



ASSOCIATION
OF COLLEGES

Labour Party

National Education Service consultation

Association of Colleges response

22 June 2018

Background

1. The Association of Colleges (AoC) represents nearly 93% of the 269 colleges in England incorporated under the Further and Higher Education Act 1992.
2. Colleges are drivers of social mobility, economic growth and community development. They provide high-quality technical and professional education and training for 3 million young people and adults and thousands of employers. In doing this, they support people into careers as well as strengthen the economy. Colleges are inspirational places to learn because education and training is delivered by expert teaching staff in purpose-built facilities.
3. Colleges offer first rate academic and technical teaching, particularly at advanced level, and cover a broad range of disciplines including science, engineering, IT, construction, hospitality and the creative arts.

What should a National Education Service be for and what values should it and the draft charter embody?

4. The National Education Service could be a way in which two million teachers, other staff and volunteers work together more effectively for the benefit of ten million children, students in further and higher education, the working age population and the growing number of pensioners. The NES will obviously focus most on schools and on preparing young people for work and adult life, but there is much more that needs to be done to help people learn and train throughout middle age and as they get older.
5. One part of the education system was recently described in an official report as being “under-funded, under-utilised, fragmented and too heavily focused on the delivery of qualifications”¹. Sadly, we believe that this description could be applied to many parts of the English education system. There are obvious successes, including famous schools and universities, but if England’s schools and universities are as successful as some claim, it is worth asking why productivity is so consistently low and social divisions so high. The 2017 general election demonstrated a growing level of discontent with the current arrangement among parents of school-age children and university-students. Apprentices and college students are less vocal and politically mobilised but also have concerns about how they are treated. More than anything else, there is no clear post 16 strategy or plan of how the arrangements and outcomes will improve.
6. The current system in England works well for large numbers of young people who get good grades in their GCSEs and A Levels and who follow well-trodden routes via university into professional work, but even for them things don't work as well

¹ Description of the skills system in Mayor of London “Skills for Londoners strategy” Page 69

as they used to. Today's young people will work into their late 60s² but, if they go to university, they complete their education by their early 20s and rarely go back. Undergraduates who start after 2016 can expect to accumulate student loan debts of £50,000. The Government's hope is that they will earn enough to pay these debts back, but many won't. In 2017, those with degrees earned £10,000 more a year than those without but the present situation may not be a reliable guide to the future. Brexit, the next recession, automation and other hard to forecast changes may undermine some of the jobs, professions and industries that are likely to dominate in the future. Even if things turn out well in the next decade, there is currently historically low unemployment - yet there are substantial numbers of graduates in non-graduate jobs.

7. The university route is not as golden as it used to be, but it positively glitters by comparison with the rest. One third of 16-year-olds do not reach Level 2 standard in their GCSEs (at least 5 grade Cs or 4s) and one-sixth do not catch up to Level 2 by age 19. 40% do not reach Level 3 by age 19³. Yet, the education system withdraws funds and support quickly for this group, leaving young people few chances to remedy bad luck or mistakes and catch up. The Department for Education (DfE) cuts funding levels at age 16 by around 20%⁴ and by another 17.5% at age 18. Meanwhile, most of those who do achieve a Level 3 are supported with income-contingent loans to pursue degrees. Adult education funding has been halved in the last ten years which has severely limited education options.
8. A significant issue is the severe constraint on public spending. Spending on schools rose under the last Labour government and was protected by the Coalition, but has now been cut in real-terms - particularly given rising teaching costs. Spending on further education also rose in the 2000s but has been severely cut since the financial crisis to the point where it will be no more in real-terms than it was thirty years ago⁵. Underlying these trends is the decision of the current Government to reduce public spending on education to below 4% of GDP.
9. The impatience for change from many of the education system's users and beneficiaries (parents, students, apprentices, employers) is a good reason for any political party to put education at the centre of its plans. Labour's National Education Service (NES) needs to address these concerns, to inspire the education workforce and leadership, to engage voluntary support from governors, parents and employers and to ensure a relentless focus on helping young people and adults to prepare for, adapt to and take advantage of everything life makes available to them. And to do this throughout peoples' lives.

² People born after 1978 (aged 40 or below) will not reach the state pension age until they are 68.

³ Calculations from DfE statistics on achievement at 16 and 19

⁴ Funding at Key Stage 5 is around 20% less than funding at Key Stage 4 though there are different funding formulae so comparison is complicated. ESFA cuts the national 16 to 18 funding rate from £4,000 to £3,300 at age 18

⁵ Children's Commissioner report on spending on children from 2000 to 2020

10. Education has a central role in helping individuals secure their potential, in advancing civilisation and in ensuring that the country has a successful economy, happy families and effective public services.

What amendments, if any, should be made to the principles in the draft charter for the National Education Service?

11. The draft NES charter sets out ten principles. Colleges would be able to work with all ten, but we have some specific points on four of them:

- Principle 2 “Education that is free at the point of use, available universally and throughout life

For many college students, education is already free at the point of use. Between 1997 and 2010, the then Labour government ensured free education for all students under the age of 19 and those over 19 who were out of work, taking basic English and maths courses, Level 2 courses and their first Level 3 course up to the age of 24. Governments since then have protected these entitlements in law, but funding to deliver these commitments has been severely cut. Colleges have experienced nine years of public spending reductions since 2009. This has reduced the funding per student and forced real terms reductions in teacher pay and cutbacks in capital investment. We have concerns that the removal of fees for employers or those on higher incomes taking adult education courses might end up limiting the resources available for the other parts of the education service. We are also concerned that one side effect of removing university tuition fees might be a re-introduction of student number controls in a way that makes it harder for those from disadvantaged backgrounds to enter higher education.

- Principle 4 “All providers within the NES shall be bound by the principles of this charter”

Colleges have worked for the public good for decades and serve their communities in a number of ways. However, while their duties have increased, they also find more and more of their activity exposed to competitive procurement. The NES will benefit from a strong set of institutions (just as the NHS benefits from effective hospitals), particularly if they work together for the common good, but it would be unwise to allow a separate group of providers outside the service to access public funds without reasonable obligations.

- Principle 8 “the appropriate democratic authority will set, monitor and allocate resources”

For the last 25 years, colleges have been funded by and accountable to national government, but they have always worked closely with local councils at all levels. England has world-leading outcome and performance data, but the systems associated with these are expensive and intrusive. Colleges receive funds from government via six different funding lines and have five different regulators and inspectors plus close monitoring of their assessment activities by awarding bodies and of their finances by their banks. Any move to introduce new accountabilities needs to be accompanied by measures to rationalise existing systems otherwise colleges will drown in bureaucracy.

- Principle 9 “educators and all other staff will be valued as highly skilled professionals”

The college teaching workforce is different from the school teaching workforce and includes more part-time workers and dual professionals. Many colleges require their teachers to obtain teaching qualifications, but this was only a statutory requirement and government target for a few years under the last Labour government. There are several activities to improve professional standards and teaching practice, but a renewed government effort might help particularly if it is linked to measures to tackle the growing pay gap between school and college teachers.

What additional principles should be considered for the charter of the NES?

12. Ten principles should be sufficient.

What barriers currently exist to co-operation between education institutions and what steps can be taken to remove them and ensure that co-operation is a central principle of our education system?

13. There are several barriers to co-operation. It may require careful thought about what to prioritise:
 - There are unexplained funding differences between the pre-16, 16 to 19 and higher education funding systems which make little sense. Funding after age 16 at Key Stage 4 drops by more than 20% per student compared to funding up to age 16. There is £9,250 a year (less the money spent on access measures) for higher education students, but less than £5,000 a year for those taking A Levels or Level 3 technical courses. DfE has a large capital budget for schools, a modest capital budget for universities (who make enough money to fund their own investment) but no capital budget at all for further education.
 - The teaching workforce has been split four ways for decades between early years, schools, colleges and universities. The funding differences translate

into differences in pay and conditions which can sometimes create an obstacle to co-operation, recruitment and retention. Further education teachers are paid an average salary of £30,000 a year compared to an average of £37,000 in schools.

- There are technical and administrative boundaries and differences between schools, colleges and universities which owe more to history than to logic. Separate regulatory arrangements, measures of success, cultures and expectations exist in each sector alongside competition for the same students. There are some technical things that the DfE could do to improve the efficiency of the education system relating to data collection, land-use planning and funding.
- Over the last thirty years, policy has emphasised choice of where to learn, promoted competition between institutions, output based funding and public judgements against national standards via league tables and inspections. The English education system is fragmented, has various internal markets and is also quite innovative. The majority of those working in schools, colleges and universities have never experienced anything else which means it will be a big change of culture to make co-operation a central principle.
- Academic selection is used at various levels of education, including to assess large numbers of 11, 16 and 18-year-olds. At the same time, one effect of the strong role of GCSEs and A Levels in the system is to judge large numbers of young people each year as having failed in some way, either because of their low grades or because they did not take the qualification.
- State funded schools and colleges face competition from private schools that educate fewer than 7% of school-age pupils - but account for over 20% of entrants to more selective universities and a disproportionately high percentage of elite positions, thanks partly to their much higher fees. The strong position of private schools has an impact on local school systems and helps reinforce local hierarchies in which institutions serving more disadvantaged pupils and students generally sit at the bottom unless they compete effectively (with sufficient resources) to raise themselves up.

Through which channels and mechanisms should the public be able to hold educational institutions to account and how should this vary across different educational bodies?

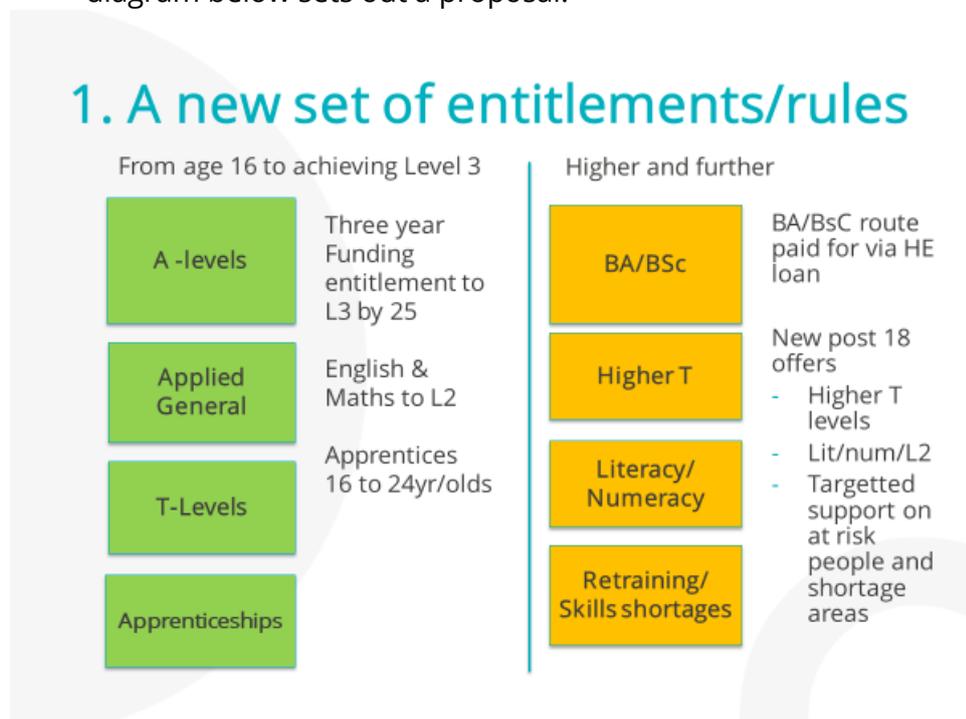
14. Colleges are held to account in several different ways:

- By their students, (whose enrolment decisions determine their funding);

- By employers and universities (whose decisions on those educated and trained by colleges contribute to their reputation);
 - By their governing bodies (which include student, staff and community representatives);
 - By five different regulators and inspectors;
 - In published performance tables;
 - In their financial statements;
 - By queries under the Freedom of Information Act.
15. The constant changes in policy, systems and qualifications make external accountability more complicated and less comprehensible than it needs to be. A system of parallel regulators covering schools, colleges and universities, with rules about mutual reliance and a more coherent approach on issues like data collection and oversight would help. In other words, reforms to Ofsted, the Education and Skills Funding Agency and the Office for Students.

What can we do to reduce the fragmentation of the education system and to move towards an approach that is integrated and promotes lifelong learning?

16. As we have explained earlier, the fragmentation of the system has deep seated causes. Delivering on the principles of the National Education Service will take time and will require changes to funding, incentives, penalties, structures and resources. One set of measures that will help would be a clearer set of entitlements and rules to focus activities in adult education and training. The diagram below sets out a proposal:



- **A drive to ensure no young adult is left behind:** A three year fully funded entitlement for young people to help them achieve Level 3 standard by age 25. A future Labour government should reverse DfE's 17.5% cut to funding at age 18. Efforts to ensure that all young people achieve Maths and English at Level 2 (GCSE) should continue, but with a more appropriate qualification and with the removal of the funding condition.
- **Apprenticeships:** should be refocused on the 18 to 25-year-old age group with public funding withdrawn for most adult apprenticeships. The 0.5% apprenticeship levy should continue, but national agencies and combined authorities should hold a share of the budget. They should use it to improve access, progression, training quality and to focus training on future skills.
- **Higher technical:** A new higher technical offer should be developed to provide an alternative route to a BA/BSc degree. This requires a national plan, national validation (perhaps involving the Open University), employer support and funding support. A future Labour government needs to invest to support the development costs of courses and also to remove disparities in the way that those taking courses at level 4 and above are supported.
- **Adult education** - Adult education and training needs to be revitalised to provide better support to people at risk from job loss and to help fill skills shortages. The devolution of budgets to seven combined authorities will give them a chance to try out new approaches, but there is currently too little money in the adult education budget and it is spread too thinly across too many courses and institutions. Devolution needs to be accompanied by some joint planning.

How do we achieve genuine parity of esteem between academic and vocational/technical education/ How do we improve outcomes for those young people who do not follow what is seen as the traditional academic route?

17. It will take time to change a deeply seated culture but there are a number of practical steps that a future Labour government could take that would make a difference:
- Government as an employer, funder of public services and regulator of many private sector employers should remove academic entry qualification requirements for jobs where these are not strictly necessary.
 - DfE should adjust funding and performance systems which promote academic over technical routes.

- Incentives aimed at schools which encourage them to promote sixth form and university should be removed.⁶

What can be done to ensure that the NES has the staff it needs, in particular with reference to the ongoing crisis in teacher recruitment and retention?

18. There are some measures that would help:

- Better pay (which implies higher funding, particularly in post-16 education)
- More efficient deployment of staff (for example fewer sixth form classes with less than 10 students)
- Reforms based on evidence rather than headline chasing
- A fairer system for judging institutional performance
- A stronger sense of purpose

Association of Colleges
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⁶ House of Lords Economic Affairs Committee “The economics of post-school education” 2018