludes. Some stakeholders spoke of the important need to keep up morale in the teaching workforce and were concerned that the government was taking an 'over-utilitarian' approach by emphasising the need for job outcomes to be the top priority for vocational learning.

Staff mentioned the perennial issue of how their work is perceived compared to those teaching in more academic settings. As one group said, the achievements of vocational learners in UK colleges have been widely recognised in international skills competitions, but this has not yet been translated into recognition in the UK of colleges and those who work in them.

All three parties acknowledge that there have been great difficulties in recruiting staff, especially in English and mathematics, but the current government believes it has adequate support in place, while the Labour party is advocating even more young people should study English and maths without as yet specifying additional resource. Some softening on the value of functional skills is apparent, which may ease the problem a little.

The Education and Training Foundation can support workforce development initiatives on a national level, but is still in its early stages and has yet to prove its long-term impact. No major party is proposing extending its public funding, meaning that by 2017 it will have to secure the confidence of the sector to become self-funded.

Ofsted remains central to regulation and quality assurance, and there have been few dissenting voices among politicians, despite the chief inspector's increasingly critical remarks, directed not just at providers but at the government and the system itself.

All parties commit to a College of Teaching in their manifestos but make no comment on whether this will include FE. What is clear is that there is a growing momentum of 'tutor voice', evidenced on line by the very popular 'Dancing Princesses' blog, which seeks to 'reclaim' professionalism and to establish a louder policy-influencing voice for those who teach in FE. The question of whether Ofsted is 'fit for purpose' has been a rallying point for this movement so far, and the next government would be well advised to ensure that future policy change is able to take college staff along with it.

There is a case for more effort to go into programmes that promote the recruitment of 'dual professionals' into teaching in FE. The Education and Training Foundation's 'Teach Too' initiative should be fully supported, and policy in this direction should move increasingly to a place where workforce conditions in FE are on a par with those in other parts of the education world, in order to create a 'level playing field' for recruitment.

Moves towards a Royal College of Teaching should include FE, and accountability in the area of teaching quality should become more sophisticated than it has been perceived to be, and include the full range of work carried out by teaching staff. Colleges themselves should move towards a 'self-improving system' by focusing on professional development that involves and engages all staff in communities of practice.

## 7 Student freedom

---

While all stakeholders agreed that satisfied students were central to the success of colleges, no group interviewed felt that students were yet at the heart of the FE system. NUS pointed out that there was no machinery for independent consideration of FE students' complaints, as there is in higher education. Several groups pointed out that there was no system of support for students' living costs in FE as there is in HE, presumably because it is assumed that FE students will live at home. There was concern about the possible extension of the FE loan system to courses at levels 1 and 2, even though the take-up of such loans by older students for higher-level courses had been poor. As previously noted, NUS was also concerned that some college corporations were reducing the representation of students on governing bodies. Accordingly, Ofsted was seen as the main means of protecting students' interests in FE colleges.

If a central tenet of 'putting students at the heart of the system' is parity and equality, then the Liberal Democrats' suggestion of a review of adult vocational education may be a step in the right direction. Raising the participation age, however, would suggest a responsibility on the government to adequately fund education up to the age of 19 – a suggestion acknowledged by Labour and the Liberal Democrats, but not by the Conservatives. And, as funding for adult skills declines, it has been disappointing not to see an expansion of the availability of loans to adults in FE on the same basis as those in HE. Any discussion around parity between vocational and academic routes cannot ignore the messages sent out by unequal funding systems.

Loans, of course, are perceived differently by politicians than by the NUS: as a tool for increasing personal choice and responsibility rather than a limitation. It is clear that – for over 19s at least – all parties will face very stark choices after the election, and loans are likely to grow in scope under any conceivable government.

Student freedom, of course, requires a remedy to the issues that have been highlighted around careers advice and guidance and it is reassuring to see this tackled in all manifestos. Perhaps more than any other issue, though, this hints at the philosophical choices on offer at this election, with voters having to decide between a systemic solution and one which lets the market (in the shape of employers) lead the way.

Future policy can – and should – demonstrate its clear focus on students by:

- encouraging and enabling students to act as governors of their institutions
- bringing about an equitable approach to student support arrangements – including support with travel and subsistence costs
- delivering a solution to the ongoing functional skills discussion which acknowledges that accreditation in a wide variety of functional literacies – English and maths, but also digital and social literacy – is meaningful
- ensuring an ongoing focus on employability and skills for life and work across all parts of the education system.

Policy must work towards a place where all parts of the education system are genuinely treated equally, in terms of levels of funding, the outcomes against which they are judged and the values they are expected to espouse.

It is important that, as the role of education in doing more than 'teaching to a test' is acknowledged, more is done to resource the development of character and employability skills.

We add our voice to recent calls for a review of the purpose and values of our skills system, begun by the Association of School and College Leaders (ASCL) in the Great Education Debate last year and leading to calls from Niace, among others, for a Royal Commission on the future of adult skills. Any review must focus on the values we wish to espouse and the outcomes we wish to achieve, and maintain a balance between local and national solutions. In order to impact upon information, advice and guidance issues, this must include an acknowledgement that schoolteachers remain very influential over young people's choices and that their awareness of technical education needs to be improved.



## Conclusions

Delivering freedom to the FE sector has been a central tenet of government policy for several years, but our survey has shown the limitations of what has so far been offered and the real potential for future policy development.

What is emerging from among stakeholders is a sense that the real difference will be made not in the policies that different parties and potential governments choose to adopt and promote, but rather in how those policies are ultimately implemented, and in how more meaningful relationships are cultivated on the ground.

In this regard, we can do little better than to repeat from *Future colleges – rising to the skills challenge* the four guiding principles that the 157 Group believes should be applied to future policymaking across the whole education world:

- **Stable structures** – refraining from further changes to structures and institutions and from imposing more top-down delivery initiatives on the skills system
- **Equal treatment** – in ensuring that funding and accountability treats all learners' experiences as individual, whether they be in school, college, university or employment
- **Freedom to innovate** – for local college, community and business leaders to devise and deliver solutions
- **Durable funding** – a stable financial settlement within which to plan.

We can apply these principles to each of the areas covered in this report and arrive at some sensible suggestions for ways forward. We intend to make that case very strongly to politicians of all parties in the coming months.



## References and further reading

157 Group (2013). *Our manifesto for further education and skills*. [www.157group.co.uk/sites/default/files/documents/157g-114-manifesto.pdf](http://www.157group.co.uk/sites/default/files/documents/157g-114-manifesto.pdf)

157 Group (2014). *Future colleges – rising to the skills challenge*. [www.157group.co.uk/sites/default/files/documents/157g-127-future-Colleges.pdf](http://www.157group.co.uk/sites/default/files/documents/157g-127-future-Colleges.pdf)

AoC (2015). *Code of Good Governance for English Colleges*. [www.aoc.co.uk/sites/default/files/Code%20of%20Good%20Governance%20for%20English%20Colleges%20FINAL.pdf](http://www.aoc.co.uk/sites/default/files/Code%20of%20Good%20Governance%20for%20English%20Colleges%20FINAL.pdf)

BIS (2011). *New challenges, new chances: further education and skills system reform plan: building a world class skills system*. London: BIS. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/145452/11-1380-further-education-skills-system-reform-plan.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/145452/11-1380-further-education-skills-system-reform-plan.pdf)

CBI (2012). *First steps: A new approach for our schools*. <http://news.cbi.org.uk/reports/first-steps/first-steps-pdf>

CBI (2013a). *Leading the way: Improving school governance and leadership*. [www.cbi.org.uk/media/2487439/leading\\_the\\_way.pdf](http://www.cbi.org.uk/media/2487439/leading_the_way.pdf)

CBI (2013b). *Tomorrow's growth: New routes to higher skills*. [www.cbi.org.uk/media/2178879/tomorrow\\_s\\_growth.pdf](http://www.cbi.org.uk/media/2178879/tomorrow_s_growth.pdf)

Richard D (2012). *The Richard review of apprenticeships*. London: School for Startups. [www.schoolforstartups.co.uk/richard-review/richard-review-full.pdf](http://www.schoolforstartups.co.uk/richard-review/richard-review-full.pdf)

UKCES, Gazelle Colleges Group and 157 Group (2014). *A new conversation: employer and college engagement*. [www.157group.co.uk/sites/default/files/documents/a\\_new\\_conversation\\_-\\_final.pdf](http://www.157group.co.uk/sites/default/files/documents/a_new_conversation_-_final.pdf)





## 157 Group members

- Barnet and Southgate College
- Bedford College
- Belfast Metropolitan College
- Birmingham Metropolitan College
- Blackpool and The Fylde College
- Chichester College
- City and Islington College
- Coleg Cambria
- College of Haringey, Enfield and North East London
- Cornwall College
- Derby College
- Ealing, Hammersmith & West London College
- Highbury College Portsmouth
- Hull College
- Leeds City College
- Leicester College
- Newham College
- North East Scotland College
- St Helens College
- Stoke on Trent College
- Sussex Downs College
- The Manchester College
- The Sheffield College
- Trafford College
- Walsall College
- Warwickshire College.

### **Publisher**

© 157 Group, April 2015  
Published by the 157 Group  
Publication reference 157G-130  
All rights reserved

### **Authors**

Nick Saunders  
Andy Gannon

### **Contact us**

The 157 Group Limited  
P O Box 58147  
London  
SW8 9AF

[www.157group.co.uk](http://www.157group.co.uk)  
[info@157group.co.uk](mailto:info@157group.co.uk)

### **Chair**

Sarah Robinson OBE

### **Executive director**

Dr Lynne Sedgmore CBE

### **Director of policy, PR and research**

Andy Gannon

### **Our patrons**

Lord Victor Adebawale CBE  
Sir Andrew Foster  
Prof Sir David Melville CBE  
Baroness Sharp of Guildford  
Baroness Perry of Southwark  
Sir Michael Tomlinson CBE  
Baroness Wall of New Barnet