



Westminster Hall Debate – Briefing Note

The Role of Colleges in a Skills-Led Recovery

Tuesday 20 October 2020 from 4.30 – 5.30pm

Association of Colleges (AoC) represents nearly 93% of the 238¹ further education and sixth form colleges in England incorporated under the Further and Higher Education Act 1992.

Background

The pandemic requires exceptional leadership nationally and locally if we are to recover quickly and securely, and we can do that by placing colleges at the heart and the centre of the recovery. Brexit will bring challenges to our labour markets.

- Colleges offer solutions and investment opportunities with enormous returns economically and socially.
- College leaders have shown their resilience, adaptability and resourcefulness through this pandemic and are ready to deliver more.
- Colleges have faced a decade of austerity, it is time for a decade of investment and opportunity.
- Large numbers of young people lost months of learning time and this has widened existing social and class divisions.
- Those leaving education face a challenging labour market and will be less likely to find work with possible negative impacts for the rest of their lives.

What is needed

- Changes to the system that colleges operate within would release colleges to deliver so much more to support people, places and productivity.
- Streamlined and targeted investment is also required to make this happen.
- Colleges need to be prioritised in the Comprehensive Spending Review allocations
- Colleges need a trust-based strategic relationship with government to be outlined in forthcoming FE White Paper to empower them to deliver more for the country.

¹ As at September 2020 there were 238 Further Education and Sixth Form colleges in England.

Early Day Motion

In other parliamentary activities around Colleges Week 2020, Chair of the Education Select Committee, Robert Halfon MP, has submitted an [Early Day Motion \[#948\]](#) calling on the government to celebrate, support and invest in colleges for the people, prosperity and places across the UK. We would appreciate your support on this EDM if you have not yet done so and are able to in your position.

Supporting people

People supported by colleges

2.2 million students study in colleges in England, learning valuable employability skills and helping to develop their career opportunities.

- 1.4 Million adults study or train in colleges.
- 669,000 16 to 18-year-olds study in colleges.
- An additional 69,000 16 to 18-year-olds undertake an apprenticeship through colleges.
- 13,000 14 to 15-year-olds are enrolled in colleges (10,000 part time; 3,000 full-time).
- The average age of a college student is 29.
- 137,000 people study higher education in a college.
 - 165 colleges are currently registered on the Office for Students (OfS) register as providers of undergraduate and/or postgraduate level courses.
- 264,000 people are undertaking apprenticeship provision in a college.
 - Colleges train nearly half of construction, engineering and manufacturing apprentices.
 - The average college trains 1,300 apprentices.
- Students at colleges tend to be more disadvantaged than the general population.
 - In 2018/19, 54% of adult learners were from the 40% most deprived areas.
 - 24% of students were from black, Asian or minority ethnic backgrounds, compared with 15% of the working-age population.
 - 17% of students in colleges have a learning difficulty and/or disability.
 - 16% of 16 to 18-year-olds in colleges claimed free school meals at age 15, twice the percentage of those in maintained school and academy sixth forms.

Supporting business

SME survival reliant on skills says AoC Bi-Annual Survey

These figures are strictly embargoed until 12.01am on Friday 16 October 2020

Colleges in every part of the country provide first-rate education and skills, working on average with more than 750 businesses in their local community, skilling, and reskilling business staff, helping them to overcome the problems of today and prepare for the

challenges of tomorrow. Colleges already do so much to support business and they stand ready to do so much more.

- 68% of SMEs say that if their business is going to “survive and thrive” then skills must be a top priority for the government.
- Nearly 40% of SME decision-makers say that it is more difficult now than it was five years ago to find employees with the right skills (37%),
- 53% still do not think that enough is being done to help them skill and reskill their workforce as we get closer to the end of the Brexit transition period.
- Almost one in two (45%) believe that it will become even more difficult to hire people with the right skills once the transition period ends, and the skills gap will only get worse (44%).
- Seven in 10 (71%) believe colleges are important to business for training and retraining staff.
- 39% of businesses say they would look to train, retrain or upskill their employees through colleges, compared to 21% who would turn to a university or 13% online courses.
- 44% believe colleges are best placed to skill their future workforce, compared to universities (22%) and schools (21%).
- Six in 10 (59%) say that it is important that their business has staff with level 3 qualifications, all of which can be gained at college.

Employer Facts

- AoC survey data shows each college generally works with more than 750 employers.
 - In this survey, over 10% of colleges reported working with over 2,000 employers each.
- 36% of large employers who train their staff through a college, compared with 33% who train their staff through universities.
- 68% of employers that view 17 to 18-year-old education leavers to be well prepared for work, compared to 58% of university leavers considered well prepared.

College business centres

- DfE should work with the Department for Business to set up priority-sector specific college business centres which support employers through expert advice and delivery on skills, innovation, business change and technology adaptation.

A new deal for skills (funding)

Skills budget, funding rates and a new funding formula in the long-term

- HM Treasury should increase overall spending on skills so that the budget keeps ahead of inflation, the growth in the working-age population, the costs of delivering high quality education (via higher funding rates), and the need to

increase provision for people and places that are bypassed by current spending on universities and apprenticeships.

- There has been a 7% real-terms decrease in funding per learner aged 16-19 between 2013/14 and 2018/19²
- Rates should rise above the rate of inflation towards a £5,000 rate for 16, 17 and 18-year-olds. This would allow colleges to increase student hours and to increase pay to levels needed to retain and recruit expert staff. 1.1 million young people would benefit from this investment.

Capital spending and financing

- HM Treasury should add to the existing capital budget allocations to allow college investment in IT and to develop specialist and hyper-specialist provision.
- Funding levels need to be appropriate to move colleges towards the net zero by 2050 target.

National Skills Fund, Retraining and Kickstart

- The National Skills Fund should focus on higher technical education in colleges to ensure they are used in all parts of the country and for economically valuable skills.
- A second stage of the Kickstart Programme should be developed by DfE and DWP to ensure there are jobs for adults who lose their jobs to train or retrain on a flexible basis up to higher technical / professional level.
- The aim should be to get people into sustainable employment as quickly as possible.

Levelling up in left-behind areas

- The Shared Prosperity Fund and the Towns Fund should supplement existing skills policies in areas where economic activity is lower, and unemployment is higher.
- The overall aim should focus on using skills to improve economic performance, by helping people into work and by retraining those in sectors affected by economic change.

The Independent Commission on the College of the Future

With their final report due for release in the coming weeks, the Independent Commission on the College of the Future is working towards a series of recommendations to fulfil the vision of the Commission. A coalition of experts from across education, business and trade unions, are together calling for a new bold and ambitious strategic remit for colleges to empower people with opportunities for lifelong

² National Audit Office *Financial Sustainability of Colleges in England, 2020*

learning and support, to boost productivity, and to strengthen every community's sense of place.

The Commission, led by the UK's National Statistician Sir Ian Diamond, believes the college of the future will be central to driving a fairer, more sustainable and more prosperous society:

- For **people**, colleges will be a touchpoint for everyone throughout their lives as the world changes.
- For **productivity**, colleges will provide strategic advice and support for employers to drive business change, innovation and future workforce planning.
- For **place**, colleges will have the resources and funding to play an even greater role in fostering healthy and connected communities. The Commission is chaired by Sir Ian Diamond, UK's National Statistician, and includes representatives from colleges across the four UK nations, CIPD, CBI, universities, media, TUC and government.

Colleges Week 2020

On 19 – 23 October the country is celebrating the role of colleges. In 2020, more than ever, colleges have demonstrated their value in supporting learners, A-Level students, apprentices and businesses to deliver quality learning and training despite the challenges raised in light of the pandemic. Working collaboratively with Government throughout the year, while also raising challenge where needed, has allowed those who have engaged with colleges during this time to be supported in life and in learning. This academic year alone, colleges have supported students through exam confusion, launched T-Level programmes across the country, and adapted programmes for safe delivery both in person and online.

- Colleges Week 2020 is the third colleges week celebration since the launch of the #LoveOurColleges campaign in 2018.
- 82% of Colleges across the country have been graded as 'good' or 'outstanding' by Ofsted at August 2019.³

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³ National Audit Office *Financial Sustainability of Colleges in England*, 2020