



Higher Education at Work High Skills: High Value

A submission from the Association of Colleges
July 2008

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Introduction

AoC (the Association of Colleges) is the representative body for colleges of further education, including general FE colleges, sixth form colleges and specialist colleges in England, Wales (through our association with *fforum*) and Northern Ireland (through our association with ANIC). AoC was established in 1996 by the colleges themselves to provide a voice for further education at national and regional levels. Some 98% of the 415 plus general FE colleges, sixth form colleges and specialist colleges in the three countries are in membership. These colleges are the largest providers of post-16 general and vocational education and training in the UK. They serve over 4 million of the 6 million learners participating in post-statutory education and training, offering lifelong learning opportunities for school leavers and adults over a vast range of academic and vocational qualifications. Levels of study range from the basic skills needed to remedy disadvantage, through to professional qualifications and higher education degrees.

The key role played by the sector and its 250,000 staff in raising the level of skills and competitiveness of the nation's workforce make colleges central to the Government's national and regional agenda for economic prosperity and social inclusion. AoC services to member college corporations include information, professional development and support in all aspects of institutional management, governance, curriculum development, quality, employment, business development and funding. AoC also works in close partnership with the government and all other key national and regional agencies to assist policy development, continuously to improve quality and to secure the best possible provision for post-16 education and training.

Name**Position in organisation****Organisation (if applicable)**

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Please indicate with a tick which type of organisation you represent

Higher education institution	
Further education institution	
Private training/learning provider	
Sector Skills Council	
Representative organisation or Professional body	✓
Trade union	
Employer	
Employee	
Learner	
Other – please specify	

Question 1: What incentives would encourage employers to be more involved in providing careers information, advice and guidance both before, and during university?

FE colleges have a long history of forging links with employers and are clear that for the most part employers do not see it as their job either to advise or contribute to education except where they are immediately involved as an employer - they will only give time where they can see a direct link between their input and HE output. Sector Skills Councils (SSCs) are charged with responsibility for representing the views of employers and it seems to us that IAG should properly be routed through them.

However, at local level employers are sometimes willing to contribute, but are restricted by time. Long lead arrangements and limited time away from the work place will ensure commitment. Financial incentives are usually without benefit, but acknowledgement of support through any publications or media and publicity are generally valued highly. It may be beneficial to ask for recent employees to set up ambassador roles with local institutions.

For those employers in sectors where there is a mismatch between what they need and the courses provided by higher education, AoC believes that these employers need to ensure their needs are built into Sector Skills Councils' Sector Qualifications Strategies, as well as working at a local level with institutions delivering HE provision – both universities and FE colleges - to develop courses that meet their needs. When working with FE colleges employers have a real opportunity to directly influence the design of courses, particularly Foundation Degrees in which they are involved as genuine partners both in design and delivery and which in many cases provide progression from vocational level 3 in sectors where there is limited HE provision.

Employers, via SSCs, have been closely involved in the development of the new Diplomas and AoC believes that this momentum should be maintained and could be used to develop higher level qualifications, including Foundation degrees.

Question 2a: Given that subject choice at 14 and GCSE and A level attainment are critical factors, is there a case for specific incentives to prospective students to take Science, Technology, Engineering and Mathematics (STEM) subjects?

In general we believe that offering rewards to individuals is not the way to promote subject choice, and instead it is better to incentivise institutions to enhance delivery and ensure choice for the individual. Students will choose to study a subject because they find it stimulating and enjoyable, and believe that they can succeed, and we think it is the issues influencing choice that need to be addressed.

By the time they reach further education colleges, many students have been turned off STEM subjects by their experiences in school. In evidence to the Select Committee on the teaching of science and mathematics AoC was clear that young people are being turned off these subjects by the age of 12 years because of poor teaching. We believe it is important to stimulate interest in and demand for these subjects in early years and primary schooling, and to incentivise STEM graduates into teaching in these subjects, as well as reviewing teaching methods to make them more exciting.

There has recently been adverse publicity suggesting that STEM subjects are more difficult to achieve, and it is important to ensure that STEM subjects are neither actually more difficult than other subjects, nor perceived to be so, as this will be a disincentive to prospective students.

We believe that it is worth raising awareness of young people in schools and colleges of the links between STEM subjects and likely career pathways and salaries available to those leaving

higher education with these subjects, which are generally higher than for many other subject choices.

AoC believe that there should be less emphasis on full time campus bound study and more attention to part time, flexible modes of study, locally based to widen access to HE from non-traditional and first time entrants to HE. This, along with a review of the bursary system, may widen access to higher study for learners on apprenticeships and vocational courses in colleges.

Question 2b: How could any incentives avoid simply reinforcing the decisions of people who would have chosen STEM subjects anyway?

It is difficult to see how incentives to individuals could avoid this, however incentives to the institution rather than the individual, would be a way around this.

Question 2c: More generally, is there a case for providing incentives to universities or employers to encourage more young people to study STEM and pursue careers in it?

The key issue for higher level study of STEM subjects is the supply of students into HE with these subjects and AoC hopes that the new 14-19 qualifications strategy including the introduction of Diplomas, in particular the Diplomas in Science and in Engineering, will stimulate demand for these subjects at higher level. The development of progression routes from Diplomas and Apprenticeships to Foundation degrees may open up new routes into higher level study for those who are not attracted to full time, three year undergraduate experience. In addition, it is hoped that the expansions of apprenticeships, and the allocation of UCAS points to Apprenticeship frameworks, will further stimulate demand for higher level skills in these subjects.

However, high quality teaching of the STEM subjects in schools is of major importance to attract young people and ensure their success. Schools, colleges and universities need to be able to attract STEM graduates into teaching by offering competitive salaries and conditions of service, and institutions need to be funded to facilitate this. In addition, AoC believes that consideration should be given to ways of funding smaller than average group sizes for these subjects to preserve the STEM offer in schools, colleges and universities by preventing courses from closing because of low, non-viable numbers.

School Performance Tables and college Minimum Levels of Performance act as a disincentive to institutions to provide STEM subjects where success rates are low in comparison with other subjects, and these need to take into account the relative difficulty of the STEM subjects.

In general however, at a higher level it is easier to provide incentives for the STEM subjects, reduced fees, soft loans and employer incentives such as sponsorship packages, fast track career progression, golden handshakes etc could make subjects more attractive to young people.

Question 3: What support and incentives would help universities offer access to the workplace for all their students?

FE colleges have a wealth of experience in the provision of work experience for the bulk of their students on vocational courses, and understand the value of preparing students both for employment and for progression to higher study. The majority of FE staff have had experience in an occupational sector, and bring that additional dimension to their teaching.

It might be argued that the content and style of traditional three year undergraduate courses are not particularly responsive to the end user, but rather promote values and the general education of young people in the broadest sense, and that the job that needs to be done

therefore, is to encourage universities to place more emphasis on higher education as preparation for work, not as an end in itself.

With the expansion of HE provision that is to be co-funded by employers, new models of delivery will be required which better meet the needs of employers. It is likely therefore that through this approach, there will be a gradual expansion of courses containing work experience, work-based learning and assessment, and different delivery mechanisms. FE colleges, who already have experience in this area, would welcome clarification re the mechanisms for accessing additional co-funded student numbers.

AoC would suggest that HE providers need outward facing business engagement staff, who are committed to the higher level skills agenda, to facilitate the relationships between institution and employer. More investment in real working environments where applicable would be of benefit. Support for entrepreneurial initiatives such as shared facilities and off campus presence in commercial parks would be of benefit to all parties.

Question 4: How can we help employers better articulate their needs for broad based employability skills?

Sector Skills Councils have the responsibility for representing the needs of employers in their sectors, and we feel it is through these that employers should be encouraged to articulate their skills needs at a national level so that they can be built into the Sector Qualifications Strategies.

At a local level, employers should be encouraged to work with colleges and universities to jointly develop courses that meet their needs, and which include the broad based employability skills they seek.

In addition, AoC would recommend the increased participation of employers in providing feedback to HE institutions. HE providers are like any other element in a supply chain, without a feedback relationship with their customers they cannot deliver products that meet the needs of those customers.

Question 5: What more can we do to provide more graduates with the language skills and cultural awareness to thrive in a global marketplace?

As with the STEM subjects, we believe that the stimulation to study languages comes much earlier in young peoples' lives and that they need to be encouraged from early years and primary school onwards by up-skilling teachers to deliver languages in an exciting and relevant way.

We also believe that there should be easier routes into the study of languages for those who have not developed these skills in earlier schooling, by offering smaller bite-size qualifications which give early reward, and facilitate incremental progress – such as the Asset Languages Ladder - and by the embedding of language modules into existing programmes of study.

The use of international exchanges and summer schools should be increased where possible. Cultural awareness, especially business culture, should be part of the core curriculum.

The Additional and Specialist Learning (ASL) component of Diplomas provides the opportunity for language study and AoC believes that consideration should be given to amending the regulations so that it is possible to study a language at levels below that of the Diploma to encourage the take up of languages.

Question 6a: What further incentives are needed to stimulate and meet employer demand for high level skills?

To stimulate employer demand:

In our experience larger employers generally understand the need for a skilled workforce and have the infrastructure in place to support CPD programmes, but for SMEs there is often a need to demonstrate the difference that investing in staff training can make to their 'bottom line', and to remove the fear that they will lose staff once they are trained, when the evidence is to the contrary.

In sectors where legislation has been used to ensure national minimum levels of knowledge and competence, such as in care and early years, colleges have worked very successfully with employers to provide this training and development. In many cases this has provided the impetus for employees to aspire to higher levels of training and qualifications.

To meet employer demand:

Colleges realise that it is difficult for employers to release their staff from the workplace and that the delivery of higher level skills must be tailored to meet the needs of the employer and the employee. Colleges are experienced in the development of part-time, flexible training, using a range of delivery methods, that enable employees to develop the required knowledge and skills and which benefit the learner trying to juggle a career and family life.

Colleges have significant experience of meeting demand in this way, and would welcome the opportunity to access HEFCE funding for modules of qualifications to enable them to deliver part-time, flexible provision including bite-size delivery. This is currently only available to universities, and to those colleges that receive their funding via a franchising arrangement with a university, through negotiation with that university. Direct funding then, at a module level, for HE in FE would allow new solutions to employer demand to be quickly developed.

AoC believes that institutions should be much more approachable from an employer's perspective. The train to gain plan for growth will provide a referral service, but the actual interface and interpretation of needs will still be left to the academic staff. AoC notes the intention to have a National Clearing House for Train to Gain brokers and wishes to emphasise that this needs to include links with FE providers of level 4 courses.

AoC welcomes the decision to allow FE colleges to apply for Foundation Degree awarding powers and would welcome clarification re funding and allocation of numbers to colleges who obtain these powers. In addition, with the advent of the Qualifications and Credit Framework (QCF) some colleges are becoming accredited Awarding Bodies and are working with employers to develop and accredit training, which will further enhance the links between colleges and employers.

At an institutional level capital to support the development of co-funded numbers should be made available to all. Funds should also be made available to de-risk development, perhaps extending the HEFC Pathfinder model.

Question 6b: How can we best build on the contributions of further education colleges and providers and their links (in particular) to networks of small and medium sized enterprises?

See 6a

AoC believes that the interface between FE and HE is insufficiently developed in this country and yet this is where growth is required. FE colleges providing higher education courses operate at a funding and institutional boundary as there is no single organization where this provision is their core focus.

Currently HE in FE has too many masters: the LSC is responsible for colleges as institutions but not for most of their HE provision, only that which is non-prescribed. It is subject to two quality assurance regimes: the bulk is reviewed by the QAA, whilst the non-prescribed is subject to inspection by Ofsted. AoC welcomes the move towards self-regulation which should provide greater alignment.

Data is currently collected in different formats, by a range of agencies. If FE is to play a greater role in delivering higher skills AoC believes more needs to be done to explore how data collection systems might be aligned, avoiding duplications.

A wide range of organisational and management arrangements for HE exist in FE colleges. These differ in relation to the extent of the HE provision, and the nature of the funding relationships. Many colleges have a mixture of funding arrangements and are sometimes in partnership with several universities. AoC believes that in order to be self-sustaining, far greater alignment of processes is necessary, leading to a reduction in bureaucracy.

The majority of higher education in colleges is funded by HEFCE in one of three ways: either directly, indirectly through a university, or via a consortium of universities and colleges. The remainder (non-prescribed) is funded by the LSC, at a lower rate. AoC would like to see agreed criteria for the extension of directly funded higher education in colleges to increase their autonomy and release them from the legal, regulatory and financial burdens associated with indirect funding.

The distinction between prescribed and non-prescribed HE is an anomaly which disadvantages one form of provision over the other, and creates a burden for colleges. It is likely that new employer led provision will be at this HEFCE/LSC funding boundary and AoC would like one organization to take responsibility for funding all HE. Non-prescribed HE, which includes professional qualifications and higher level NVQs, is currently under threat as local LSCs prioritise level two and three provision leaving colleges with little option but to reduce this higher level provision.

It is AoC's view that HEFCE's current funding system is too inflexible, and that the current ways in which funding is allocated preserve existing patterns of provision by guaranteeing universities 100% of the previous year's allocation. This results in a system where existing modes of study predominate, where choice for students cannot expand, and which consequently fails the widening participation agenda. The impact of these policies on FE colleges is to freeze them in relatively low volumes of HE, particularly where the college is dependent on a partner university to provide indirect funding and student numbers.

AoC believes that there are strong grounds for moving towards funding based on the basis of credit, in order to encourage institutions to offer more flexible modes of delivery. Currently universities can offer modularised study, but colleges directly funded by HEFCE cannot. HEFCE's position is that where it funds a college directly it can only fund certain 'prescribed' HE courses, and that legislation prevents it from funding parts of qualifications. This is preventing these colleges from being able to offer the flexible, bite-size provision so vital for learners who are combining work and study.

Colleges would welcome a 'level playing field' with HEIs in relation to the allocation of ASNs to allow growth in the sector to meet demand. In addition, FE colleges would welcome access

to the HE Innovation Fund which is currently not open to them.

AoC can however, see the value of building collaborative relationships between institutions in order to capitalise and exploit the full potential of the higher level skills agenda. Firstly, by engaging with FE institutions to understand what they are doing in relation to higher level skills and business engagement, and then by building collaborative networks. In this way it should be possible to develop a regional or sectoral one stop shop to provide a seamless response to employers' skills needs.

Question 6c: How well does the framework for high level skills support employer engagement?

See 6b

The current framework for higher education is dominated by the model of full-time, three year degree. AoC would welcome more recognition of the value of, and more funding to support delivery of, flexible part-time provision delivered locally and on employers' premises, to attract the non-traditional learner and those currently in work trying to balance work and the rest of their lives.

In general, the framework for higher level skills broadly supports employer engagement through a number of undefined initiatives. In order to implement the framework, DIUS needs to consider the stakeholder feedback from the consultation exercise and ensure that full stock is taken of the importance of the HE in FE sector contribution.

Question 7a: How can we best work with businesses and employers, Trade Unions and employees to encourage demand for high level skills?

See 6a, 6b and 6c

Ensure that colleges are funded to offer bite-size, flexibly delivered provision giving learners an early taste of success, and contributing to credit accumulation and transfer (see 6b).

Accreditation of prior learning is a core feature of the Qualifications and Credit Framework (QCF) and AoC believes that in order for this to take place, it is vital that the college funding methodology recognises the time that it takes, and does not become a disincentive to the recognition and accreditation of prior learning.

The QCF will provide a framework in which existing and new employer training can be recognised and accredited. Colleges are currently gaining accreditation as Awarding Bodies which will enable them to work with employers to develop, deliver and accredit qualifications within the framework.

Colleges are working with employers to embed existing employer training into Foundation Degrees.

Encourage the use of Union Learn reps to provide better IAG for those in work.

Question 7b: How can we encourage rapid implementation of an effective framework for credit accumulation and transfer?

Ensure that colleges are funded to offer bite-size, flexibly delivered provision giving learners an early taste of success, and contributing to credit accumulation and transfer (see 6b).

Develop links between HE Credit Framework and the Qualifications and Credit Framework.

Ensure funding to support APEL within the QCF.

Through the clear demonstration to employers that credit accumulation can be mapped against skill sets meeting their specific needs and ultimately against a full qualification therefore meeting the aspirations of the learner. If promoted effectively the demand from employers and learners will drive implementation.

Question 8: Do we have the right incentives to encourage higher education providers to be more responsive to business and employer demand?

HE providers include FE colleges as well as HEIs and, whilst AoC fully recognises the value of the sectors working together, the allocation of student numbers and the funding mechanisms perpetuate an unequal relationship between the two. For example the additional student numbers for 2008/09 have been given to universities and not to FE colleges. (See question 6)

HEFCE and LSC policies, practices and priorities need to be aligned to meet the needs of employers in particular regions. (See Q6)

Ensure that colleges are funded to offer bite-size, flexibly delivered provision giving learners an early taste of success, and contributing to credit accumulation and transfer (see 6b). Clarification is needed as to whether and how FE colleges will be able to access the new HEFCE-employer co-financed funding.

Question 9: What should be the key features of a model for regional and sectoral bodies to play a much greater role in solving local skills problems and linking higher education institutions and businesses?

AoC considers the key features to be:

- The maintenance of institutional autonomy.
- Multi-agency sharing of information and data.
- Information to be provided to universities and FE colleges in a clear, standardised, comparable format.
- A system designed around learner and employer choice.
- Public funding linked to this.
- Membership to include - SSCs, RDAs, LSC, LAs, employers, providers – schools, FE, HE, WBL, AoC Regional Directors, Unions,

Clarification is needed as to whether FE colleges will be part of the initiative in which SSCs will work with HE providers to develop flexible, tailored provision which will then be marketed by SSCs to their employers and co-funded by HEFCE. (7.16)

AoC welcomes the new University Challenge and stresses the need for college involvement. We look forward to responding to the consultation in due course.

Question 10: How can we encourage Regional Development Agencies and Sector Skills Councils to work together to solve local and sectoral skills needs?

See Q9.

Ensure that SSCs have a regional presence to match RDA structure.

In addition, for SSCs representing sectors with a UK-wide mobile workforce i.e. construction, need to feed into all RDAs.

Question 11a: What further incentives are needed in universities – e.g. through internal appraisals, promotion processes – to increase demand from academic staff for business secondments?

It is a requirement of registration with the Institute for Learning (IfL) that all college staff now have to complete 30 hours CPD each year, which can include professional/vocational updating as well as skills in teaching and managing. In addition FE staff can arrange to participate in a period of work shadowing in industry. AoC thinks that consideration should be given to extending this opportunity to university lecturing staff by making it part of the HEA Professional Standards Framework.

However, it is probably also true to say that academics who do not want to participate can not be incentivised to do so. There is a need then to capitalise on the staff who do want to participate, and to develop dedicated business development managers to work alongside the academics and build demand.

We understand that university staff are required to carry out research, and wonder whether consideration could be given to expanding the remit of this to include links with business or industry. In addition, research projects that are motivated by business needs would be a way of further enhancing links between universities and business.

Question 11b: And how can we encourage movement in the other direction so that business people are increasingly contributing directly to course content, design and teaching?

FE colleges have a long history of successful links with employers, including the following:

- Programme Development Groups – where curriculum areas or faculties develop links with employers in their vocational area who then contribute to shared development of the curriculum.
- Education Business Partnerships – which help to find work experience placements.
- Building on pattern of work experience and work-based learning at levels 2 and 3.
- Involvement in design and delivery of Foundation degrees.
- Accrediting employer-based training via the QCF.
- Mentors.

Comparable salary levels to industry in those sectors where hard to recruit.

Question 12: How can we do more to increase the level of STEM skills in the existing workforce?

AoC believes that grass roots support through bodies such as Union Learn will help to grow demand from the individual, however the main drive needs to come from the employer and that may only be achieved through direct contact and education at a managerial level. This will require more capability at an institutional/regional level in order to access the employers.

In addition delivery methods need to include flexible, bite-size provision – short modules with incremental achievement, building qualifications within the QCF and/or Foundation Degrees.

As previously mentioned, the inability of HEFCE to fund modular study in FE colleges is inhibiting the up-skilling of the workforce. Employers particularly wish to allow employees to

study HE modules rather than HE qualifications. Current legislation allows funded modular student to take place in HE institutions but not in directly funded FE colleges. The playing field is not “level”.

Other comments

AoC is pleased to contribute to this consultation on ways to increase the higher level skills of young people and those already in the workplace, both areas in which FE colleges already play a significant role, with the FE sector currently providing 45% of all entrants to HE and 10% of HE provision. Colleges are experienced in developing and delivering provision which is vocational in nature and has links with employers through work experience and other activities. AoC is keen to emphasis the leading role that colleges can play in sharing good practice with schools and universities in relation to applied learning and working with employers to develop courses which deliver the skills they require.

However, the consultation document itself is very much focused on the university sector with numerous references to ‘the university’ to the exclusion of other providers of higher education. This gives the impression of the university as the sole provider of higher education and does not adequately reflect the role of colleges. Higher education delivered in further education colleges is a key element in the delivery of higher education in the UK and provides a vital element of delivery if DIUS is to meet its ambitious targets for employer engagement, work based learning, social inclusion, and STEM. We believe that it is time for there to be a ‘level playing field’ between universities and further education colleges delivering higher education, in terms of planning, funding and the allocation of student numbers, and that there needs to be a recognition of colleges as equal partners in the drive to up-skill the UK. We believe that the promotion and encouragement of a better understanding in universities of the role of higher education delivered in colleges, would lead to enhanced HE/FE collaboration. There is a need to reduce the competitive nature of institutions and this can be achieved through improving communication between institutions, and recognition of the important contribution that both HEIs and FE colleges can make at all levels across the skills spectrum, through collaboration. A turn key solution to skills needs would be very attractive to businesses. This requires joined up thinking and would benefit from a single agency acting as broker.